

Why invest in the arts now?

MARTA WEBER | GUEST OPINION

Challenging economic times like these mean a general belt-tightening for businesses large and small. Priorities change; budgets jettison nice-to-haves. However, some moves to 'economize' are counter-productive. Business analysts caution against abandoning forward-thinking, strategic planning in favor of shortsighted survival tactics. The need to make wise investments for future returns does not go away; indeed, strategic investing for current and future prosperity becomes even more necessary.

The business argument for strategically investing in the arts and cultural industries, often collectively termed "the Creative Sector," is sound. (Some of the Creative Sector enterprises are commercial ventures, but many are not-for-profit entities that rely on public and private contributions to augment their own earned income.)

Historically, there has been a tendency to think that support of the arts represents a luxury or simply a charitable contribution, or that communities' investing in the arts means opting for cultural benefits at the expense of economic benefits. However, major studies at the national, state and local levels have conclusively and dramatically demonstrated that the arts are "an industry that generates extraordinary economic activity, jobs and tax revenue."

The local economic impact of the creative sector is significant. The University of New Mexico's 2007 Bureau of Business and Economic Research study reported, "Arts and cultural industries generate \$1.2 billion in revenues, \$413 million in wages, and 19,500 jobs, totaling 6 percent of all employment in Bernalillo County. Half of this activity is funded by dollars from outside the region, generating both economic growth and opportunity." The report not-

ed, "Today a vibrant art and culture sector is crucial to attracting and retaining a talented labor force and creating an environment conducive to innovation."

The value proposition for business

Economic studies of the arts' impact have found that in city after city, arts event attendees spend a sizable margin for dinner, adjacent retail, parking and other venue-related goods and services, beyond the cost of admission to the event.

"Few other industries can claim to generate so much 'event-related spending,'" says the research vice president at Americans for the Arts.

In addition, the vibrancy of the creative sector is at the core of successful urban revitalization. Further, arts and cultural events represent some of the most compelling magnets for tourism.

Larger businesses and corporations benefit from the creative sector in no less direct, though broader ways. They and their communities are increasingly competing for top business talent. Business organizations seeking to attract the most innovative and skilled talent must offer quality of life benefits to individuals and their families. Successful businesses recognize how they benefit directly from community environments that foster innovation. It is well established that the arts substantially foster that milieu. For Albuquerque and the region it anchors, the ability to attract the most desirable high-brainwave, low-carbon-footprint businesses is vital to our economic future.

Ensuring the ROI

Businesses should view supporting the creative sector as a "self-interest investment." In deciding where in the arts to invest, businesses need to apply a multilevel perspective, aligning the arts and cultural enterprises under consideration with their

own missions, their scope and scale, and their status as members of the community. They should make full use of the networking opportunities provided by patronage of arts and cultural enterprises.

Businesses need to see a direct return from their investment in the arts. Advertising opportunities can be one of the most obvious benefits. Businesses should require appropriate, public recognition of their support. They might also explore partnering with arts venues to create special marketing and other promotions for themselves. Major business supporters of arts venues and programs should expect to collaborate with specific arts programs in conducting special events for their boards, top management, staffs and customers.

The bottom line

The creative sector is a vital economic driver in communities, a growth industry that supports jobs, generates commercial and government revenue, provides a key cornerstone of tourism and makes substantial contributions to the quality of life in the community. Its continuing health is a core element of community and local business prosperity. Because so many of the creative ventures depend upon public and private contributions, along with earned income, businesses will be asked to contribute to them, not merely as support, but as a wise and prudent investment whose ROI cannot be duplicated in any other realm. The Albuquerque business community enjoys a unique investment opportunity in the arts. We should not squander it.

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