
Arts & Design as Economic Development

*Globalization and Restructuring
in Rural America*

June 6, 2005

USDA/ERS, Washington, DC



What was noticed and what was missed in Third Italy



- Sabel saw cooperation and division of labor
- Porter discovered rivalry and specialization
- Putnam found social capital
- None, however, paid much attention to uses of art, design, and culture

Conditions have changed

- 1960s & 1970s “Making things cheaper”
Advantage is Cost
Division of labor, MTS, mass production
- 1980s & 1990s “Making things better”
Advantages are Quality and Speed
TQM, JIT, flexible specialization, automation
- 2000s “Making better things”
Advantages are Aesthetics and Authenticity
Design, innovation, uniqueness

Design and quality control in the 1960s



"Creative enterprises" are firms in which



- Art, culture, or design *is* the product
- Art, culture, or design is *the distinguishing feature* or competitive advantage of a product or company
- Art, culture or design *defines* a service



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Incorporating Art & Design (1)

To appeal to consumer taste

- Artisans Doors
- Alessi
- Kohler Co.
- Apple
- Munro Shoes
- Bang & Olufsen



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Incorporating design (2) *Creating unique identity*

ACEnet works with artisans to create high value ag-based growth by using art, design, and stories to give their products a special identity.



Incorporating design (3)

Identity through association

“Winzeler Gear’s success is based on combining “our ‘manufacturing art’ of creating precision molded gears with the power of strategic business partnerships.”

**Winzeler Gear, in
Harwood Heights, IL**

Winzeler Gear Company



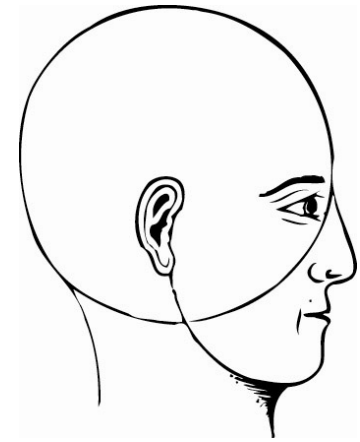
Two measures of creative economies

- People: Creative workforce
SOC
- Industry: Creative companies
NAICS, SIC

*where concentrated and/or
specialized, they define a
"creative cluster"*

Clusters are right brain views of economies

...a geographic concentration of interrelated companies and institutions of sufficient scale to generate external economies



