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## Arts and Economic Development

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Center for Economic Development  
Maxine Goodman Levin College of Urban Affairs



# Arts and Economic Development

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Levin Research Conference

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# Presentation Overview

- Research Project – Community Partnership for Arts and Culture
- Role of Arts as an Economic Development Mechanism
- Research Questions
- Methodology
- Typology
- Quantitative & Qualitative Description
- Economic Impact



# Arts as an Economic Development Mechanism

## Role of the Arts:

- Stabilize and redevelop neighborhoods
- Youth engagement
- Economic impact
- Creativity and innovation
- Penetrate in other industries and occupations
- Arts sectors involve more than just “arts” organizations



# Research Questions

## VACD= Visual, Arts, Craft & Design

What is the economic impact of the VACD sector on the local economy?

- What constitutes the VACD sector in Cuyahoga County – composition of industries and occupations?
- What characteristics help describe the sector now and its dynamics over the last decade?
- What industries, components, and types of products are significant to the vitality of the Cleveland VACD sector?
- Which unique properties of the Cleveland VACD sector make it thrive and contract?
- What challenges is the Cleveland VACD sector experiencing?
- What are prominent examples of success in the Cleveland VACD sector?
- What economic impact do the Cleveland VACD sector and its components create for the local economy?



# How to Measure Arts as an Economic Development Mechanism – **Mixed Methods**

## Literature Review:

We reviewed over 36 articles and studies on

- Arts as economic development
- Arts and its economic impact

to create and determine the best methodology for our assessment of arts as an economic development mechanism in Cleveland.



# How to Measure Arts as an Economic Development Mechanism – **Mixed Methods**

## Quantitative

### Secondary Data:

- Establishment Level data on employment and wages (QCEW)
- Occupational level data on employment and median yearly salaries (BLS OES)
- Individual databases based upon subject
  - Other public databases and sources (Hoovers, Reference USA, magazines, and websites)
  - Social network searches (Facebook, MySpace)



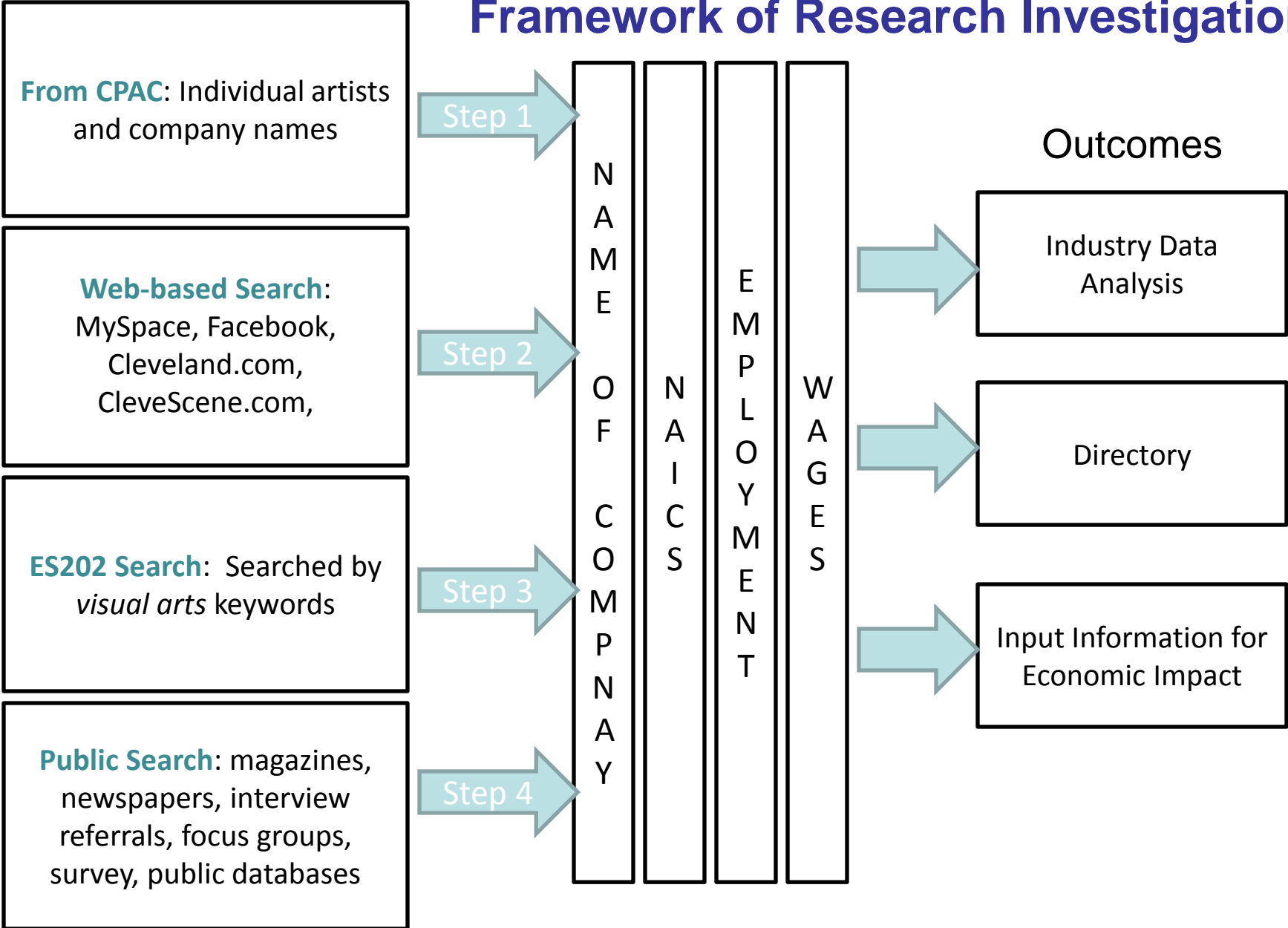
# How to Measure Arts as an Economic Development Mechanism – **Mixed Methods**

