



Existing Conceptual Models of Arts and Culture: An Inventory

Thomas G. Johnson
January 2019

Acknowledgements

This paper benefited from contributions of several people. Valuable comments were received from Sam Cordes, Chuck Fluharty, Tim Wojan, Sunil Iyengar, Felicity Kelliher, Linda Essig, and Lori Pourier. However, all errors and omissions in the document are the sole responsibility of the authors.

The opinions expressed are those of the authors and do not represent the views of the reviewers, the National Endowment for the Arts Office of Research & Analysis or the National Endowment for the Arts. The National Endowment for the Arts does not guarantee the accuracy or completeness of the information included in this material and is not responsible for any consequences of its use. The Rural Cultural Wealth Research Lab is supported in part by an award from the National Endowment for the Arts (Award#: DCA 2017-04).

About RUPRI

RUPRI was created in 1990 by a bipartisan group of US Senators, seeking to develop an external, non-partisan policy research institution to address the rural differential impact of public policies and programs. Currently housed in the College of Public Health at the University of Iowa, RUPRI's research credibility and policy relevance derive from a collaborative research and policy analysis approach, which connects a select cadre of our nation's leading scholars and practitioners, wherever located, to build teams with a common commitment to research excellence and policy and practice relevance.

RUPRI provides unbiased analysis and information on the challenges, needs, and opportunities facing rural America. RUPRI's aim is to spur public dialogue and help policy makers understand the rural impacts of public policies and programs. RUPRI's reach is national and international, as one of the world's preeminent sources of expertise and perspective on policies impacting rural places and people. Read more at <http://www.rupri.org>.

Introduction to Conceptual Models of Arts and Culture

The Rural Cultural Wealth Lab was established to explore the role, and potential role, of arts and culture in rural America. The lab functions at the intersection of three broad fields of inquiry—(1) rural arts and culture; (2) creativity, innovation, and entrepreneurship; and (3) rural wealth creation and distribution. The comprehensive rural wealth creation and distribution framework, which is the foundation of RUPRI's policy analysis, offers an organizing structure for this confluence of knowledge systems (Rural Policy Research Institute, 2017).

The rural wealth creation and distribution framework recognizes the contribution of public and private assets (financial, built, human, intellectual, natural, social, political, and cultural) to the comprehensive wealth of families and communities. It recognizes the complementarities among these capitals, and, importantly, the distinctly different roles of natural, social, and cultural capital in sparsely populated, remote, and indigenous communities.

As a part of this review of the scholarly and applied literature, several conceptual models of arts and culture, creativity, innovation, entrepreneurship, and well-being were identified. Each model attempts to capture a different aspect of this very complex system. Each model therefore provides important insights that help us understand the role and dynamics of arts and culture in our society. Together, the models generate numerous testable hypotheses. Given the goals of the Rural Cultural Wealth Lab, these testable hypotheses are of particular interest.

Here we briefly describe and compare models most relevant to the goals of the lab. The models vary in sophistication and degree of abstraction. Most models elaborate on one or more dimensions of arts and culture, which we will refer to as sectoral, spatial, temporal, and distributional. The sectoral dimension of arts and culture is concerned with the composition of arts and culture—what should be included and excluded in the sector, and how should the components be described? The spatial dimension is concerned with the relationship between arts and culture, and place—how do the physical, social, political, and historical features of place interact with the expression of arts and culture? The spatial dimension is particularly important when the interest is rural arts and culture. The temporal dimension is concerned with change in the system—on the evolution of relationships, changing tastes and values, and processes of wealth accumulation. Finally, the distributional dimension is explicitly concerned with people—the producers and consumers of arts and culture, especially the distribution of benefits and access. Many models address more than one dimension, but few address all four. We have classified the models as indicated in the following table. Descriptions of each model can be accessed directly from the table.

Right click on any entry below to access the model description.

		Non-distributional		Distributional	
		Static	Dynamic	Static	Dynamic
Aspatial	Asectoral		<ul style="list-style-type: none"> <i>The Four Pillars of Sustainability Model</i> 	<ul style="list-style-type: none"> <i>The Rand Framework</i> <i>Hofstede's Cultural Dimensions Theory</i> 	
	Sectoral	<ul style="list-style-type: none"> <i>New England Foundation for the Arts Concentric Circles Model of Cultural Industries</i> <i>Baeker's Cultural Resources Model</i> <i>Circles of Social Life Model</i> 	<ul style="list-style-type: none"> <i>Social Network Market Model</i> 	<ul style="list-style-type: none"> <i>Throsby's Concentric Circles Model</i> <i>Cherbo-Vogel-Wyszomirski Creative Workers and Industries Model</i> 	
Spatial	Asectoral	<ul style="list-style-type: none"> <i>Territorial Embedded Arts and Culture Model</i> <i>The Arts-based Rural Community Development Model</i> <i>Balfour et al. Local Context Model</i> <i>The Trifecta Model of Rural Growth</i> <i>The Creative Placemaking Model</i> 		<ul style="list-style-type: none"> <i>Proactive Cultural Districts Model</i> <i>The Rosen-Roback Model</i> 	<ul style="list-style-type: none"> <i>Essig's Art Entrepreneurship Model</i>
	Sector	<ul style="list-style-type: none"> <i>Creative Class and Creative Industries Models</i> <i>Wojan et al. Artistic Milieu Model</i> 	<ul style="list-style-type: none"> <i>UNESCO's Culture Cycle Model</i> 	<ul style="list-style-type: none"> <i>Cultural Impact Assessment Model</i> 	<ul style="list-style-type: none"> <i>How Art Works System Map</i>

[List of Model](#)

(Right click to access individual model descriptions)

New England Foundation for the Arts Concentric Circles Model of Cultural Industries

Baeker's Cultural Resources Model

Circles of Social Life Model

Territorial Embedded Arts and Culture Model

The Arts-based Rural Community Development Model

Balfour et al. Local Context Model

The Trifecta Model of Rural Growth

The Creative Placemaking Model

Creative Class and Creative Industries Models

Wojan et al. Creative Milieu Model

The Four Pillars of Sustainability Model

Social Network Market Model

UNESCO's Culture Cycle Model

The Rand Framework

Hofstede's Cultural Dimensions Theory

Throsby's Concentric Circles Model

Cherbo-Vogel-Wyszomirski Creative Workers and Industries Model

Proactive Cultural Districts Model

The Rosen-Roback Model

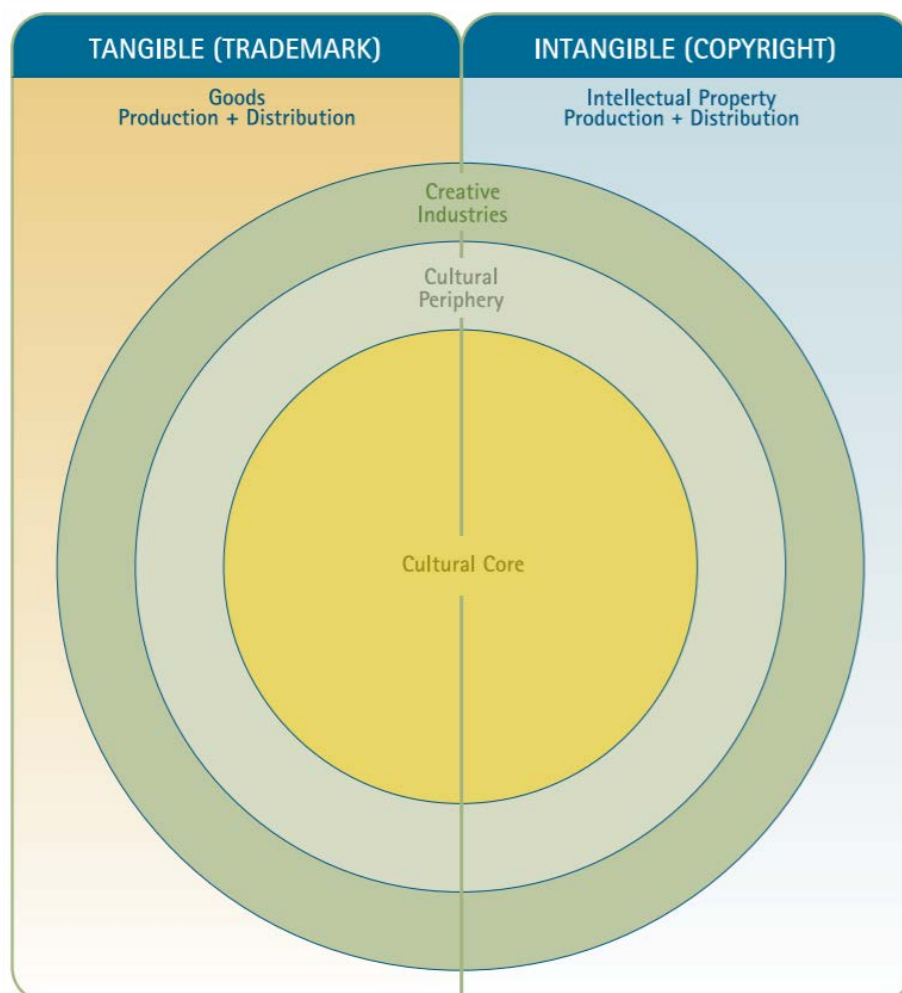
Cultural Impact Assessment Model

Essig's Art Entrepreneurship Model

How Art Works System Map

New England Foundation for the Arts Concentric Circles Model of Cultural Industries

In a report written for the New England Foundation for the Arts, DeNatale and Wassall (2007) propose a standardized framework for measuring the cultural share of the creative economy. Their objective is to provide a basis for generating measures of the sector's contribution to the economy that are comparable across space and over time. Their model views the creative economy as a system of concentric circles with cultural activities at its center. They define the cultural core in terms of occupations, industries, and not-for-profit organizations. Outside the cultural activities core, the cultural periphery band includes occupations, industries, and not-for-profits, which in some cases may be included in the cultural core if they are producing cultural goods and services. Examples of workers who might be included in the cultural core are woodworkers and chefs. Another feature of the model is that cultural products are classified as tangible or intangible. Tangible cultural goods are those that can be protected with trademarks, while intangible products are protected by copyright.



Source: DeNatale and Wassall (2007), p. 10.

The model is similar to those of [Throsby \(2008\)](#) and [Baeker \(2017\)](#). It is a static, non-spatial sectoral model with some distributional features related to occupational issues.

References

Baeker, G. (2017). Cultural economies: What are they and how do we build them? *Economic Development Journal*, 16(2): 37-44

DeNatale, D., & Wassall, G. (2007). *The Creative Economy: A New Definition*. Boston, MA: New England Foundation for the Arts.

<https://www.nefa.org/sites/default/files/ResearchCreativeEconReport2007.pdf>. Accessed November 5, 2017.

