



by Beate Becker

# The Creative Economy

A new idea is sweeping the region—the *creative economy*. At its core is a growing recognition that culture can not only enhance life and revitalize communities, but also foster new industries and employment.

In Portland, Maine, for example, Grammy Award-winning musicians may be seen arriving to work on CDs at Gateway Mastering & DVD. Bob Ludwig moved the company there from New York City in 1993, generating local jobs and helping to strengthen the city. Ludwig chose Portland for its beauty, accessibili-

ty, and quality of life, which is reflected in its fine restaurants and arts district, and in institutions such as the Portland Museum of Art and the Maine College of Art.

Portland has capitalized on such attractions with a purposefulness now seen throughout New England. Bangor in Maine, Pawtucket in Rhode Island, New Bedford in Massachusetts, and North Bennington in Vermont are

among the towns establishing arts districts and converting empty factory buildings to artist lofts and cultural facilities. Lowell, Massachusetts, for example, found that even after considerable infrastructure investment, a deliberate outreach to artists—with favorable zoning, affordable live-work space, and targeted financing programs—was the best way to breathe life into its deserted downtown.

## Studying the Opportunities

The New England Foundation for the Arts and the state arts agencies have long measured the economic impact of nonprofit cultural organizations. Additionally, the Massachusetts Cultural Council has since 1997 supported economic-development projects led by cultural organizations. But in

annual payroll of \$4.3 billion. At the time of the study, jobs within the sector were growing faster than in the New England economy as a whole, and cultural-tourism dollars amounted to an estimated \$6.6 billion. Today a New England Cultural Database lists more than 19,000 entities in the region's creative economy.<sup>2</sup>

In 2001, the Creative Economy Initiative produced another document, *A Blueprint for Investment in New England's Creative Economy*, which mapped a strategic action plan for developing what it called *creative clusters*, *creative workforce*, and *creative communities* in New England.<sup>3</sup> Many of the proposed initiatives have been carried out on state and local levels. The Vermont Council on Rural Development, for example, conducted statewide forums on culture and inno-

where public policy supports the growth of industries such as advertising, architecture, crafts, design, fashion, gaming, media, music, the performing arts, publishing, software, computer games, television, and radio.

## Types of Creative Industry

Maine is fostering creative clusters such as fiber arts and fabric architecture, literature and humanities, boatbuilding, and wood products. Last fall the governor led a trade mission to France with representatives from the boatbuilding, wood products, culinary, and tourism industries. Meanwhile, researchers at the Margaret Chase Smith Policy Center at the University of Maine in Orono are studying emerging creative clusters and assessing what policies and resources are best at fueling growth in the creative economy.

## Maine's efforts go beyond community revitalization and cultural tourism to include efforts to develop local creative industries.

2000 the New England Council and a regional coalition of businesses, state arts agencies, and cultural leaders introduced a new approach. They described it in a report called *The Creative Economy Initiative: The Role of Arts & Culture in New England's Economic Competitiveness*.<sup>1</sup>

In defining the creative economy, the Creative Economy Initiative (CEI) went beyond the nonprofit cultural sector and took into account the economic impact of private commercial enterprises and self-employed creative people. It also looked at cultural activities embedded in noncultural organizations and the value that creative skills add to industries such as tourism, manufacturing, and technology.

The CEI report found that New England's creative economy, thus defined, employed nearly a quarter of a million residents (3.5 percent of the region's workforce) and supported an

vation that, among other things, led to the recent launch of the Creative Community Program.<sup>4</sup>

The most comprehensive effort, however, is taking place in Maine, where Governor John Baldacci has made the creative economy a central part of his economic-development program. Following a statewide conference in May 2004, Baldacci appointed a Creative Economy Council comprising business, financial, cultural, and civic leaders.<sup>5</sup> In addition, there is a Creative Economy Steering Committee charged with addressing multiagency challenges such as getting alignment among housing, lending, and cultural interests in town centers.