## Qualitative

1. Individual Interviews
2. Focus Groups
3. Surveys
  - Online of amateur artists to best gauge earnings and expenditures of “part-time” artists not formally in the business sector
  - In-person intercepts of artists in the informal sector to best gauge engagement in sector, typology, and earnings
  - Phone survey of Galleries to assess sector, their perceived role in sector and the changing nature of galleries in the visual arts domain.

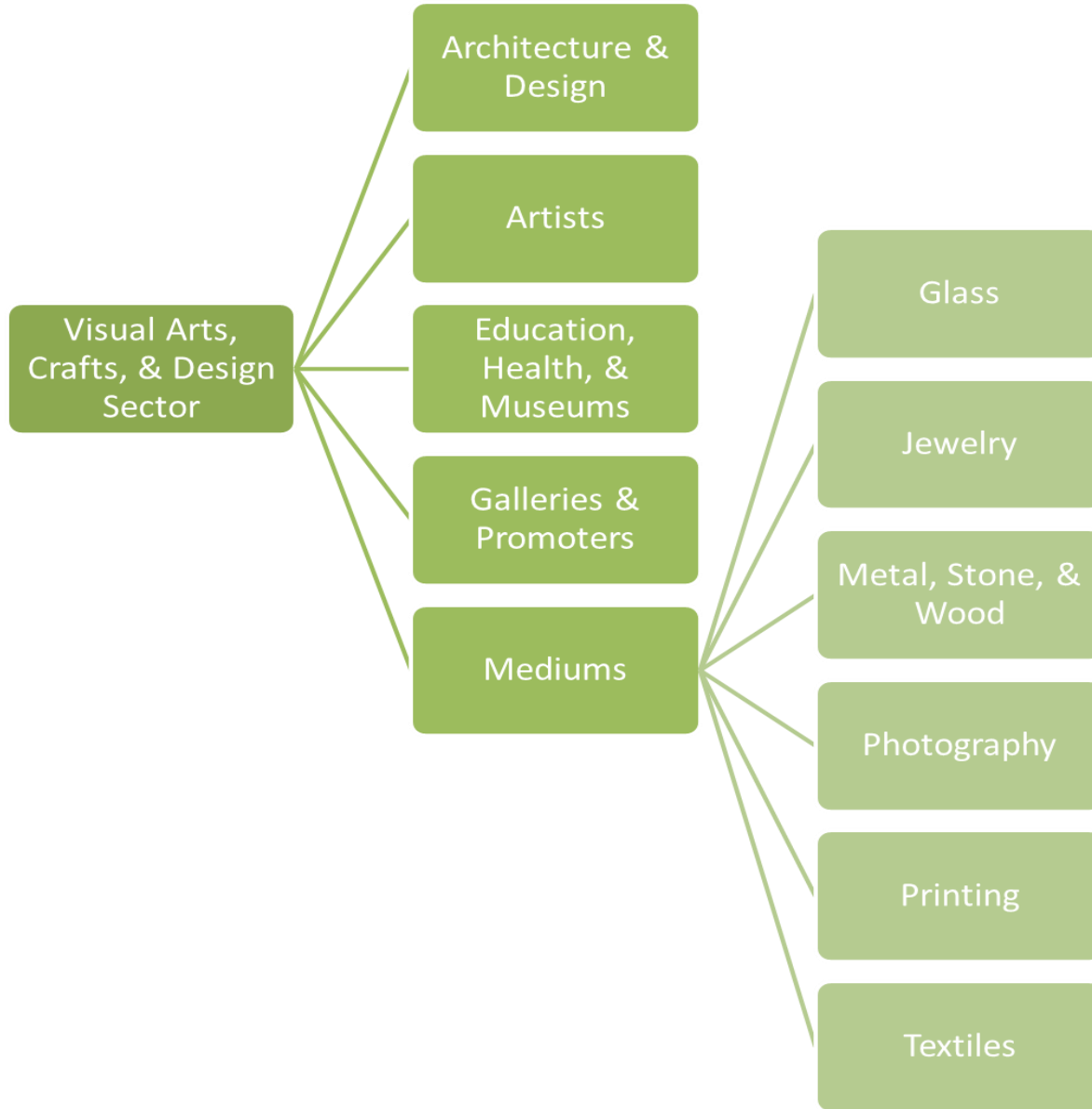


# Framework of Research Investigation



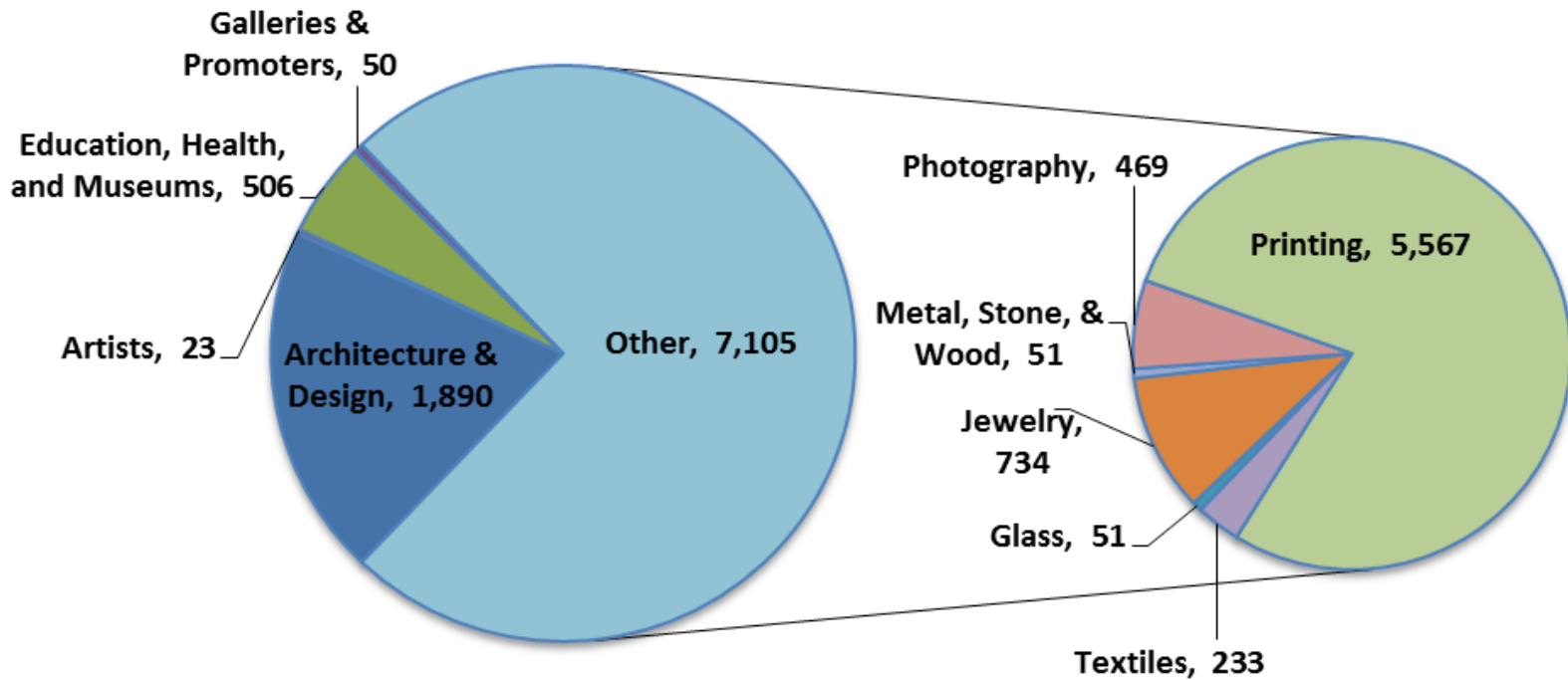


# Typology of VACD Sector





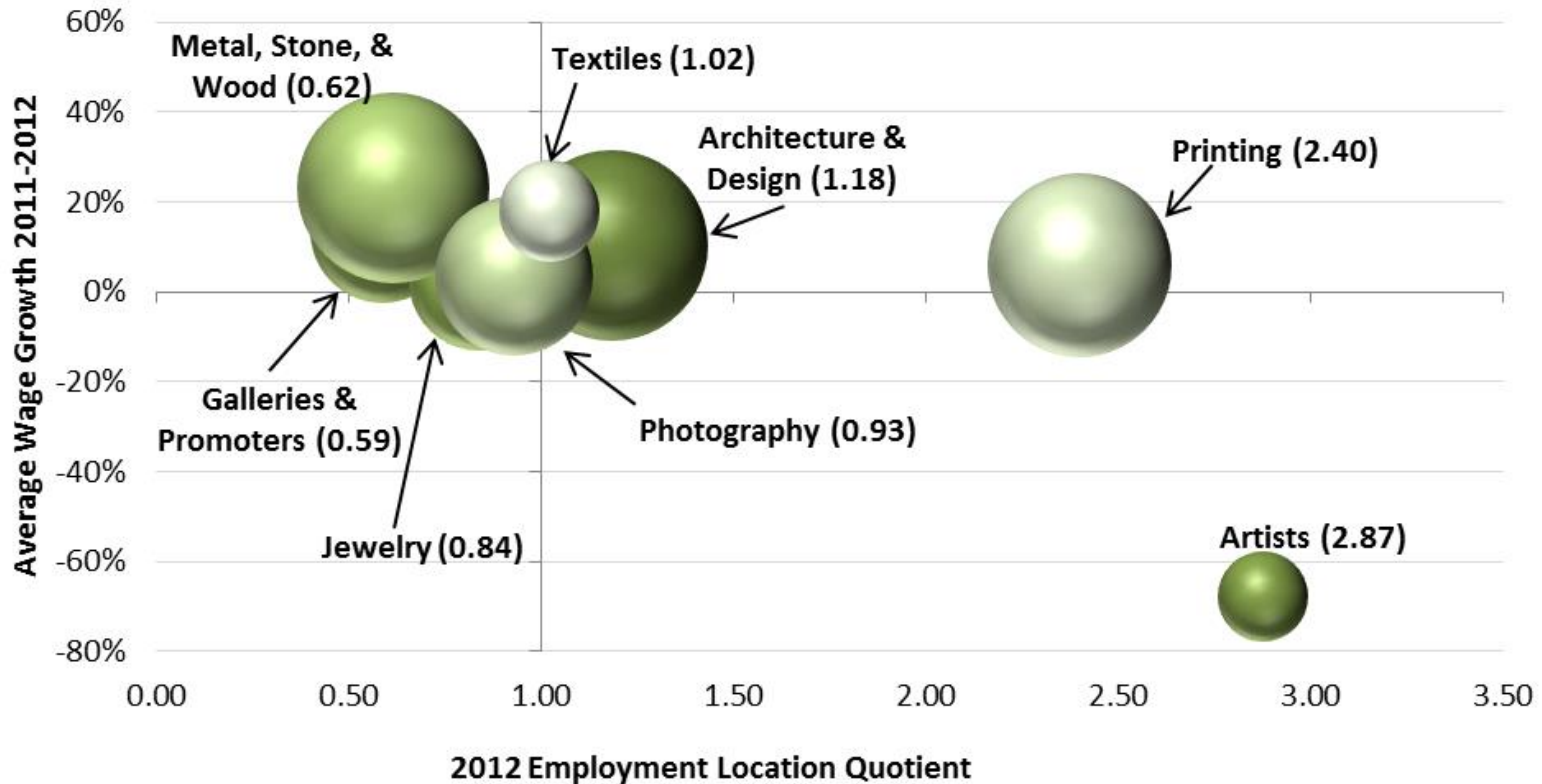
## 2012 VACD Employment by Subsector in Cuyahoga County