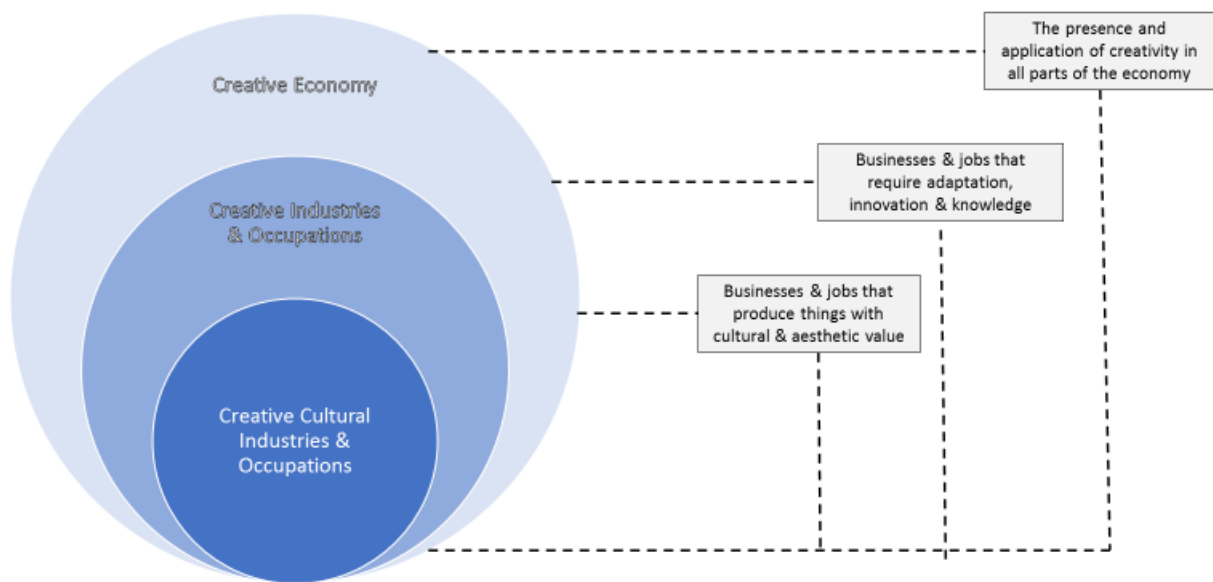
Throsby, D. (2008). The concentric circles model of the cultural industries. *Cultural Trends*, 17(3), 147-164.

Baeker's Cultural Resources Model

Another concentric-circles model is proposed by Baeker (2017). The Baeker model is much simpler than the [Cherbo et al. \(2008\)](#), [DeNatale and Wassall \(2007\)](#), and [Throsby \(2008\)](#) models, but it distinguishes creative industries and occupations from cultural industries and occupations, a view shared by other authors, including Gibson and Kong (2005) and Galloway and Dunlop (2007). Galloway and Dunlop express their concerns about conflating cultural industries and creative industries:

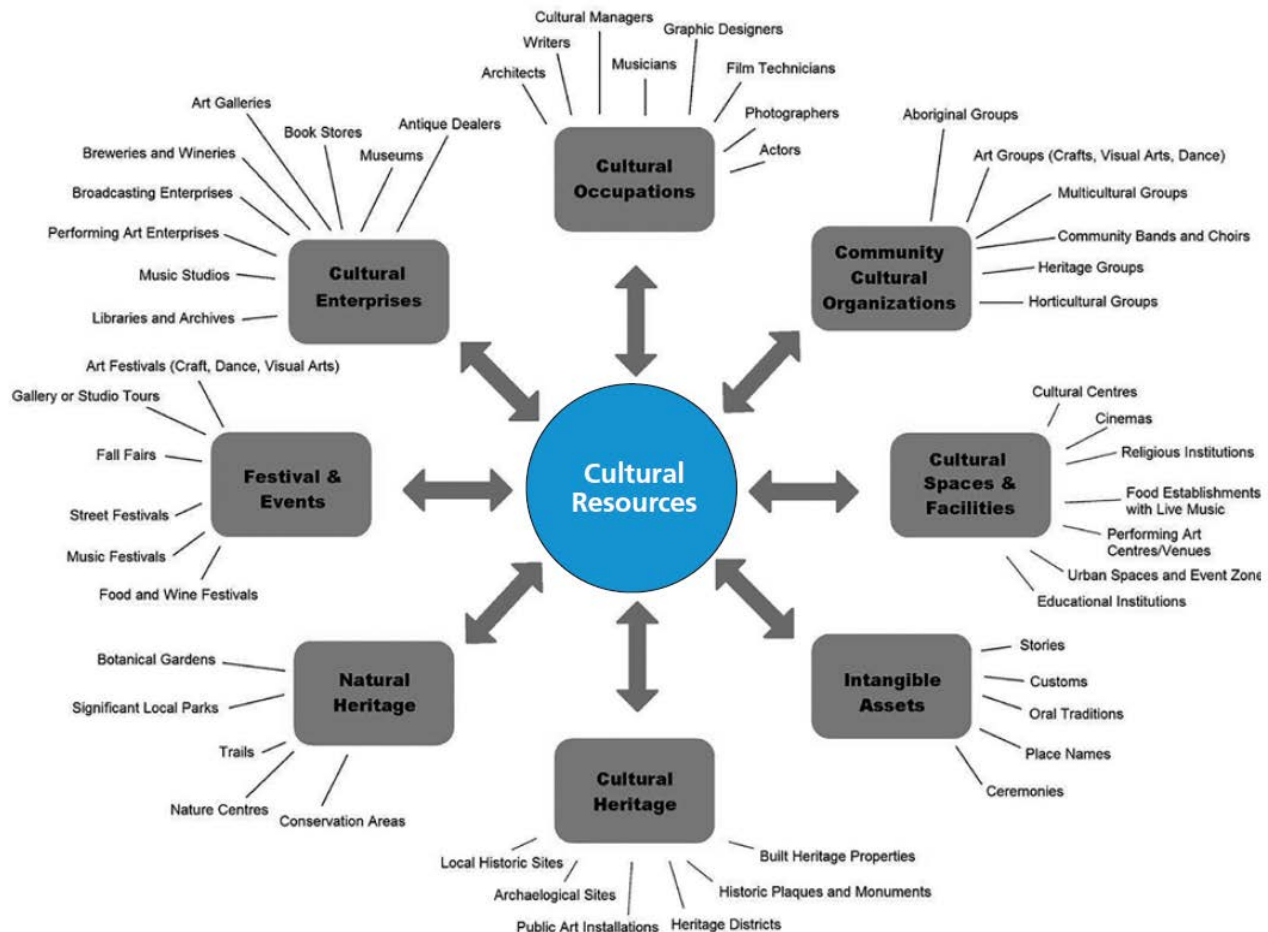
Placing cultural activities within the existing creative industries/knowledge economy framework buries this vital cultural policy objective, and misses the point about the important public benefits provided by culture. Public support for culture simply recognises that it provides public benefits that cannot be captured through markets, and the currently fashionable way of viewing the cultural sector as part of the wider creative economy simply subsumes it within an economic agenda to which it is ill-suited (p. 29).

In Baeker's model, creative cultural industries and occupations are a subset of creative industries and occupations.



Source: Adapted from Baeker (2017), Figure 1, p. 38.

Baeker goes on to develop a cultural resource diagram that is essentially a classification of cultural assets, events, and organizations.



© MDB Insight

Source: Baeker (2017), Figure 2, p. 39.

References

Baeker, G. (2017). Cultural economies: what are they and how do we build them? *Economic Development Journal*, 16(2): 37-44.

Cherbo, J, Vogel, H, & Wyszomirski, M. (2008). Toward an arts and creative sector. In J. Cherbo & M. Wyszomirski (Eds.), *Understanding the Arts and Creative Sector in the United States* (pp. 9–27). New Brunswick, NJ: Rutgers University Press.

DeNatale, D., & Wassall, G. (2007). *The Creative Economy: A New Definition*. Boston, MA: New England Foundation for the Arts.

<https://www.nefa.org/sites/default/files/ResearchCreativeEconReport2007.pdf>. Accessed November 5, 2017.

Galloway, S., & Dunlop, S. (2007). A critique of definitions of the cultural and creative industries in public policy. *International Journal of Cultural Policy*, 13(1): 17-31.

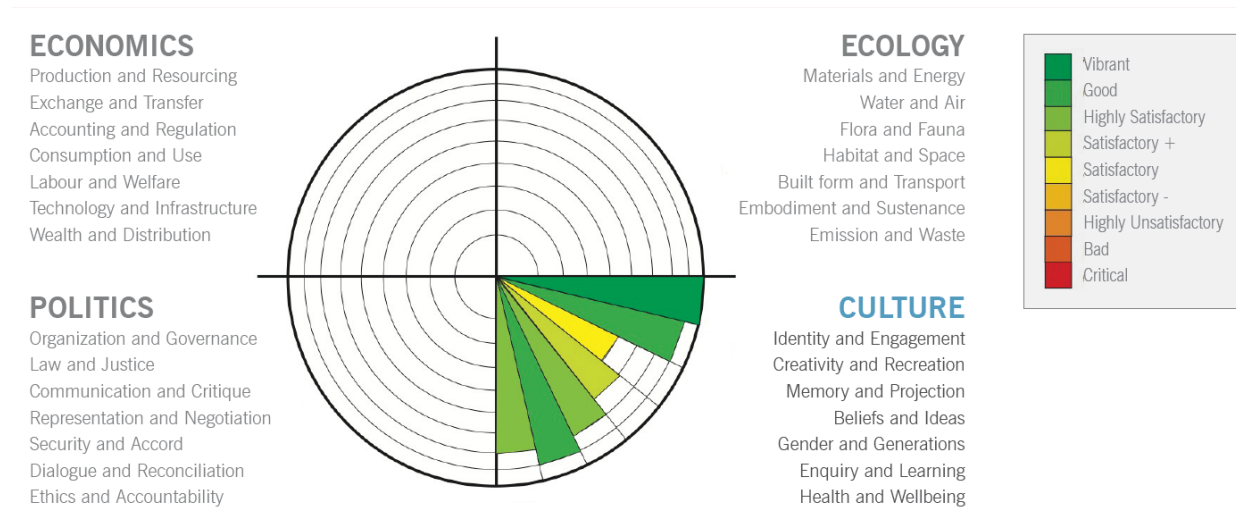
Gibson, C., & Kong, L. (2005). Cultural economy: A critical review. *Progress in Human Geography*, 29(5): 541-561.

Throsby, D. (2008). The concentric circles model of the cultural industries. *Cultural Trends*, 17(3): 147-164.

Circles of Social Life Model

The Circles of Social Life Model is a very simple concept that is designed to promote culture as an equal social domain in the quest for sustainability. The model, proposed by the Circles of Sustainability Organization, is described by James (2014).

The model is based on the notion that culture, together with economics, ecology, and politics, determine the prosperity of communities. James (2014) describes the model as follows: “The Circles of Social Life approach offers an integrated method for practically responding to complex issues of sustainability, resilience, adaptation, liveability and vibrancy” (p. 14).



Source: James (2014), Figure 1, p. 6.

The circle metaphor is intended to signal the equivalency of each of the domains. The method as described by James is a list of seven features of each of the dimensions. James goes on to suggest a series of questions that can be used to determine people's perceptions (opinions) about each of the features.