Produces a whole that is greater than sum of its parts

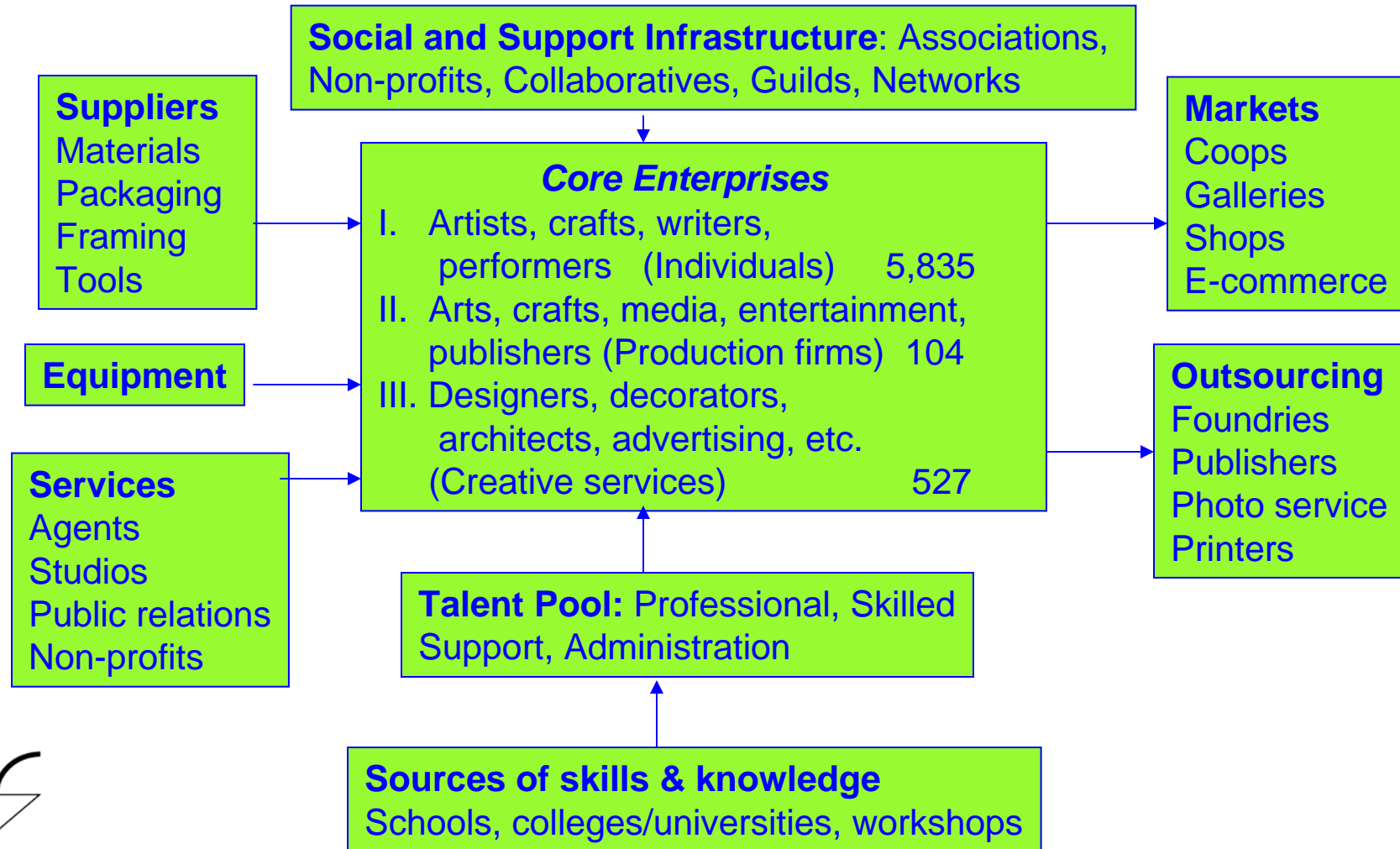


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Montana's Creative Enterprise Cluster (Economy)



Creative enterprise clusters are nearly always undervalued

- Large part of creative economy is:
 - suppressed
 - self-employed
 - non- or under-reported
 - misreported
- Large part is embedded in other industries



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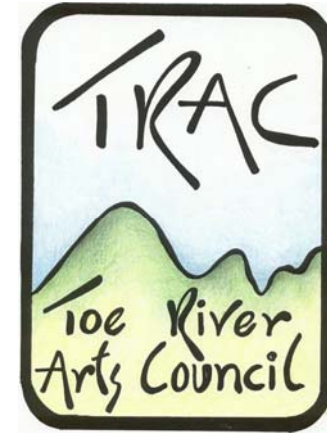
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% self-employed in some of Montana's creative enterprises

NAICS	Sector	Employees	Self-employed	% S-E
54131	Architects	587	157	21
5414	Design service	360	331	48
5418	Advertising	363	262	42
45322	Gift stores	970	292	23
8412	Museum,gallery	236	182	44
7115	Artists, writers	0	1,970	100



Artists, performers, artisans: Toe River Valley of North Carolina



Data Source	Number
Companies	0
Non-employer data	122
Occupations	150
State arts council list	175
Local arts council list	388

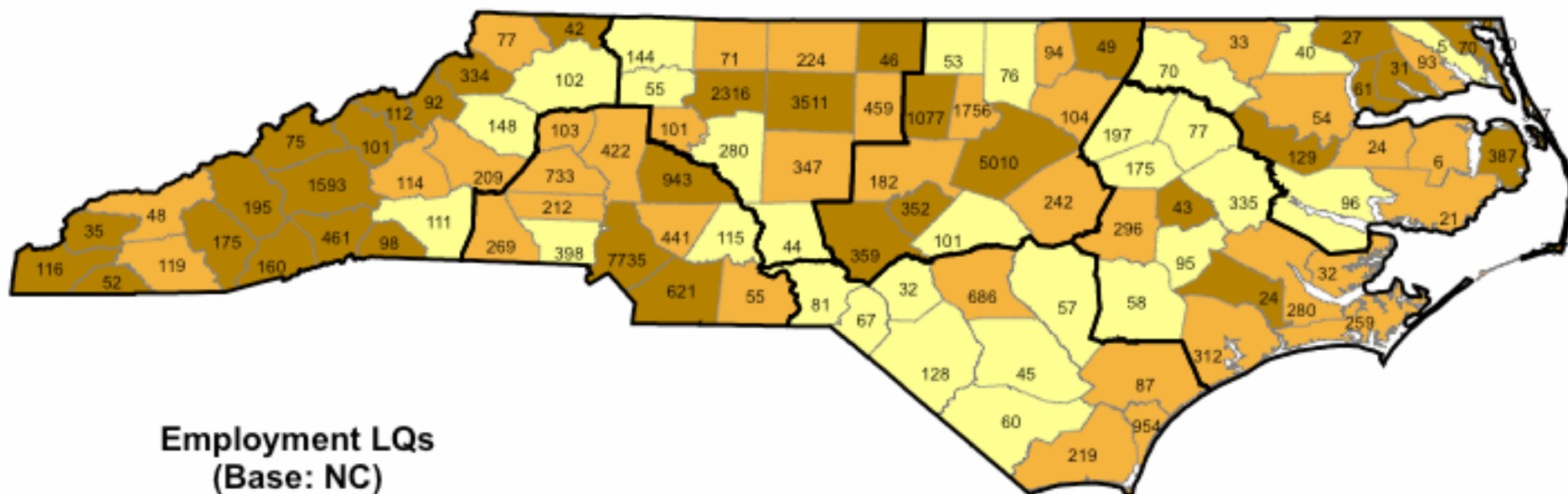


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Creative Enterprise Cluster Employment (Core Cluster): Total Employment and Employment LQs