Total: 9,573 employees



## Employment Location Quotient and Average Wage Growth of the Cleveland VACD



Source: Quarterly Census of Employment and Wages (QCEW)

Note: All data adjusted to 2012 dollars using CPI average for US cities, Midwest for Ohio, and Cleveland MSA for Cuyahoga County. In addition, the subsector *Education, Health, & Museums* is not included in Figure IV due to data suppression.



## Respondent Words to Classify the Arts Scene





# Economic Impact of the Cleveland VACD Sector, 2013

Impact Type	Employment	Labor Income	Value Added	Output	Tax
Direct Effect	9,707	\$491,254,691	\$760,047,355	\$1,794,410,357	\$135,415,475
Indirect Effect	4,460	\$269,272,489	\$412,907,991	\$639,315,215	\$75,721,066
Induced Effect	3,677	\$174,389,430	\$297,455,644	\$469,642,477	\$62,750,114
Total Effect	17,844	\$934,916,610	\$1,470,410,990	\$2,903,368,049	\$273,886,655



# Prominent Examples of Success in the Cleveland VACD Sector

1. *MOCA Cleveland: Sturdy, Dynamic, & Stylish* – The Museum of Contemporary Art (MOCA) Cleveland
2. *Tremont: Creative Placemaking* – the Tremont neighborhood
3. *St. Clair Superior: Creative Reuse* – the St. Clair Superior neighborhood
4. *Public Art: Placemaking in Action* – public art in Cleveland
5. *Artist Activists: Heightening Social Awareness* – Donald Black, Jr. and Mimi Kato
6. *CAN Journal: Pressing for Change* – The Collective Arts Network (CAN) Journal
7. *Dan Cuffaro: Remaking the Regional Economy* – designer, educator and businessmen Dan Cuffaro
8. *Cleveland CycleWerks: Starting Up* - motorcycle manufacturer Cleveland CycleWerks



# Looking Forward...

## Challenges

- Consumer Base Expansion
- Art Neighborhoods
- The Grassroots Nature and Authenticity of Cleveland's Art Neighborhoods
- Neighborhood Revitalization
- Dispersed Location of the Visual Art Scene
- Lack of Communication
- Sector in Transition: Changing Landscape of the Art Market
- Digital Products
- The Small Business of Visual Artists
- Art Galleries
- The Millennial Generation
- Public Art

## Opportunities

- Stimulating Local Demand and Growing Pool of Customers
- Encouraging Asset-Based Development
- Sustaining and Growing Support
- Fostering collaborations and closing communication gap