Creative Vitality: The Creative Economy in a New Era

Creative Vitality Summit Pre-Conference Paper

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1 Introduction

WESTAF has a long history of conducting research on the economic impact of the arts and the creative economy. Our Creative Vitality Suite has become a distinctive tool for measuring the creative economy using a range of official statistics and a pioneering approach to comparing regional creative vitality, the Creative Vitality Index (CVI). WESTAF last brought together field leaders for a major convening to discuss the creative economy and state economic development in 2008. Over a decade later, in partnership with the National Creative Economy Coalition, NALAC, ASU Herberger Institute for Design and the Arts, Grantmakers in the Arts, and others, the Creative Vitality Summit brings together creative economy experts, economic development professionals, arts and culture leaders, solidarity economy advocates, and equity champions to share knowledge and practice in six interrelated areas:

- **New Economic Models and a More Just Economy**: An exploration of models and movements that seek to address economic inequality, while building community power and self-determination through the creative industries.
- **Mapping Creative Vitality**: A panel looking at how data and research can inform storytelling and how we might decolonize their application in assessing the impact of the creative economy.
- **Creative Vitality and Social Cohesion**: A discussion of how the creative economy can connect communities and interrupt displacement both locally and nationally.
- **Networks and Practice in the Creative Economy**: Once a more inclusive creative economy is framed, what communities of practice and cross-sector partnerships will be required to meet the evolving needs of the field?
- **The Future of Creative Work**: An exploration of the role that the creative worker can and should play in a 21st-century economy, and what policies, systems and supports are necessary for them to thrive in their practice.
- **Creative Economy Policymaking & the Future**: In the most urgent economic and environmental moment in history, how can the creative economy help to advance an equitable vision that can translate to policy and systems change?

The Creative Vitality Summit aims to:

- Develop diverse perspectives on the realities and potentials of the creative economy as an advocacy agenda, a policy area, and economic development strategy
- Catalyze cross-sector networks that can advance this work together as a more coordinated coalition
- Share insights and case studies that reimagine the creative economy as a force for positive change
- Consider the ways that creative economy data can support evidence-based policymaking
- Examine creative economy development as part of larger economic development and community development programs
This pre-conference paper is being offered as a provocation and a point of entry into a number of conversations happening within the WESTAF network, across the field, and in wider spaces. The following sections explore the ways in which the creative sector intersects with the solidarity economy and other alternative models. The paper also considers the paradox and potential presented by the creative economy as an agenda and a construct and invites debate on the future of this work.

The unique and unprecedented challenges brought on by COVID-19 both exposed and exacerbated an already inequitable creative economy, particularly for BIPOC creatives in the United States. Although this nation and the wider world is still in the grips of the economic fallout due to the pandemic, the creative economy – and the economy more broadly – now has an unparalleled opportunity to build a new and bolder system that is inclusive, just and restorative.

As part of a movement to push public policy and institutional strategies that confront unjust and extractive systems, this work seeks to fundamentally lead the creative economy into a new era that vigorously advances economic and racial justice and centers equity. This paper outlines the ways that cultural organizations, creative workers, and artists can begin to address causes, not just symptoms, of cultural inequity within the creative sector. While the sector looks to bravely build and radically reimagine the future, the following sections consider ways that it can contribute to civic prosperity and self-determination.

2  Precarity, inequity and the creative economy

Two major critiques of the current economic system are that it is (i) perpetuating increasing economic inequity locally and globally while (ii) creating social and economic instability for individuals and communities. Individuals face these challenges across societies and socio-economic conditions, and for many, the term precarity has come to define their economic realities and the conditions in which they work. As media studies researchers Michael Curtin and Kevin Sanson assert, "No longer can individual workers expect a single career; instead they must ready themselves for iterative change and persistent contingency as standard employment and its associated entitlements become artifacts of a bygone industrial era. Precarious livelihoods are indicative of a new world order of social and economic instability." These trends that Curtin and Sansan identified in the media industry are also features of the structure of many artistic and creative careers. Researchers have noted what many artists know through observation, “Artists are very likely to be self-employed, many of them working on contract or funded on a project-by-project basis.” Some have described growing precarity as an increasing casualness in the creative labor market, while others have noted that this style of working became truly normative in creative fields in the 1990s, particularly within the media industry.