Industry comparisons in North Carolina

<i>Sector</i>	<i>Employees 000s</i>	<i>% of all</i>	<i>Firms 000s</i>	<i>% of all</i>
Creative enter. (n)	41.8	1.2	19.3	2.7
Creative enter. (b)	110.0	3.1	32.2	4.5
Furniture	61.9	1.7	1.3	0.2
Biotech	41.5	1.2	0.4	-
Computer & elect.	41.2	1.1	0.6	0.1
Transportation equip	33.0	0.9	0.5	0.1
Apparel	30.8	0.9	1.1	0.2



Examples of other places where firms cluster around the creative content of goods or services

- Maniago, Italy (cutlery)
- Lahti, Finland (fine furniture)
- Yancey/Mitchell Counties, NC (crafts)
- Sassuolo/Fiorano, Italy (ceramics)
- Smaland, Sweden (glass)
- Santa Fe/Taos, NM (art)
- Portland, OR (graphic designers)
- Elkins, WV (music)
- Belluna, Italy (spectacles)



Massachusetts' Northern Tier

- Mass MOCA (Museum of Contemporary Art)
- Williams College of Art Museum
- Historic Deerfield-New England history & art
- 1794 Meeting House
- Greenfield Community College
- Contemporary Artists Center (North Adams)
- Hallmark Institute of Photography
- Sterling & Francine Clark Art Institute
- Berkshire Creative Resource Center



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Ingredients for Success

1. **Critical mass of talent**
2. **Associative behavior/social capital**
3. **Priority in educational system**
4. **Valued by economic development agencies**
5. **Accessible business support programs and organizations**
6. **Design-oriented industry base**
7. **Business-oriented arts and crafts base**
8. **Finding a niche**
9. **Adequate resources**



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Selected benchmark practices

- *EnergyXchange* in western NC uses methane from six acre dump area powers glass and ceramic studios, horticulture, galleries, visitor center.
- *Finlandia College* in Michigan's Upper Peninsula has design agreement with a Finnish Design college to introduce art, design, into local wood/furniture companies.
- *Cultural Enterprise* in Wales provides business mentors, development finance, free information.
- *Designing Furniture* in Western Australia, teams artists with furniture companies, offers artist residencies, TAFE based training exhibitions, works w/CraftWest.



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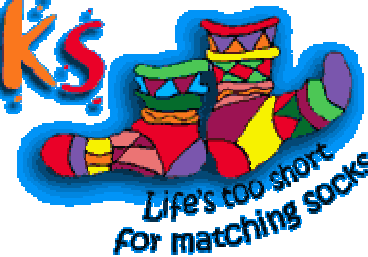
Sol Mate Socks

Mismatched with Care in Vermont



sock shop

Come on in and check out all the different kinds of Sol Mate Socks, and find out how to place your order online!



the sock story

Who's this Sock Lady? Why are they called "Sol Mate" Socks? How does she make them so comfortable?



sock talk

Have a favorite pair of Sol Mates? ...a favorite Sol Mate story? Share it with us!

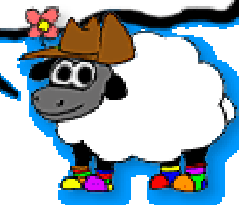


business info

Please click here for information on distributing Sol Mate Socks or having them be part of your next promotional event.

G'day!!

Check out the Socklady's **Sol Mate Socks**. There are lots of different kinds, all made from the finest Australian Merino wool. So come on in, and **treat your feet!!**



email the socklady!

She'd love to hear from you.
Drop her a note any time!

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Roles for Community Colleges

- Integrating art& design into technical programs
 - Helping manufacturers move upscale
 - Developing and supporting artisan enterprises
 - Creating economic opportunities for marginalized populations
 - Expanding the cultural resources base of community
- Establishing a lead college of art & design**



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Creativity and Steel: Can a college weld together an economic impact?

Bellingham Technical College, Washington



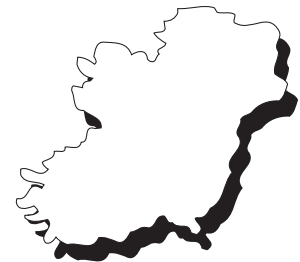
Idea: A thematic emphasis on welded metal sculpture and value-added metal manufacturing to strengthen economic opportunities in entrepreneurialism, manufacturing, and tourism in our community.

Vision: Bellingham will be recognized as the Northwest's center for welded metal sculpture and creative design for manufactured metal products.

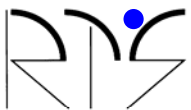
Furniture College at Letterfrack: Galway-Mayo Institute of Technology



- Initiated by Community-Based Rural Development Center to introduce Scandinavian design principles (and imagination) into the Irish furniture industry
- Integrate art/design with production technologies
- Certificate & degree programs in furniture production and management
- Home of Irish Furniture Technology Center
- Supports new enterprise development
- Seminars for industry



<http://www.gmit.ie>



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Changing the terms of economic development

Comprehensive approach

- Crafts, Garden Trails
- Institute for Creative Economy
- Apprenticeships
- Integrating design in construction
- EnergyXchange
- Craft registry
- Handmade “Holidays”



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