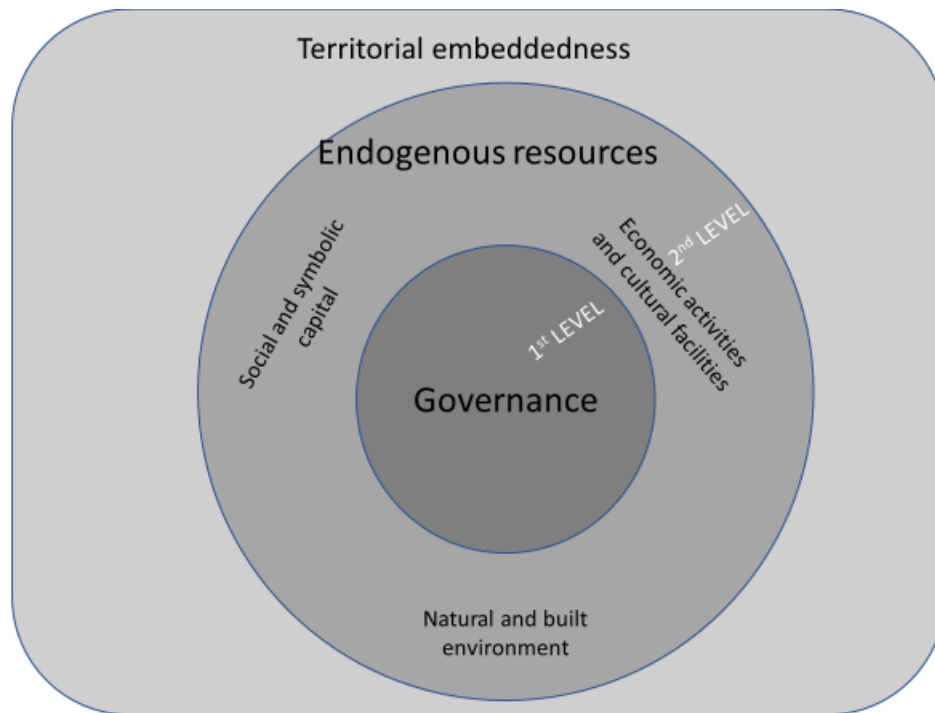
The Circles of Social Life Model is a special type of static sectoral model in which the components of economics, ecology, politics, and culture are enumerated and described. The model is very consistent with the comprehensive wealth framework. Each of the dimensions can be associated with one or more of the capitals included in comprehensive wealth.

References

James P. (2014). Assessing Cultural Sustainability. *Agenda 21 for Culture*, Committee on Culture of United Cities and Local Governments (UCLG).
https://www.academia.edu/15885475/Assessing_Cultural_Sustainability_Agenda_21_for_Culture. Accessed October 12, 2017.

Territorial Embedded Arts and Culture Model

Tomaz et al. (2011) and Selada et al. (2012) offer a simple conceptual model of creative economies in which the governance of a community's assets is embedded in a territorial context.



Source: Adapted from Figure 1 in Selada et al. (2012), p. 46.

The authors distinguish three types of resources (i.e., capitals): “(a) natural and built environment; (b) social and symbolic capital; and (c) economic activities and cultural facilities” (Selada et al., 2010, p. 45), and then further classify amenities as natural, built, cultural, and symbolic (p. 48). The structure of the cultural sector is not explicit in this model but is implicit in the economic activities. The contribution of this model is its recognition of governance and spatial embeddedness.

The primary focus of the model is small cities. The model identifies three key aspects of territorial embeddedness—territorial position, urban density, and accessibility. Territorial position refers to the community's relationship to neighboring urban centers and rural territory. The authors identify three main cases: “(i) cities located within or at the fringe of a large agglomeration (like a peri-urban city or town); (ii) cities that are an element in a network together with other small cities; and (iii) cities that act as poles in rural areas” (p.49).

Urban density determines the range of services that a small city can feasibly offer, especially in view of its territorial position. And accessibility determines such issues as the realistic size of its markets for cultural goods and services, and for commuters.

This conceptual model, while relatively informal, offers several intriguing research opportunities, including the potential role of formal and informal governance processes for identifying novel uses of

endogenous assets, and the role of transportation and communication infrastructure in arts and culture-based development in rural areas.

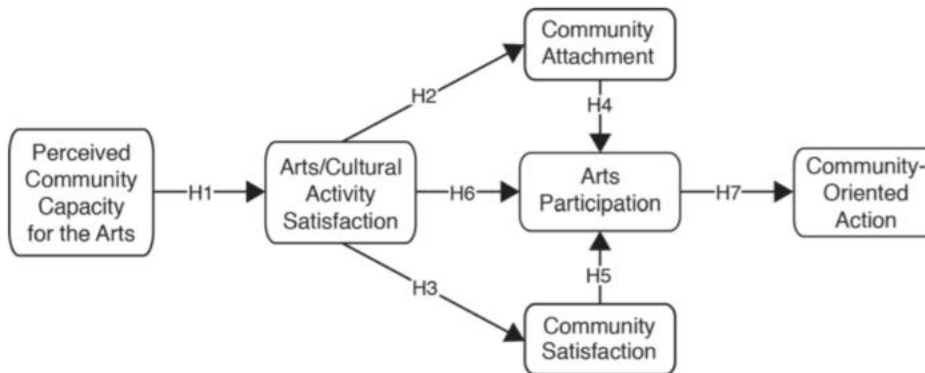
References

Selada, C., da Cunha, I., & Tomaz, E. (2012). Creative-based strategies in small and medium-sized cities: Key dimensions of analysis. *Quaestiones Geographicae*, 31(4): 43-51. Figure 1, p. 46.

Tomaz, E., Selada, C., & da Cunha, I. (2011). Creative-based strategies in small and medium-sized cities: Some European study cases. Paper presented at the 51st Congress of the European Regional Science Association, 30 August - 3 September, Barcelona, Spain.

The Arts-based Rural Community Development Model

Theodori et al. (2015) developed and empirically tested a model of community development based on local investment in the arts. The model traced linkages between community members' perceptions of capacity for the arts, to community-oriented action. The model is static. It has a spatial dimension in the sense that it considers local capacity for the arts.



Source: Theodori et al. (2015). Figure 4, p. 10.

The hypothesized relationships were tested by analyzing responses to a survey of residents of several rural communities in Texas. Using factor analysis, the responses were organized into indicators of the respondents' perceptions of their communities' arts capacity; their satisfaction with the arts activities; their attachment to, and satisfaction with, their communities; their level of participation in their communities' arts activities; and their participation in community development activities. The study concluded that satisfaction with arts and culture opportunities was correlated with residents' level of participation in arts activities, and higher levels of arts participation was correlated with higher rates of participation in community development activities.

While correlations among these variables were mostly significant, the bases of the hypothesized linkages and the direction of causality were not established.

References

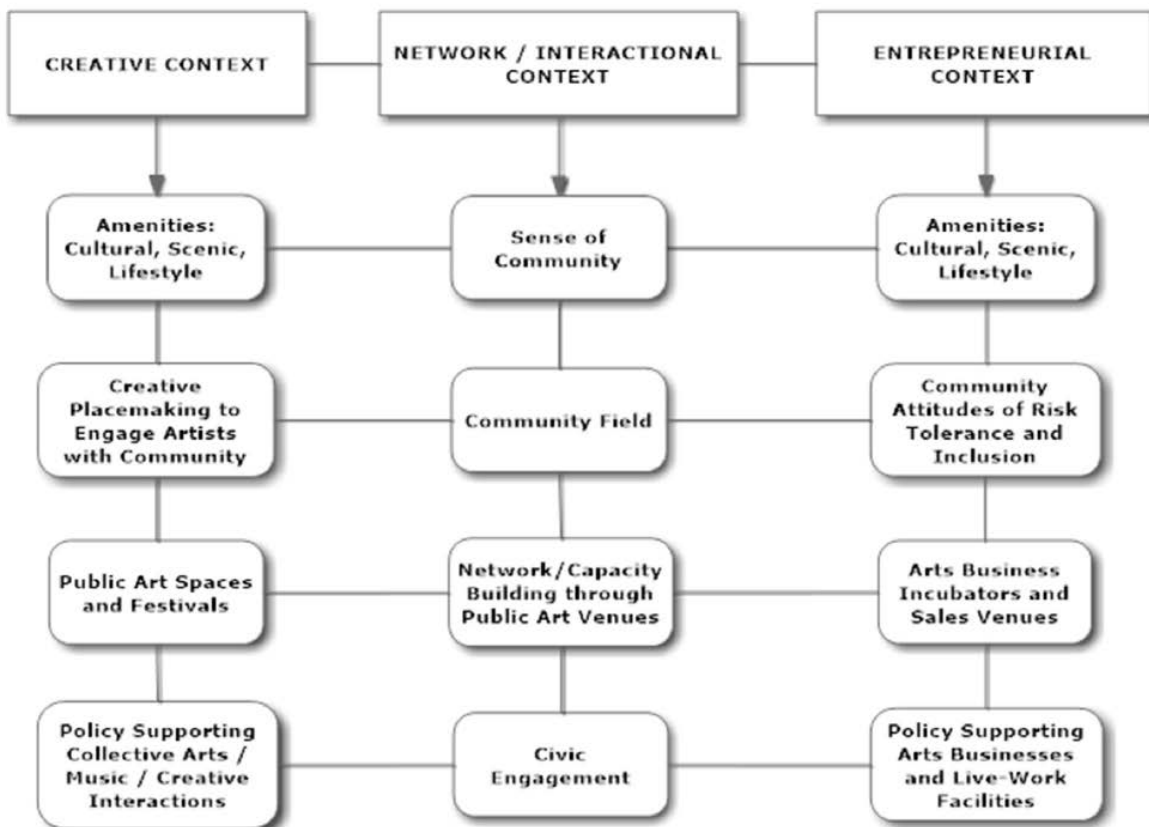
Theodori, G. L., Hudec, C. L., & Drumm, C. (2015). *An Investigation of Arts-Based Rural Community Development*. Working paper submitted to The National Endowment for the Arts.

Balfour et al. Local Context Model

A conceptual model developed by Balfour et al. (2018) recognizes the role of three types of local context—the creative context, the interactional context, and the entrepreneurial context—in the process of arts-based economic development in rural communities. This model includes several types of community capital that may be essential to, or at least increase the likelihood of, successfully developing a sustainable arts-based economy in rural communities, including cultural, scenic, and lifestyle amenities (cultural capital, natural capital, and built capital, respectively). The model also recognizes the role of networks (social capital).

The model is static but has a strong spatial dimension. The spatial context includes its focus on various community capitals, and local policies.

The model posits that sense of place and community is strengthened by civic engagement and by regular interactions in public spaces by residents, but weakened by urbanization, long-distance commuting to work, globalization, and information and communication technology. The authors argue that rural areas face additional trends that weaken sense of place: “In addition, rural areas are often burdened with youth out-migration, increased senior populations, reduced tax bases to support infrastructure improvements, longer commute times, poor employment conditions, and low levels of endogenous entrepreneurship” (p. 3).



Source: Balfour et al. (2018), p. 2.