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Precarity means more to people than simply managing a “permanently transitional” working life. For many, it means funding their own essential benefits and safety net; organizing their own professional development; creating project ideas on their own time; and maintaining relationships with gatekeepers (editors, producers, etc.) in order to secure work. So-called “creative freelancers” find themselves navigating these “project-based production systems” and building what were once called portfolio careers.

These types of labor market and working conditions have necessitated what many have come to call creative entrepreneurship, in which creative workers build enterprise structures (often microenterprises) that enable themselves individually and collectively to take ownership of their cultural production. Creative entrepreneurship, while a useful and sometimes empowering context, often valorizes the ability to manage precarity through strong networks, high levels of talent, education, and skills, and an entrepreneurial approach that are not necessarily as readily available to workers in other industries—migrant workers, domestic labor, service industry workers, grey economy labor—who face high levels of precarity as well. Holding up the figure of the artist and beyond that, the creative entrepreneur, as “pioneers of the new economy” can obscure the power dynamics and economic structures, which create precarity and depress wages for a large cross-section of people. Today, many call for artists and “creative workers” to become more aligned with independent, gig economy, and disenfranchised worker movements to build interest and political will to change public policy and industry practices in ways that better protect what has become the majority of the workforce.

The labor market is not, however, the only part of the creative economy (and wider economy) that many would like to transform. The creative economy has become an increasingly viable strategy and agenda within the domain of regional economic development, with one aspect of this agenda, creative placemaking, gaining significant traction in communities across the United States (and beyond). Both theorists and practitioners have touted creativity as a panacea to a range of economic and social challenges being experienced by communities across the country, leading to the implementation of public policy and other practices. But, as Mark Stern and Susan Seifert assert, “Public policy promoting the creative economy has two serious flaws: one, a misperception of culture and creativity as a product of individual genius rather than collective activity; and, two, a willingness to tolerate social dislocation in exchange for urban vitality or competitive advantage.” While gentrification is often the major critique of the creative economy in the context of “creative placemaking” and wider economic development strategies, some argue that the expansion of inequality is actually a more proven feature of the way that the creative economy interacts with communities. Researchers contend that this is in part caused by the high educational requirements of many, though certainly not all, creative occupations.

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6 Ibid.
9 Ibid.
3 Creative vitality in the new economy

The critique of the creative economy has understandably grown both stronger and louder. At the same time others rightly speak of “cultural vitality”, “arts vibrancy”, and creative vitality as the measurable or observable impact of arts and culture as a dimension of the everyday life of communities. This notion has been at the heart of community arts, social practice art, local arts strategies, and creative placemaking for some time. A new movement to integrate equity and social justice practice and values into the arts and culture field has emerged that takes this notion further, and can be called a new cultural economy. This new movement seeks to build on and reimagine existing, and, in some cases longstanding, community models like mutual aid groups, credit unions, permanent real estate cooperatives, consumer cooperatives, arts collectives and cooperatives, time banks, investment cooperatives, worker-managed nonprofits, community wealth cooperatives, community development financial institutions, community currencies, and others in shaping a new creative economy. The solidarity economy and creative vitality are relatively new terminologies for practices that aim to rebuild a sense of interdependence and self-determination that on one level enables individuals and communities to mitigate precarity and inequality and on another encourages them to build new economic models and realities that are rooted in the local, collective, and just.

