A new report has just been released that documents the significant impact the arts and culture industry has on North Carolina’s economy. Many people may be surprised to learn that nonprofit arts and culture generates well over a billion dollars of economic activity annually. The release of the report highlights the value of cultural assets as part of an assets-building approach to community economic development. Investing in and supporting cultural assets not only engenders the type of environment attractive to the “creative class,” but it also, as this new report demonstrates, provides economic benefits for the here-and-now.

A summary of the new report titled *Arts & Economic Prosperity IV: The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in North Carolina* can be found on the NC Arts Council website here. Highlights include the finding that nonprofit arts and culture generates $1.24 billion of economic activity annually in North Carolina. This industry is also responsible for 43,605 full-time equivalent jobs in the state. And the economic activity from the arts generates $119 million in state and local revenue.

Arguments have been made for some time about the rise of the “creative class” as an engine for regional economic growth and innovation. Richard Florida’s seminal work on the topic was originally published in 2002. Florida argues that “places that succeed in attracting and retaining creative class people prosper; those that fail don’t.” His argument is based on substantial demographic and economic data, and while there are some fair criticisms of his research, the basic idea of the growing importance of the creative class and arts and culture to economic development is widely supported. And even if one questions the broader implications of the creative class thesis, the new study on arts and culture in North Carolina demonstrates tangible direct impacts that should not be ignored.

However, I am more interested in the broader implications, the potential second and third order effects of investing in and support the artistic and cultural assets in communities and regions. I am currently reading Daniel Pink’s bestseller *The Whole New Mind*, which persuasively argues that “right-brainers will rule the future.” He argues that we are moving into a conceptual age that elevates the importance of creativity and by implication underscores the importance of arts education in schools, for example. Pink was a keynote speaker at the Emerging Issues Forum in 2010, which I attended and also wrote a blog post about. The Institute for Emerging Issues has some good information on creativity in North Carolina on its website, including follow-up work that has been done since the 2010 forum. Also included on that site is a guide for community conversations on the importance of creativity and innovation in communities.

Bringing this back to the report on the nonprofit arts and culture industry in North Carolina, the report, Daniel Pink’s work, and Richard Florida’s work, all point to the importance of community investment in arts and culture, for good economic reasons here-and-now, but also for the long-run in the sense of developing “right-brain” abilities in our citizenry and also creating the kind of community culture that attracts and supports the creative class. Yet with the fiscal pressures on state
and local governments, these kinds of investments may be seen as a luxury. As counties and school boards look at cuts in K-12 education budgets, for example, will the arts be seen as expendable? As cities continue to tighten their belts, are grants to nonprofit arts and culture organizations on the chopping block? The arts have historically been viewed as somewhat a luxury and have often been the first to suffer when fiscal times are tough. But given what we know about the short-term (dollars) and long-term (developing right-brain skills) economic benefits of the arts and culture industry, is this view outdated? Daniel Pink certainly thinks so. What do you think? Are communities in North Carolina sufficiently supporting the nonprofit arts and culture industry? Are students in our K-12 schools getting the kind of exposure to the arts they need to develop right-brain capacities so they can be successful in this new conceptual age? Are communities adequately investing in and leveraging artistic and cultural assets for community economic development?