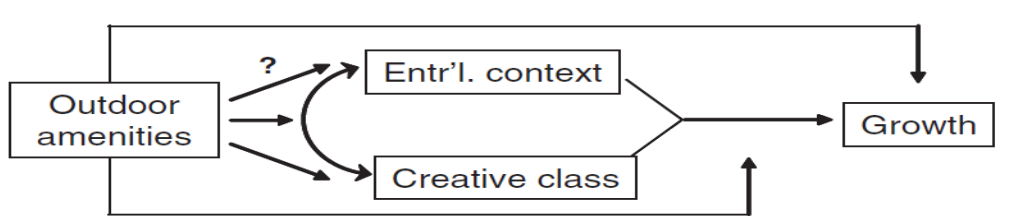
References

Balfour, B., Fortunato, M., & Alter, T. (2018). The creative fire: An interactional framework for rural arts-based development. *Journal of Rural Studies*, 63 (Oct): 229-239.

The Trifecta Model of Rural Growth

One of the most detailed and explicit models of rural growth and its relationship to creative workers, entrepreneurship, and natural amenities to date was developed and tested by McGranahan et al. (2011). They describe the basics of their theory as follows:

[P]laces with highly entrepreneurial contexts are apt to draw the more entrepreneurial creative class. Moreover, entrepreneurship seems likely more characteristic of the creative class drawn to high-amenity areas, where people need to create jobs, than of creative class in low amenity contexts, where the creative class presence is more the outcome of industrial structure—where jobs attract people...Our study treats entrepreneurial context (small firm size or self-employment rate) as a local attribute distinct from the creative class. We expect that creative class and entrepreneurial context have a synergistic effect on local growth. Creative class talent and innovation is more engaged in the local economy in an entrepreneurial context and entrepreneurial context is more apt to lead to growth with the advantage of creative class talent and innovation (p. 533).



Source: McGranahan et al. (2011), Figure 1, p. 535.

In this model, natural amenities attract a broad range of in-migrants and can, therefore, lead directly to growth even in the absence of other attractive features. Two unusual hypotheses are keys to this theory: (1) some creative class workers are entrepreneurial, and others are not, and (2) high amenity regions are more attractive to entrepreneurial creative class workers than to non-entrepreneurial creative class workers. Thus, the trifecta: rural places with high amenities AND entrepreneurial context can expect to attract entrepreneurial creative class workers. This will lead to innovation and growth, that will, in turn, attract more creative class workers.

The Trifecta Model has a spatial dimension but is static and non-distributional.

References

McGranahan, D., Wojan, T., & Lambert, D. (2011). The rural growth trifecta: Outdoor amenities, creative class and entrepreneurial context. *J. Econ. Geogr.*, 11: 529-557.

The Creative Placemaking Model

Creative placemaking is a particular type of community development or community capacity building strategy. Anwar-McHenry (2009), quoting Sonn et al. (2002), writes that

By promoting community capacity and a sense of community through culture and the arts 'community arts...provide a medium through which community members engage in the joint identification and production of images, symbols and other resources which index their visions and aspirations for their community' (Sonn et al., 2002, p. 12) (p. 66).

Gadwa Nicodemus (2013) argues that “For better and worse, creative placemaking is currently a fuzzy concept. Despite the high degree of policy coordination, different funders and practitioners have used at least seven creative placemaking definitions” (p. 11).

Arroyo (2017) defines creative placemaking more succinctly as “improving the quality of life for all citizens through the intentional use of arts-based strategies that empower local residents and leverage communities’ distinct cultural assets” (p. 64).

Markusen and Gadwa (2010) describe a model of creative placemaking that builds on the creative class and creative economy models. They make three system components (people, industries, and places) explicit in their model. In this model, creative workers are a subset of all workers, cultural industries are a subset of all businesses and organizations, and creative communities are a subset of all places. Creative economies are at the intersection of creative workers, employed by cultural industries, in creative communities.



Source: Adapted from Markusen and Gadwa (2010), Figure 1, p. 9 (adapted from DeNatale and Wassall, 2007).

Markusen and Gadwa's (2010) key embellishment to the Creative Economy Model is the source of intervention. In this case, that source is the community's efforts to create more culturally vibrant places, thereby increasing the attractiveness of the community to creative people.

Markusen and Gadwa (2010) describe the key features of creative placemaking as follows:

In creative placemaking, partners from public, private, non-profit, and community sectors strategically shape the physical and social character of a neighborhood, town, city, or region around arts and cultural activities. Creative placemaking animates public and private spaces, rejuvenates structures and streetscapes, improves local business viability and public safety, and brings diverse people together to celebrate, inspire, and be inspired (p. 3).

They list the components of successful placemaking initiatives as (1) creative initiators who create a vision for the community, (2) designing around distinctiveness, (3) mobilizing public support, (4) private sector support, and 5) arts community engagement.

As in the Creative Class and Creative Economy models, the Creative Placemaking Model applies most directly to urban areas, where population density, access to infrastructure, and more diverse populations make public, private, and arts community support easier to establish. In rural communities, the focus must be on the area's distinctive natural and heritage characteristics. Csurgó and Megyesi (2016) stress the heritage and symbolic dimensions of placemaking in rural communities.

Characteristics and territorial scope of local cultural heritage significantly determine the innovative capacity of small towns in local image building where there is a wide range of meanings procedures and processes of place-making...Place-making is the symbolic as well as material construction of the place where the notion of place identity is central" (pp. 428-29).

Like the [Creative Class and Creative Industries models](#), the Creative Placemaking Model is sectoral and spatial. It describes relationships that lead to change, but it does not elaborate on these processes and is therefore static. Other than distinguishing cultural workers, the model does not incorporate distributive consequences.

There is a growing literature describing and critiquing creative placemaking (see for example, Gadwa Nicodemus, 2013, 2014; Webb, 2014). The National Endowment for the Arts (2011) described a number of examples of creative placemaking in the periodical *NEA Arts*.

References

Anwar McHenry, J. (2009). A place for the arts in rural revitalisation and the social wellbeing of Australian rural communities. *Rural Society*, 19(1): 60-70.

Arroyo, K. K. (2017). Creative policymaking: Taking the lessons of creative placemaking to scale. *Artivate*, 6(2).

Csurgó, B., & Megyesi, B. (2016). The role of small towns in local place making. *European Countryside*, 8(4): 427-443.

DeNatale, D., & Wassall, G. (2007). *The Creative Economy: A New Definition*. Boston, MA: New England Foundation for the Arts.

<https://www.nefa.org/sites/default/files/ResearchCreativeEconReport2007.pdf>. Accessed November 5, 2017.

Gadwa Nicodemus, A. G. (2013). Fuzzy vibrancy: Creative placemaking as ascendant US cultural policy. *Cultural Trends*, 22(3-4): 213-222.

Gadwa Nicodemus, A. (2014). Small is beautiful: Creative placemaking in rural communities. *Grantmakers in the Arts Reader*, 25.

Markusen, A. & Gadwa, A. (2010). *Creative Placemaking*. White paper for The Mayors' Institute on City Design, a leadership initiative of the National Endowment for the Arts in partnership with the National Endowment for the Arts. (2011) NEA Art 2011(2). <https://www.arts.gov/NEARTS/2011v2-are-you-ready-country>. Accessed January 28, 2018.

Sonn, C. C., Drew, N. M., & Kasat, P. (2002). *Conceptualising Community Cultural Development: The Role of Cultural Planning in Community Change*. Perth, Western Australia: Community Arts Network WA Inc.

Webb, D. (2014). Placemaking and social equity: Expanding the framework of creative placemaking. *Artivate*, 3(1): 35-48.

Creative Class and Creative Industries Models

The Creative Class Model (Florida, 2002) is very familiar to arts and culture researchers and has been widely adopted by practitioners. It will not be reviewed in detail here. Instead we review several variations on the model, including Selada's et al. (2012) assessment and comparison of the Creative Class and Creative Industries models.

The Creative Class Model predicts that creative people are attracted by locations with talent, tolerance, and technology. The theory predicts that employers will be attracted by the talented workforce, creating jobs and economic growth. The resulting virtuous cycle leads to high performing creative places. For a variety of reasons, the model predicts that this process will occur almost exclusively in urban areas.

The Creative Industries Model predicts the clustering of creative producers to exploit localization (agglomeration) economies. According to Selada et al. (2012), "[t]he effects of knowledge spillover derived from geographical proximity [to creative industries] induce the transfer of information, technologies, innovative business models and organisational forms to the overall economy" (p. 45). Throsby (2010) makes a similar observation: "[T]he cultural industries introduce new ideas for the economy that diffuse outwards and stimulate innovation in other sectors" (p. 111). In this theory, creative jobs co-locate, and creative people follow the jobs. Scott (1999, 2006, 2014) and others (Davis et al., 2009) have empirically documented the clustering behavior of creative producers.

It is possible (perhaps likely) that both processes (creative people attract employers, and good jobs attract creative people) are possible and can operate simultaneously in generating the virtuous cycle. There is empirical evidence that the characteristics of place are also important, especially in rural areas (McGranahan & Wojan, 2007a, 2007b; Wojan et al., 2007a; McGranahan et al., 2011). The role of place characteristics provides additional policy options—especially creative placemaking strategies.

The Creative Class and Creative Industries models are sectoral and spatial. They do describe relationships that lead to change, but they do not elaborate on these processes and are therefore static. Other than distinguishing cultural workers, they do not incorporate distributive consequences. In fact, one of the primary critiques of the models is that they ignore the distributive consequences of creative class economic development strategies.

References

- Davis, C. H., Creutzberg, T., & Arthurs, D. (2009). Applying an innovation cluster framework to a creative industry: The case of screen-based media in Ontario. *Innovation*, 11(2): 201-214.
- Florida, R. (2002). The rise of the creative class. *The Washington Monthly*, 34(5): 15-25.
- McGranahan, D., & Wojan, T. (2007a). Recasting the creative class to examine growth processes in rural and urban counties. *Regional Studies*, 41(2): 197-216.
- McGranahan, D., & Wojan, T. (2007b). The creative class: A key to rural growth. *Amber Waves*, 5(2): 16-21.
- McGranahan, D., Wojan, T., & Lambert, D. (2011). The rural growth trifecta: Outdoor amenities, creative class and entrepreneurial context. *J. Econ. Geogr.*, 11: 529-557.

Scott, A. J. (1999). The cultural economy: Geography and the creative field. *Media Culture Society*, 21: 807-817.

Scott, A. J. (2006). Entrepreneurship, innovation and industrial development: Geography and the creative field revisited. *Small Business Economics*, 26(1): 1-24.

Scott, A. J. (2014). *On Hollywood: The place, the industry*. Princeton, New Jersey: Princeton University Press.