Maine's efforts go beyond community revitalization and cultural tourism to include efforts to develop local creative industries. The state is following a path taken in Europe, the United Kingdom, Canada, and parts of Asia,

## Crafts

Future creative production capacity is often rooted in an area's economic and cultural heritage. Traditional occupations and know-how, along with new technologies and an understanding of contemporary markets led, for example, to the formation last year of Maine Built Boats, an industry association serving the 450 companies and 5,000 workers tied to boatbuilding.

MBB is stressing Maine's quality craftsmanship, maritime heritage, and cutting-edge technology to establish a global presence as it leverages group marketing power to compete with New Zealand in the luxury yacht market. The state is planning apprentice programs to develop boatbuilding skills, and it hopes that the craft will create a ripple effect in sail making and furniture.

Similar economic potential exists in the emerging textile and fabric-architecture cluster, which includes companies such as Angela Adams, Moss, Transformit, and Collabric. Many of the companies' women stitchers learned from their mothers and grandmothers and were formerly employed in the shoe, textile, and sail-making industries.

## Technology

But the creative economy is not limited to traditional crafts. New England's technological prowess provides ample opportunities for creative endeavors that involve digital animation, gaming, and sound engineering.

One pillar of the creative economy, WGBH in Boston, can lay claim not only to being the largest single producer of prime-time PBS programming, but also to fostering a community of independent filmmakers and producers whose work establishes New England as a leader in documentary and educational media production. The Massachusetts legislature, having recognized the value of those sectors, enacted a law in late 2005 to provide payroll, production, and sales-tax credits to film producers shooting in Massachusetts.

## The Role of Educational Institutions

Local creative industries also owe much to the region's strength in education. Most of New England's nearly 270 colleges and universities offer some type of training in the literary, visual, performing, and applied arts. Specialized schools such as Rhode Island School of Design, Massachusetts College of Art, Berklee College of Music, and Yale School of Drama draw students from around the world and train a creative workforce that applies its skills to a broad range of industries.

## Incubating

Additionally, educational institutions are often the prime movers and anchor tenants in downtown revitalization efforts. They may provide studios, incubator space, and business training for creative entrepreneurs. In Rhode Island, RISD and Bryant College jointly support the Center for Design and Business. Massachusetts has Salem State College's Enterprise Center, and Rockport, Maine, boasts the Studio Center for Furniture Craftsmanship.

Maine also has identified as vital components of its creative economy dozens of non-degree-granting arts and

crafts programs, such as Haystack Mountain School of Crafts and the Skowhegan School of Painting and Sculpture.

## Reaching out to Youth

Governor Baldacci says he is committed to the creative economy in part because it captures the attention of Maine's youth. He believes that the future depends on retaining young people and providing them with employment opportunities that are both personally satisfying and remunerative.

One exemplary model of a New England career-exposure and training program is Youth Design Boston, a partnership initiated by the Boston chapter of the American Institute of Graphic Arts in collaboration with the City of Boston and the Private Industry Council. Through the program, Boston public high school students are recruited for intensive summer internships with local design firms. The internships give young people demanding work experience in the creative economy while serving employers' needs.

Much has been accomplished since the concept of the creative economy was first introduced in New England. But the economic potential of these efforts will be realized only when the creative economy is fully integrated

into state and local economic-development agendas. Maine's comprehensive efforts in this area are setting an example for the entire region.

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## Endnotes

<sup>1</sup> *The Creative Economy Initiative: The Role of the Arts and Culture in New England's Economic Competitiveness* (The New England Council: June 2000), <http://www.creativeeconomy.org>.

<sup>2</sup> The database is sponsored by the New England Foundation for the Arts and the six New England state arts agencies. See <http://www.newenglandarts.org/db>.

<sup>3</sup> *The Creative Economy Council: A Blueprint for Investment in New England's Creative Economy*. The New England Council. June 2001. See <http://www.creativeeconomy.org>.

<sup>4</sup> "Advancing Vermont's Creative Economy: Final Report and Recommendations from the Vermont Council on Culture and Innovation," Vermont Council on Rural Development, September 2004, [www.vermont.net/~vcrd](http://www.vermont.net/~vcrd).

<sup>5</sup> See <http://www.mainearts.com/mainescrativeeconomy/conference/index.html>.