To support the evolution of the creative economy agenda toward creative vitality, we need new tools to measure, evaluate, design, build awareness, and influence decision making. Creative economy researchers are currently involved in discussions about improving the quality of economic impact analysis; utilizing official economic data and descriptive statistics; expanding the use of data visualization techniques; and delivering actionable data to authorizers and decision makers. While laudable endeavors, these developments do not fully provide the information that those leading progressive reform seek. In recent years, efforts to measure and compare arts vibrancy and creative vitality have emerged, building on earlier models and indices produced by Richard Florida and other theorists. For those working in the solidarity economy and on hyperlocal strategies, new ways of using information and developing knowledge are needed that do not rely primarily on quantitative, particularly economic and financial, data. Cultural mapping, creative economy mapping, heat mapping, and culturally responsive Indigenous evaluation are all approaches that hold some promise as more holistic methodologies for considering the impact and value of the creative economy and various types of arts and cultural programming. While these forms of research will help to develop a richer narrative, a focus on equity supports a broader commitment to decolonizing research, evaluation, and impact in ways that decenter dominant systems. A decolonized approach both utilizes indigenous, non-Western, and vernacular strategies for interpreting and communicating information and disrupts a colonized worldview that focuses on growth and expansion by encouraging a focus on justice, wellbeing, and balance. Rather than representing a lofty abstract approach, applying a decolonization lens practically might mean, for example, shorter form reports, greater use of formats other than reports and the written word to convey

knowledge, and using cultural and community practices, including art, to share information with non-specialists.

Cultural mapping, defined as “a systematic approach to identifying, recording, classifying and analyzing a community’s cultural resources”\(^{14}\) has become a more common approach and one that is valuable because it takes an asset-based perspective and considers tangible and intangible assets ranging from landmarks and community sites to the traditions and stories in and of a community. The value of artistic knowledge and research needs to be acknowledged, for as Interarts asserts, “we shall only truly be able to mainstream artistic languages and knowledge as a key to sustainability in the dynamics of urban planning if we accept that such languages allow us to see reality through a different lens than scientific language, which they can complement and even question.”\(^{15}\) New ways of seeing and knowing support a different understanding of the value of the creative economy.

As people imagine what new economic models will emerge from the reordering of the environment precipitated by the pandemic and a racial reckoning in the United States, the very notion of the creative economy is also being reshaped. While some argue that “different forms of creativity deliver social values as they help increase human resilience,”\(^{16}\) a whole new model for describing the contours of the creative economy has emerged that focuses specifically on its contributions to social cohesion in four areas: Place attachment, Social capital, Civic engagement, and Mindset (We-making).\(^{17}\) This model of the creative economy stands in contrast to the emphasis on jobs, earnings, industries, demographics, and direct and indirect economic impact as captured by many of our existing models. For those who prefer to think of this work in terms of social impact, culture can, as the OECD argues, “help mitigate factors leading to social and economic marginalization” and stands as a “precondition for more cohesive and inclusive societies.”\(^{18}\) While this entire reconceptualization of the creative economy holds promise in our current transformational moment, there are even more practical models that help those who are shaping investments in the creative economy to do so through a values-based approach. For example, Upstart Co-Lab has redefined the creative economy for impact investors by focusing on aspects that support ethical fashion, sustainable food, social impact media, and creative places.\(^{19}\) This focused interest on the alignment of investments with pro-social and pro-community aspects of the creative economy is very different from a focus on creative jobs, creative industry sectors, and innovation viewed from a purely business-oriented lens. For those looking to influence larger systemic and structural change, “a cultural strategy for belonging” as described by the Haas Institute at UC Berkeley holds great potential as a framework for imagining a more inclusive creative economy, particularly in “align(ing) with efforts


\(^{17}\) Ibid.


for material, political, and social change.” Belonging has become a critical concept for the moment that incorporates and in many ways moves beyond the frame of diversity, equity, and inclusion.