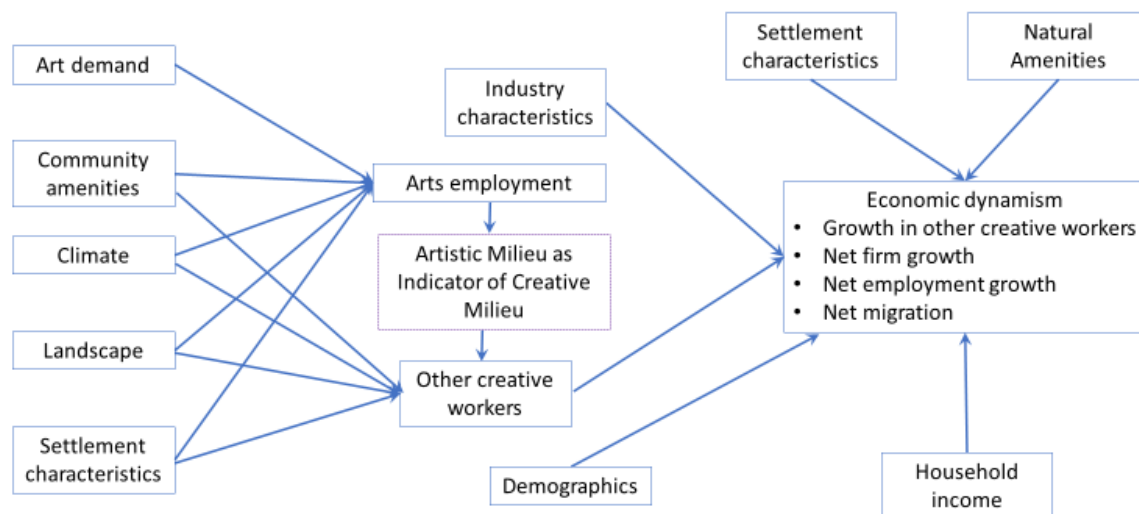
Selada, C., da Cunha, I., & Tomaz, E. (2012). Creative-based strategies in small and medium-sized cities: Key dimensions of analysis. *Quaestiones Geographicae*, 31(4): 43-51.

Throsby, D. (2010). *The economics of cultural policy*. Cambridge, UK: Cambridge University Press.

Wojan, T. R., Lambert, D. M., & McGranahan, D. A. (2007a). Emoting with their feet: Bohemian attraction to creative milieu. *Journal of Economic Geography*, 7(6): 711-736.

Wojan et al. Creative Milieu Model

Wojan et al. (2007) proposed an interesting model that focuses on the role of artistic milieus in the economic dynamism of regional economies. In this model the size of the arts sector (measured by employment in the arts) is a function of typical factors identified by other researchers (demand for art, community amenities, climate, landscape, and other demographic and settlement characteristics of the community) but also, the effect of an artistic milieu. The size of the arts sector is, in turn, a factor in creating a dynamism in the local economy. Economic dynamics is measured in terms of growth in the broader arts and culture sector, the number of firms, overall employment, and population growth.



Source: Based on discussions with Tim Wojan, January 2018.

Wojan et al. (2007) referred to the determinants of the arts sector as the weak definition of creative milieu, and the combination of the determinants of the arts sector and the effect of arts employment as the strong definition of creative milieu. They went on to statistically test these hypotheses for US counties. They also tested for differences in the relationship in metro and non-metro counties and used spatial regression to account for spatial interactions (spillover effects) across county lines.

The Artistic Milieu Model has a sophisticated spatial dimension as well as a sectoral dimension.

References

Wojan, T. R., Lambert, D. M., & McGranahan, D. A. (2007). Emoting with their feet: Bohemian attraction to creative milieu. *Journal of Economic Geography*, 7(6): 711-736.

The Four Pillars of Sustainability Model

Yencken and Wilkinson (2000), Hawkes (2001), Throsby (2003), Axelsson et al. (2013), James (2014), and others have argued that sustainability rests not on three pillars—economic, ecological, and social—but on four pillars, where the fourth pillar is culture.

In this model, culture plays a unique role in society's quest for sustainability. Hawkes (2001) suggests two reasons that culture is at the foundation of sustainability. First, "a sustainable society depends upon a sustainable culture" and second, "cultural action is required in order to lay the groundwork for a sustainable future" (p. 12). The first point raises culture to an equal stature with economic, social, and ecological sustainability—all three are necessary for overall sustainability. The second point essentially raises the importance of culture above economics, ecological, and social dimensions, because culture provides the only means of achieving economic, ecological, and social sustainability. Hawkes explains that "A society cannot survive unless it is able to develop and maintain, amongst its constituents, a shared expression of, and commitment to, 'a sense of meaning and purpose.' Developing and maintaining this sense is cultural action" (p. 13). This theme is echoed by Birkeland (2015) as cited by Dessein et al. (2015): "[S]ustainability is cultural by being contextual, historically and geographically concrete; everything human beings do is woven into culture in terms of webs of meaning created by human beings" (p. 31). The Inclusive Wealth Report 2012 (United Nations University, International Human Dimensions Programme, p. 234) suggests similar roles for cultural capital (which it includes as a component of human capital), both as a direct contributor to production of benefits (and ultimately well-being) and as a mediating factor between the economy, society, and investments in the various types of capital.

Hawkes (2001) begins with the concept of well-being (alternatively, life satisfaction, livability, or quality of life) as the overarching societal goal. He then relates this societal goal to its building blocks: (1) diversity; (2) distinctiveness in a globalized world; (3) engagement, active citizenship, and civil society; (4) creativity and innovation; (5) community building, cohesion, capacity, and social capital; (6) livability and quality of life; (7) identity and character; (8) belonging and a sense of place; (9) ethics and morality; (10) progress and development; (11) vitality; (12) the arts; and finally, (13) the triple bottom line—economics, ecological, and social outcomes. In this model, the level of culture (cultural capital) rises and falls with the levels of these factors.

But our explanation of the model is not complete without explicating how it describes the consequences of a vibrant culture. In this model, a community's cultural capital plays a pivotal role in change as well. Hawkes (2001) writes,

Society's values are the basis upon which all else is built. These values and the ways they are expressed are a society's culture. The way a society governs itself cannot be fully democratic without there being clear avenues for the expression of community values, and unless these expressions directly affect the directions society takes. These processes are culture at work (p. vii).

He adds that "cultural capital is the glue that holds a society together; social capital is the lubricant that allows it to operate smoothly" (p. 18).

Finally, Hawkes insists that this model requires a system of accounts. He is “convinced that the ‘accounting frameworks, institutions, departmental structures and functions’ must be in place before wide-ranging policy initiatives of this kind are implemented. Otherwise they will have no hope of success” (p. 28). This accounting framework must estimate the impact of culture on sustainability as well as the impact of policy on culture. Such an accounting framework requires carefully selected indicators reflective of the values (culture) of the community for which they are being collected. Hawkes describes several potential indicators.

This model, although far from formalized, is clearly consistent with the comprehensive wealth framework and offers many insights into the nature of cultural capital and the flows that determine the level of cultural capital and benefits produced. It is rather difficult to classify this model using the sectoral-spatial-dynamic-distributional scheme, but its focus on the role of culture in societal change justifies its classification as a dynamic theory.

References

- Axelsson, R., Angelstam, P., Degerman, E., Teitelbaum, S., Andersson, K., Elbakidze, M., & Drotz, M. K. (2013). Social and cultural sustainability: Criteria, indicators, verifier variables for measurement and maps for visualization to support planning. *Ambio*, 42(2): 215-228.
- Birkeland, I. (2015). The potential space for cultural sustainability: Place narratives and place-heritage in Rjukan. In E. Auclair & G. Fairclough (Eds), *Theory and Practice in Heritage and Sustainability: Between Past and Future* (pp. 161-175). Abingdon, UK: Routledge.
- Dessein, J., Soini, K., Fairclough, G., & Horlings, L. (Eds.). (2015). Culture in, for and as Sustainable Development. Conclusions from the COST Action IS1007 Investigating Cultural Sustainability. University of Jyväskylä, Finland. <https://www.culturalsustainability.eu/conclusions.pdf>. Accessed November 3, 2017.
- Hawkes, J. (2001). *The Fourth Pillar of Sustainability: Culture's Essential Role in Public Planning*. Common Ground.
- James P. (2014). *Assessing Cultural Sustainability*. Agenda 21 for culture - Committee on culture of United Cities and Local Governments (UCLG). https://www.academia.edu/15885475/Assessing_Cultural_Sustainability_Agenda_21_for_Culture. Accessed October 12, 2017.
- Throsby, D. (2003). Cultural sustainability. In R. Towse (Ed.), *Handbook of Cultural Economics* (pp. 183-186). Cheltenham, UK: Edward Elgar Publishing.
- United Nations University, International Human Dimensions Programme. (2012). *Inclusive Wealth Report 2012: Measuring Progress Toward Sustainability*. Cambridge, UK: Cambridge University Press.
- Yencken, D., & Wilkinson, D. (2001). *Resetting the Compass: Australia's Journey Towards Sustainability*. Clayton, Australia: CSIRO Publishing.

Social Network Market Model

In response to continuing disagreement over the definition of creative industries, Potts et al. (2008) propose a novel basis for defining the sector. Whereas the typical way of defining the creative sector, like other sectors of the economy, is based on the standard industrial classification system, which in turn is based on standardized commodity definitions, Potts et al. (2008) argue that “industries do not actually exist in microeconomic theory: they are not natural categories in themselves. What exists, of course, are agents, prices, commodities, firms, transactions, markets, organizations, technologies and institutions” (p. 168). They propose to define creative industries more dynamically, on the basis of product emergence rather than product existence. They argue that the defining feature of creative industries “is that complex social networks play at least as significant a coordination role as price signals” (p. 169). They go on, “The CIs [creative industries], then, are properly defined in terms of a class of economic choice theory in which the predominant fact is that, because of inherent novelty and uncertainty, decisions to both produce and consume are largely determined by the choice of others in a social network” (p. 169).

In this model, the decisions of individuals are based less on their personal preferences and price signals, and more on information they receive through social networks; “other people’s preferences have commodity status over a social network because novelty, by definition, carries uncertainty and other people’s choices, therefore, carry information” (p. 170). The key components of the market are agents, social networks, and market-based enterprises. The authors reject the typical one-way “value chain” view of the market: “In our formulation, the interrelationship among agents, networks and enterprise is dynamic and productive; all are engaged in the mutual enterprise of creating values, both symbolic and economic” (p. 170). On this basis, they define creative industries as “the set of agents and agencies in a market characterized by adoption of novel ideas within social networks for production and consumption” (p. 171).

References

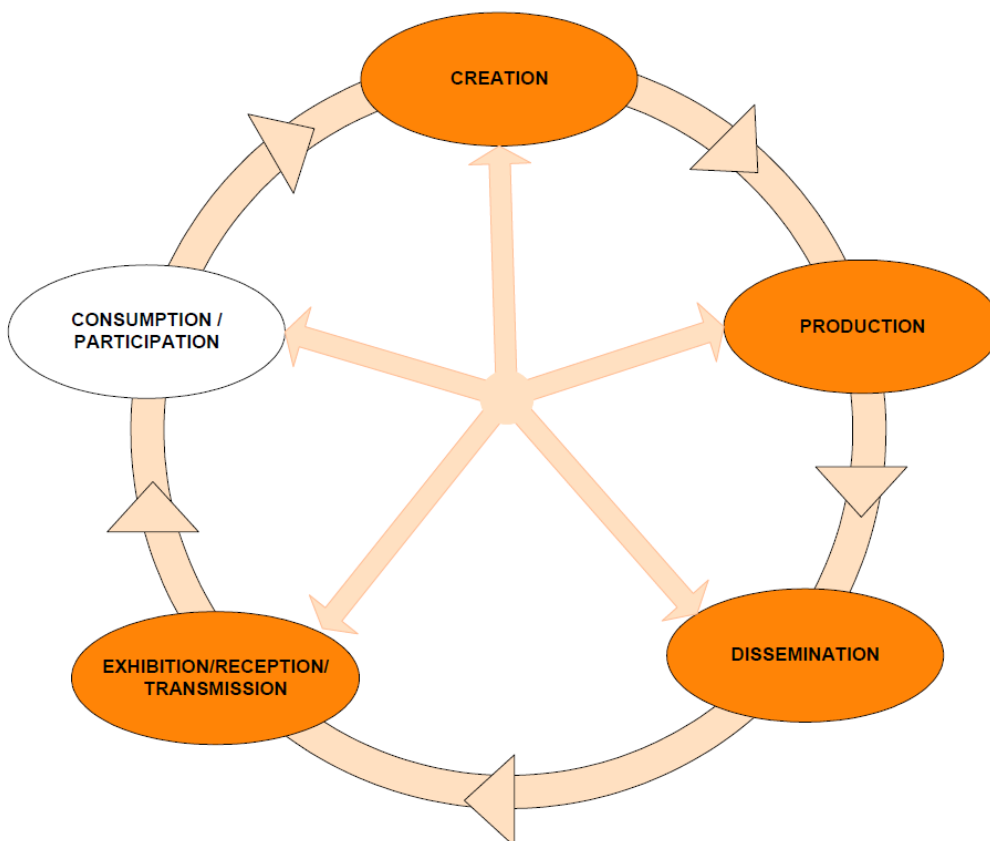
Potts, J., Cunningham, S., Hartley, J., & Ormerod, P. (2008). Social network markets: A new definition of the creative industries. *Journal of Cultural Economics*, 32(3): 167-185.

UNESCO's Culture Cycle Model

UNESCO (2009) offers a dynamic model of cultural production and consumption that views the sector (which it refers to as domain) as a cycle rather than a chain. The hypothesized cycle includes important feedback relationships among the components—creation, production, dissemination, transmission, and consumption/participation. Like Dozhdeva (2014), the UNESCO Model incorporates production and consumption activities into their model, but unlike Dozhdeva, the UNESCO Model views the sector as a collaborative effort of producers and consumers of culture. The model includes a sectoral dimension and introduces simple dynamics by allowing for feedback effects.

The UNESCO (2009) report points out that the culture cycle process also has a spatial dimension although this is not explicit in the visual representations of the model. Each of the activities occurs in a location, and the cycle must be coordinated in time and space. Furthermore, the authors argue that

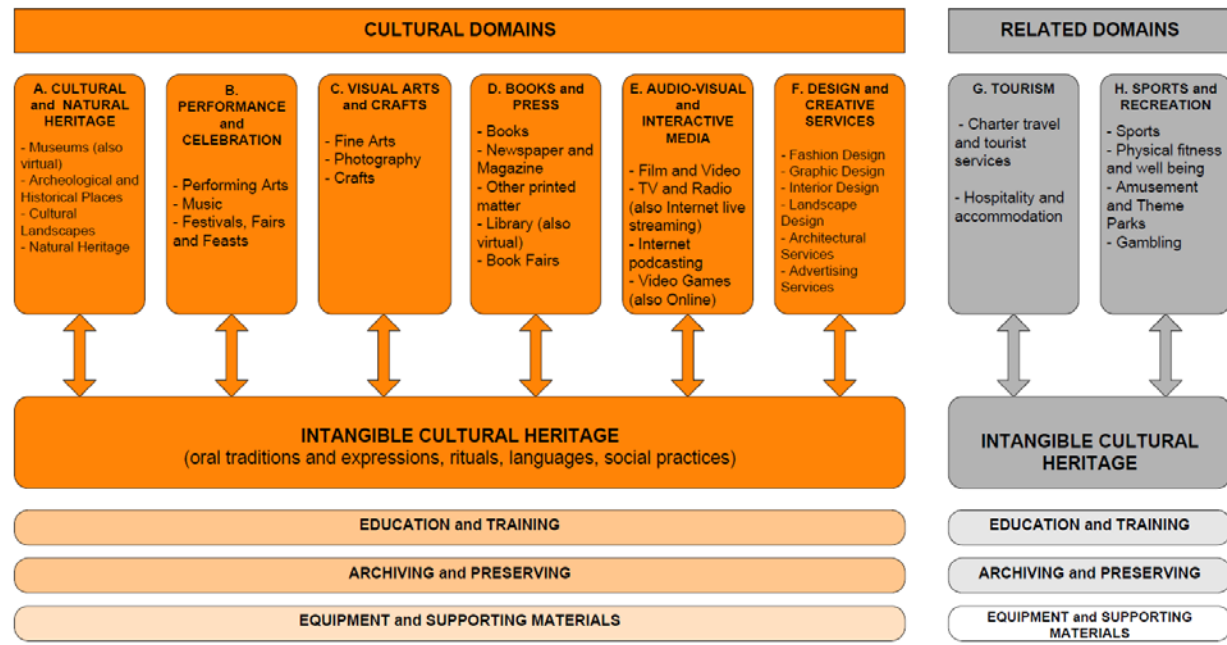
An equally important spatial component of culture is dislocation, whereby people become separated from their original cultural milieu through migration. Globalisation has increased the potential for such dislocation, as well as the problems of cultural assimilation, disagreement and the sense of the exotic or foreign that may result (p. 21).



Source: UNESCO (2009), Figure 1, p. 20.

Based on this conceptualization of cultural production and consumption, UNESCO (2009) defines a framework for cultural statistics. The framework includes seven cultural domains and two

related domains. Each domain is related to intangible culture heritage, and includes three transversal domains: education and training, archiving and preservation, and equipment and supporting materials. The manual includes detailed descriptions of each of these components and instructions for estimating the associated indicators.



Source: UNESCO (2009), Figure 1, p. 24

This model combines many of the best features of other models reviewed. One limitation is that it is largely limited to formal production and consumption activities. This is a by-product of UNESCO's goal of designing a framework for cultural statistics that can be applied internationally. Informal and participatory arts are underrepresented in the framework.

References

Dozhdeva, V. (2014). Culture and creativity as instruments for local development. A study of practices in smaller European cities. Masters Thesis, Radboud University Nijmegen.

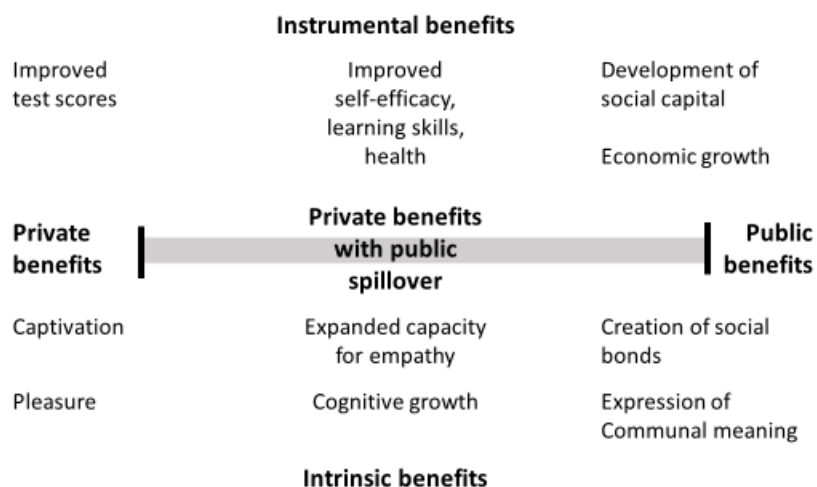
United Nations Educational, Scientific and Cultural Organization (UNESCO). (2009). *UNESCO Framework for Cultural Statistics*. Montreal, Canada: UNESCO Institute for Statistics.

<http://unesdoc.unesco.org/images/0019/001910/191061e.pdf>. Accessed October 18, 2017.

The Rand Framework

In response to the continuing debate over instrumental versus intrinsic value of the arts and culture, the Rand Corporation, with funding from the Wallace Foundation, conducted a study of cultural value (McCarthy et al., 2004). The authors started by critiquing empirical analyses of the instrumental benefits of the arts and culture, and they identified several key weaknesses in these studies. First, many studies find correlations between levels of arts and culture and various benefits but fail to prove causality. Second, most studies have been conducted in large urban areas, where the impacts are probably higher because of number of visitors and the complexity of urban economies. If these estimates are extrapolated to smaller urban and non-metropolitan regions, the benefits will be overstated. Third, many economic impact analyses fail to consider opportunity costs of investments and expenditures in the arts and culture, that is, that these expenditures would have had similar or even greater benefits if they had been made on non-culture investments and activities.

One product of the Rand project was a conceptual model that hypothesizes that the arts and culture generate both intrinsic and instrumental value, and both private and public benefits. In their visualization of the model (reproduced below), the horizontal axis (private-public benefits) is a continuum from purely private to purely public. Between the extremes are benefits that are private but produce spillovers to the general public. The vertical axis distinguishes intrinsic from instrumental values of the arts. Examples of specific benefits are arrayed on the diagram. The Northwest quadrant includes examples of private instrumental benefits such as improved test scores. The Northeast quadrant includes public instrumental benefits, such as increased social capital and economic growth. Private intrinsic benefits, such as captivation and pleasure, are in the Southwest quadrant. Finally, public intrinsic benefits, such as social cohesion and communal meaning, appear in the Southeast quadrant. This conceptualization is very consistent with the comprehensive wealth framework, which distinguishes public and private wealth, and economic, social, and other forms of wealth. In the comprehensive wealth framework, intrinsic benefits are flows of benefits from cultural wealth, while instrumental benefits are flows of benefits from other forms of capital that have been produced as complements of cultural capital investments.



Source: Adapted from McCarthy et al. (2004), Figure S.1, p. xiii.

The Rand Model is static and aspatial but has a simple distributional dimension that distinguishes private benefits of investments in the arts from spillover effects of these investments.

References

McCarthy, K. F., Ondaatje, E. H., Zakaras, L., & Brooks, A. (2004). *Gifts of the Muse: Reframing the Debate about the Benefits of the Arts*. Santa Monica, CA: Rand Corporation.

Hofstede's Cultural Dimensions Theory

Urban (2007) reviews the literature dealing with the relationships between culture (societal norms and values) and entrepreneurship, and describes a conceptual model attributed to Hofstede (1980 and 2001) and Hofstede and Bond (1988) that has five dimensions of culture at the national level:

1. Power distance (PDI),
2. Uncertainty avoidance (UAI),
3. Individualism/collectivism (I-C),
4. Masculinity/femininity¹ (MAS), and
5. Long-term/short-term orientation* (LTO)

Hofstede (2001) describes these dimensions as follows:

Power distance, which is related to the different solutions to the basic problem of human inequality. Uncertainty avoidance, which is related to the level of stress in a society in the face of an unknown future. Individualism vs. collectivism, which is related to the integration of individuals into primary groups. Masculinity vs. femininity, which is related to the division of emotional roles between men and women. Long term vs. short-term orientation, which is related to the choice of focus for people's efforts: the future or the present (p. 29).

Basso et al. (2008) extend the Hofstede model (at least the first four dimensions) and use the concept to explain the role of three levels of culture—national, industry, and firm—in determining the entrepreneurial orientation of firms. Given the rather narrow definition of culture in much of the entrepreneurship literature, there is no consideration of local arts and rural cultural characteristics.

The Cultural Dimensions Model focuses on certain distributional aspects of culture and entrepreneurship.