4 Co-designing a new vision of the creative economy

As the United States moves toward a post-pandemic world, states and regions across the country are dealing with economic and social dislocation caused by unprecedented unemployment rates, record-breaking business closures, and system disruptions on a global scale. A recent study found that in 2020, 7.8 million Americans were thrust into poverty because of the recession induced by the pandemic, raising poverty rates by 2.8%. A growing body of research has made it clear that the creative sector has been, and continues to be, one of the hardest hit sectors as a result of COVID-19. While creative organizations and businesses begin to open back up and the public returns to in-person events again, trends indicate that the creative sector is recovering much more slowly than peer industries. An impact study conducted by American for the Arts in August 2021 summarized the toll the pandemic took on the creative economy, and the numbers are bleak. Since the beginning of the pandemic, arts jobs have decreased by 16% (2.5 million to 2.1 million); 95% of the arts workforce lost revenue during the pandemic, with 63% eventually suffering unemployment; arts and culture nonprofits across America experienced approximately $17.97 billion in financial losses. Prior to COVID-19, the creative sector was responsible for $919.7 billion, or 4.3%, of the gross domestic product (GDP) in the United States according to U.S. Bureau of Economic Analysis (BEA). As a country, we are confronting one of the worst economic crises since the Great Depression and the outcomes disproportionately affect Black, Indigenous, and People of Color (BIPOC) communities. These communities make up nearly a third of the creative economy workforce and 24 to 40% of the U.S. population. According to Creative Vitality SuiteTM demographic data (), in 2019, 0.1% of creative occupations were held by Hawaiian or other Pacific Islanders, 0.3% by American Indian or Alaska Natives, 2% by two or more races, 5.9% by Asians, 7% by Black or African Americans, 11.8% by Hispanics or Latinos, and 72.8% by Whites. BIPOC people make up less than a third of creative occupations.

Because creative industries are vital to state economies across the country and support economic recovery, it is imperative that creative workers get back to work as soon as possible to reduce further harm. Amid such large deficits plaguing the arts and culture sector, solutions

must prioritize sustained and multidisciplinary recovery strategies over short term, band-aid solutions. As mentioned earlier, recovery should center creative workers who are purposefully excluded by structural barriers of racism or discrimination, and those most affected by the economic downturn should be permitted to equitably contribute to the reimagining and fundamental restructuring of the new and expanded creative economy.

There are multiple paths forward for policymaking in the creative economy, both in the United States and internationally. The Organisation for Economic Co-operation and Development (OECD) has developed a set of broad policy recommendations that can leverage “the social and economic impacts of culture” in the context of economic recovery; they recommend that nations:

- Upscale the innovation capacity within CCS (the cultural and creative sector) and support innovation crossovers with other sectors
- Address digital gaps to help emerge new business opportunities
- Improve CCS access to finance
- Integrate cultural and creative sectors into broader regional and local recovery strategies.24

All of these recommendations are reasonable paths forward in a broad sense, especially for those who work in the context of supporting creative businesses to encourage entrepreneurship and innovation. There are, however, other arguably more radical and transformative policy actions that are being advanced. Offering universal basic income; extending worker protections and social insurance programs to freelance arts workers and others working as independent contractors; and supporting forms of collective action for independent workers are some of the many policy proposals being offered by those who see the need and opportunity to use this political moment to drive fundamental reforms that would improve the “social contract” for artists and creative workers.25 For those with a focus on equity and belonging, increasing the minimum wage; expanding tax credits; using policy to encourage racial and economic integration within neighborhoods; and a range of other policies are being advanced. This spectrum of policy options offers strategies for those of varying political orientations and positionality within and outside of the creative sector; it allows them to identify and advocate on behalf of a set of issues that resonate with their outlook and values. Many of these policies also represent opportunities for change at the state and federal level and utilize the mechanisms and processes of government. The solidarity economy movement offers a set of strategies that can indeed utilize public policy as a mechanism but are often much more about community-based organizing and systems of ownership that center the agency of individuals and communities more than politics and policymaking. The legal and regulatory environment (for example new types of enterprise formation or investment and financial rules) can also be important to the new (and old) types of structures being built that place ownership in the hands of artists and communities. The political system needn’t be the only tool used in pursuing systems change, for even at its most participatory, it largely still upholds a top down approach to decision making. The environment

can certainly be made to be more supportive of the working lives of artists and creatives; greater small business support could be offered to creative businesses and nonprofit organizations; and working conditions can be improved for self-employed, contract, part-time, and gig economy workers through policy change. But, artist-led, community-based solutions and structures (supported by the public sector, private philanthropy, and in some cases private investment where appropriate) hold particular promise in generating new economic models that are more just by design.

It is the hope of this convening to explore these concepts and their intersections over the two days together. If successful, this can inform an ongoing community of practice that can offer ongoing support, collaboration and thought leadership for the field in reshaping how we approach the advancement of the creative economy to be more equitable, community-centered, and just.