References

- Basso, O., Bouchard, V., Fayolle, A., & Legrain, T. (2008). *Understanding the Impact of Culture on a Firm's Entrepreneurial Orientation and Behavior: A Conceptual Framework* (Working Paper # 2008-02). Montreal, Canada: HEC Montreal.
- Hofstede, G. (1980). *Culture's Consequences*. Thousand Oaks, CA: Sage Publications.
- Hofstede, G. (2001). *Culture's Consequences* (2nd edition). Thousand Oaks, CA: Sage Publications.
- Hofstede, G., & Bond, M. (1988). The Confucius connection: From cultural roots to economic growth. *Organizational Dynamics*, 16(4): 5-21.

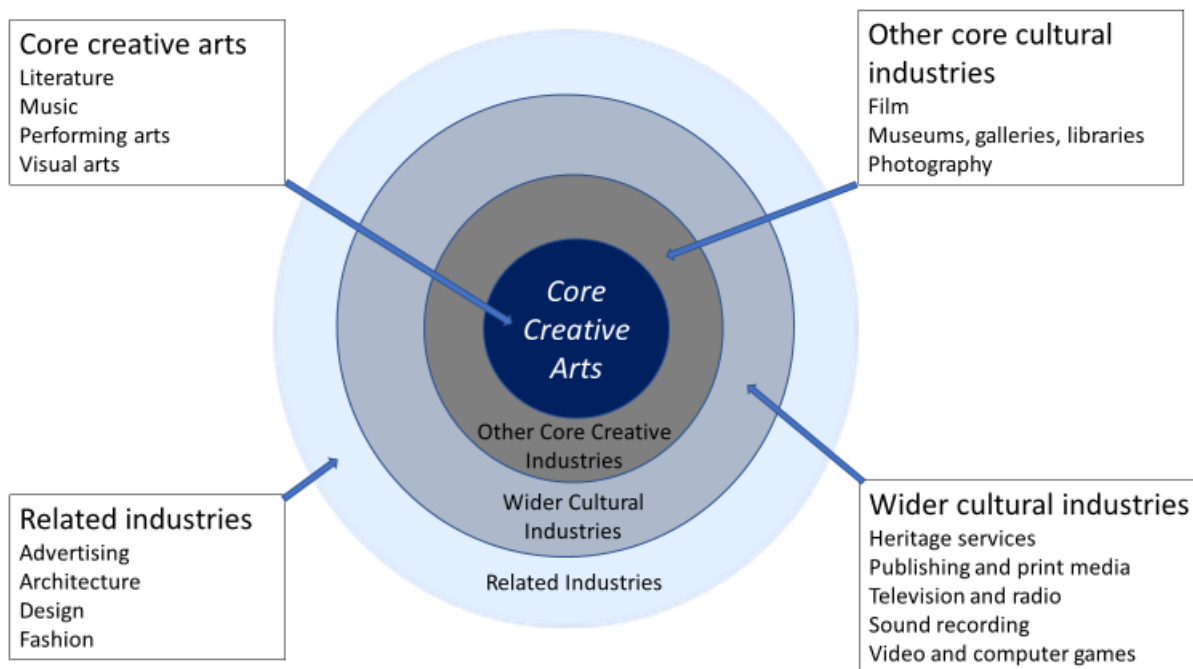
¹ Note that this controversial dimension—in which preference for achievement, heroism, assertiveness, and material success are described as masculine traits, while preference for relationships, modesty, caring for the weak, and the quality of life as feminine traits—applied to society values and norms and not to individuals. “In a masculine society even the women prefer assertiveness (at least in men); in a feminine society, even the men prefer modesty” (Basso et al., 2008, p. 8).

Urban, B. (2007). A framework for understanding the role of culture in entrepreneurship. *Acta Commercii*, 7(1): 82-95.

Throsby's Concentric Circles Model

David Throsby has written extensively on the theoretical and empirical relationships between the arts, culture, and economic performance (Throsby 1999, 2001, 2003a, 2003b, 2003c, 2008a, 2008b, 2010). Most students of arts and culture, including Throsby, distinguish the economic value and implications of arts and culture from their cultural value and implications. Throsby (2008a), offers a model of arts and culture that “combines economic and cultural characteristics on more or less equal terms” (p. 148). Throsby's model features a system of concentric circles much like those of [DeNatale and Wassall \(2007\)](#), [Cherbo et al. \(2008\)](#), and [Baeker \(2017\)](#). It is a static, non-spatial, sectoral model with some distributional features related to stakeholders in the sector.

Throsby's Concentric Circles Model of arts and economics identifies four components of cultural industries. In this model, activities closer to the core contain a larger proportion of cultural content. While the outer rings include some creative art in their value, each successive ring contains a smaller and smaller proportion of its value attributable directly to the creative arts.



Source: Adapted from Figure 1, Throsby 2008a, p. 150.

The Concentric Circles Model identifies a wide range of arts and culture policy stakeholders, including

- Culture workers
- For-profit firms
- Not-for-profits and NGOs (including unions, co-ops, etc.)
- Public institutions (libraries, museums, galleries)
- Educational institutions
- Government agencies
- International organizations

- Consumer groups

The Concentric Circles Model is a static, sectoral view of cultural industries. The identification of stakeholders also gives it a modest distributional dimension. In a subsequent article, Throsby (2010) discusses the dynamics of this system. He refers to the system as a value network, “where multiple inputs, feedback loops, and a pervasive ‘value-creating ecology’ replace a simple stage-wise process” (p. 40). Note that the particular examples of arts and cultural industries, especially the “core creative arts,” describe a narrow, formal, and urban view of arts and culture. Another characteristic of the Concentric Circles Model is that it does not consider the role of place and spatial relationships.

The Concentric Circles Model is used by Throsby and others to estimate the value of arts and culture. Throsby (2010) argues that a full valuation of culture includes private values; market values; public good values, measurable by estimation of willingness to pay; and collective value. Throsby (2010) also identifies four sources and types of cultural value: “arts production and consumption; cultural identity and symbolism; cultural diversity; and cultural preservation and continuity” (p. 56). These sources produce the following seven types of value: aesthetic value, spiritual value, social value, historical value, symbolic value, authenticity value, and locational value (pp. 126-127).

References

- Baeker, G. (2017). Cultural economies: What are they and how do we build them? *Economic Development Journal*, 16(2): 37-44.
- Cherbo, J., Vogel, H., & Wyszomirski, M. (2008). Toward an arts and creative sector. In J. Cherbo & M. Wyszomirski (Eds.), *Understanding the Arts and Creative Sector in the United States* (pp. 9–27). New Brunswick, NJ: Rutgers University Press.
- DeNatale, D., & Wassall, G. (2007). *The Creative Economy: A New Definition*. Boston, MA: New England Foundation for the Arts.
<https://www.nefa.org/sites/default/files/ResearchCreativeEconReport2007.pdf>. Accessed November 5, 2017.
- Throsby, D. (1999). Cultural capital. *Journal of Cultural Economics*, 23(1-2): 166-169.
- Throsby, D. (2001). *Economics and Culture*. Cambridge, UK: Cambridge University Press.
- Throsby, D. (2003a). Cultural capital. In Ruth Towse (Ed.), *Handbook of Cultural Economics* (pp. 166-169). Cheltenham, UK: Edward Elgar Publishing.
- Throsby, D. (2003b). Cultural sustainability. In Ruth Towse (Ed.), *Handbook of Cultural Economics* (pp. 183-186). Cheltenham, UK: Edward Elgar Publishing.
- Throsby, D. (2003c). Determining the value of cultural goods: How much (or how little) does contingent valuation tell us?. *Journal of Cultural Economics*, 27(3-4): 275-285.
- Throsby, D. (2008a). The concentric circles model of the cultural industries. *Cultural Trends*, 17(3): 147-164.
- Throsby, D. (2008b). Modelling the cultural industries. *International Journal of Cultural Policy*, 14(3): 217-232.

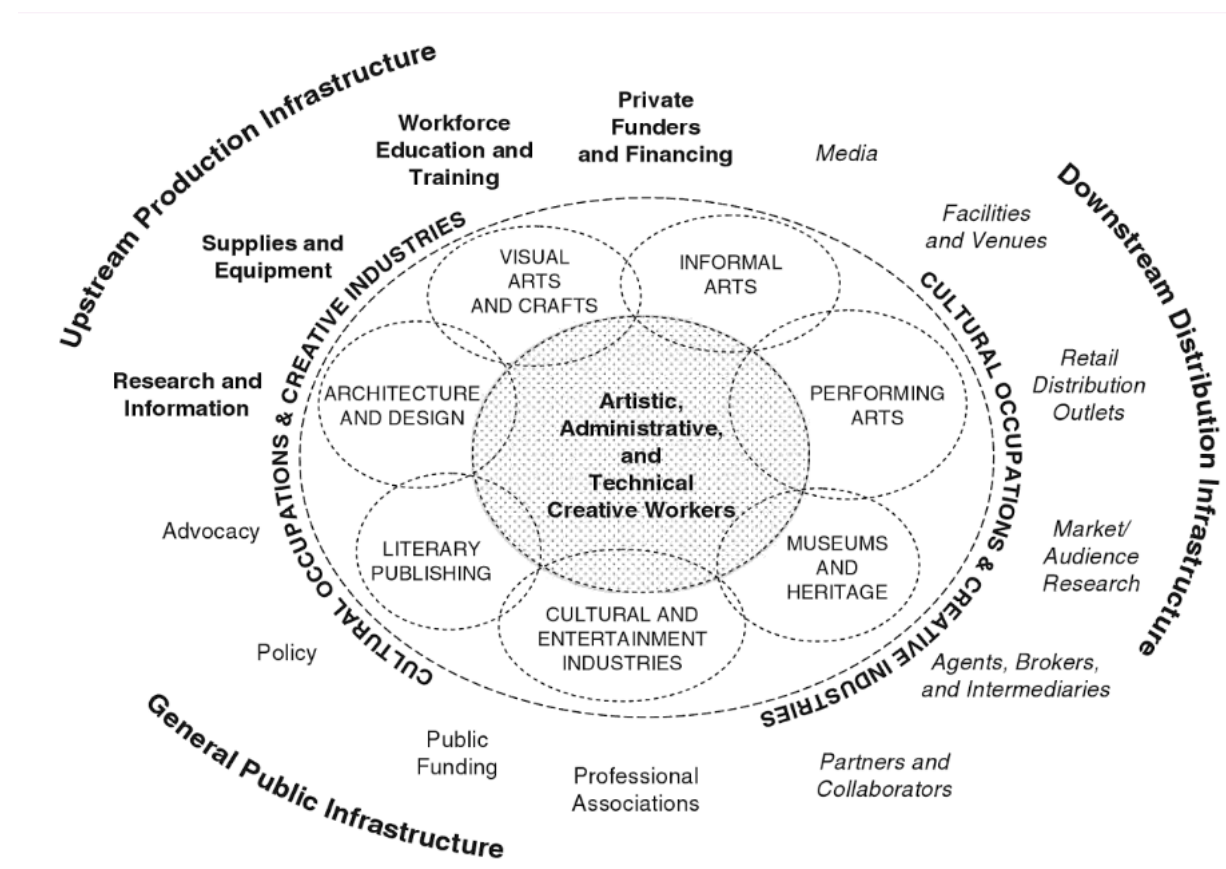
Throsby, D. (2010). *The Economics of Cultural Policy*. Cambridge, UK: Cambridge University Press.

[Cherbo-Vogel-Wyszomirski Creative Workers and Industries Model](#)

Cherbo et al. (2008) suggest a model similar to other concentric circles models ([DeNatale & Wassall, 2007](#); [Throsby, 2008](#); [Baeker, 2017](#)). The key difference is that the Cherbo et al. model explicitly distinguishes between employers and employees. In their model, an inner component of artistic, administrative, and technically creative workforce, works for, or with, the creative industries. Distinguishing the creative workforce from their employers is useful since it is these workers who introduce diversity and fresh ideas into the workplace, and who often move from one subsector to another.

The creative industries in the Cherbo et al. (2008) model are approximately equivalent to the inner three rings of [Throsby's Concentric Circles Model](#). Similarly, the outer ring of sectors roughly correlates to Throsby's outer ring (related industries), although Cherbo et al. (2008) differentiate between upstream and downstream sectors in their outer ring, and they add the public and not-for-profit sectors not explicit in the Throsby model.

The Cherbo-Vogel-Wyszomirski model is a static, aspatial, sectoral model. It does have some distributional features related to occupational differences.



Source: Cherbo et al. (2008), Figure 1-1, p. 14.

[References](#)

Baeker, G. (2017). Cultural economies: What are they and how do we build them? *Economic Development Journal*, 16(2): 37-44

Cherbo, J., Vogel, H., & Wyszomirski, M. (2008). Toward an arts and creative sector. In J. Cherbo & M. Wyszomirski (Eds.), *Understanding the Arts and Creative Sector in the United States* (pp. 9-27). New Brunswick, NJ: Rutgers University Press.

DeNatale, D., & Wassall, G. (2007). *The Creative Economy: A New Definition*. Boston, MA: New England Foundation for the Arts.

<https://www.nefa.org/sites/default/files/ResearchCreativeEconReport2007.pdf>. Accessed November 5, 2017.

Throsby, D. (2008). The concentric circles model of the cultural industries. *Cultural Trends*, 17(3): 147-164.

Proactive Cultural Districts Model

The narrow view of the creative economy as a strategy for job creation and economic growth has many critics (Peck, 2005; Klein & Tremblay, 2010; Stern & Seifert, 2008). In a paper entitled *From Creative Economy to Creative Society*, Stern and Seifert (2008) argue that “[p]ublic 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” (p. 1). This assertion is supported by recent critiques of traditional theories of social innovation (Arroyo, 2017).

In addition to (or perhaps as a part of) the development of creative economies, social theorists hypothesize that a vibrant arts and cultural presence in a community can lead to more innovations in social systems, governance, and institutions if guided appropriately. Tremblay and Pilati (2013), for example, argue that not only can culture “be the growth factor at the source of economic competitiveness but can also contribute to the social development and environmental sustainability of neighbourhoods or cities” (p. 70). Stern and Seifert suggest that without a deliberate strategy, creative economy strategies will lead to growing inequality in income distributions. They suggest that

[a]n effective revitalization strategy should be both place- and people-based—that is, it should be grounded in a given locale but have active connections with other neighborhoods and economies throughout the city and region. A neighborhood-based ecosystem approach to the creative economy is a way to integrate urban neighborhood residents with the regional economy and civil society (p. 7).

A model cited as a solution to the narrow creative economy strategy is one by Sacco et al. (2006, cited by Tremblay & Pilati, 2013). This model referred to as the “proactive cultural district” model is less a conceptual model and more a list of best practices. Tremblay and Pilati describe the model as “a form of horizontal integration of different initiatives or systems, which can be seen as a social innovation...a model which is achieved through strategic complementarity between cultural and production systems” (p. 70). They go on to say that in this model,

the loci of production and supply of culture are not perceived only as sources of profit, but are perfectly integrated into the new post-industrial ‘value chain’...The ‘value’ thus created through symbolic content or cultural value can be related to the post-industrial economy; it contributes to individual wellbeing and constitutes a necessary factor in the development of a socially recognized and sustainable territorial identity (p. 70).

The essence of the Proactive Cultural District Model is contained in 12 dimensions or elements: (1) improving the cultural supply, (2) improving local governance, (3) improving the production of knowledge, (4) developing local entrepreneurship, (5) developing local talent, (6) attracting external firms, (7) attracting external talent, (8) managing social criticalities, (9) capability building and educating the local community, (10) involving the local community, (11) internal networking, and (12) external networking.

Clearly this model is complementary to the [Creative Placemaking Model](#). Creative placemaking describes a number of micro-strategies (public-private partnerships for example), whereas the Cultural District Model describes macro-strategies and external linkages (external networking

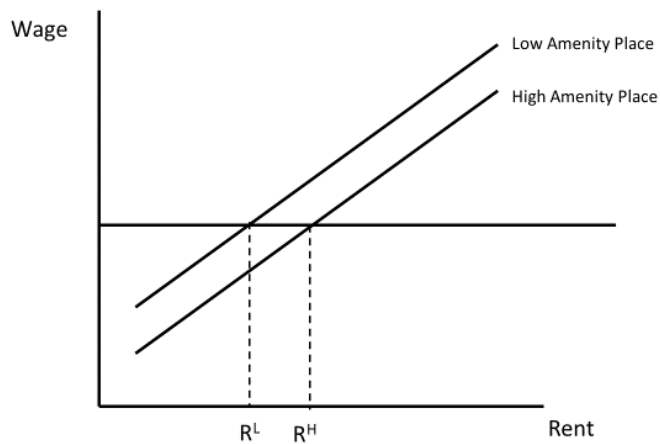
for example) necessary for successful improvements of well-being. The proactive cultural districts model adds an explicit distributional dimension to creative placemaking.

References

- Arroyo, K. K. (2017). Creative policymaking: Taking the lessons of creative placemaking to scale. *Artivate*, 6(2).
- Klein, J., & Tremblay, D. (2010). Can we have a “Creative City” without forgetting social cohesion? Some avenues of reflection. *PLAN Canada*, 50(2): 27–29.
- Peck, J. (2005). Struggling with the creative class. *International Journal of Urban and Regional Research*, 29(4): 740–770.
- Sacco, P.L., Ferilli, G., & Lavanga, M. (2007). The Cultural District Organizational Model: A Theoretical and Policy Design Approach (Working paper). Venezia: DADI, Università IUAV.
- Stern, M., & Seifert, S. (2008). *From Creative Economy to Creative Society*. Philadelphia, PA: The Reinvestment Fund.
- Tremblay, D. G., & Pilati, T. (2013). Social innovation through arts and creativity. In F. Moulaert (Ed.), *The International Handbook on Social Innovation: Collective Action, Social Learning and Transdisciplinary Research* (pp. 67-79). Cheltenham, UK: Edward Elgar Publishing.

The Rosen-Roback Model

The Rosen-Roback model (Rosen, 1974, 1979; Roback, 1982) has been applied to numerous questions related to the non-market determinants of quality of life and productivity of regions. The Rosen-Roback model posits that households are attracted to locations that offer a mix of place-based amenities, such as climate, natural amenities, local public services, job characteristics, and population characteristics. Employers are also attracted to place-based characteristics that improve their competitiveness and profits. Households are willing to accept a combination of lower wages and higher land values in locations that offer their ideal mix of local characteristics. Employers are willing to pay higher wages in locations that offer their ideal mix of local characteristics. When the land and labor markets are in equilibrium, the combination of differences in wages and land values across space provides an estimate of the marginal valuation of the mix of amenities. Using cross-sectional regression analysis, this valuation can be estimated statistically.



Applications of this model have primarily dealt with environmental characteristics of places, but it has also been applied to social and cultural characteristics. For example, Ottaviano and Peri (2006) adapted the model to estimate the economic value of cultural diversity. They found evidence that those US cities that had the most international migrants had significantly higher wages and land values than other cities.

The Rosen-Roback Model is a static, spatially focused model, generally with minimal sector detail. Applications may have distributional characteristics as in the Ottaviano and Peri (2006) study.

References

Ottaviano, G. I., & Peri, G. (2006). The economic value of cultural diversity: Evidence from US cities. *Journal of Economic Geography*, 6(1): 9-44.

Roback, J. (1982). Wages, rents, and the quality of life. *Journal of Political Economy*, 90(6): 1257-1278.

Rosen, S. (1974). Hedonic prices and implicit markets: Product differentiation in pure competition. *Journal of Political Economy*, 82(1): 34-55.

Rosen, S. (1979). Wage-based indexes of urban quality of life. *Current Issues in Urban Economics*, 3: 324-345.

Cultural Impact Assessment Model

Several authors have recently proposed models for conducting cultural impact assessments (CIAs). CIA models are different than the other conceptual models reviewed here, but they qualify as static, sectoral models of the arts and culture. They will generally have spatial dimensions and may or may not have a distributional dimension.

Partal and Dunphy (2016) report the findings from an extensive review of the literature on CIAs. They identify two interpretations of CIA: “CIA is mostly an assessment of impact of interventions on an existing culture. In the cultural sector, CIA is often used to mean assessment of the impact of cultural activities or interventions, on outcomes, that are sometimes cultural, but also social and economic, and in many cases, not specified at all” (p. 8).

In short, CIAs may focus on either (1) the impact of cultural production, consumption, and investment on other social and economic indicators or (2) the consequences of various events, trends, and policy changes on cultural consumption, production, or stock of cultural capital. Partal and Dunphy (2016) conclude that a majority of articles they reviewed focused on the second type—the impact of policy on culture.

Both types of analysis are of interest in this review. The comprehensive wealth framework addresses both the causes and consequences of changes in the arts and culture.

The Australian Expert Group in Industry Studies (Marceau & Davidson, 2004) reviewed 87 impact assessments of the first type—social impact analyses of participation in cultural activities. Among other things, the authors concluded that many of the studies were problematic because the research was poorly designed—the research focused on outputs rather than longer term outcomes or impacts—and there was a lack of consensus around definitions of terms. Based on their review, Marceau and Davidson (2004) developed a list of best practices in impact assessment, including sources of data and alternative methods.

Sagnia (2004) defined the term “cultural impact assessment” when used to assess the second type of CIA—the impact of events, trends, and policies on culture, as follows:

A process of identifying, predicting, evaluating and communicating the probable effects of a current or proposed development policy or action on the cultural life, institutions and resources of communities, then integrating the findings and conclusions into the planning and decision making process, with a view to mitigating adverse impacts and enhancing positive outcomes (p. 5).

James (2014) addresses the issue of cultural sustainability assessment. He develops a model of culture (the [Circle of Social Life Model](#)) and a cultural self-evaluation tool for communities.

Partal and Dunphy (2016) identified the common steps and components in the CIA methods employed by Gibson et al. (2008 and 2011); Mackenzie Valley Review Board (2009); James (2014); and Secretariat of the Convention on Biological Diversity, Canada (2004). The processes generally include a preparatory stage, during which the stakeholders are informed and encouraged to engage in the analysis, and a second stage, which focuses on collection of data to identify and describe the cultural resources, practices, and beliefs of the affected groups.

Sagnia (2004) offers a set of principles, steps, and indicators for CIAs. Sagnia describes a nine-step procedure for conducting these assessments:

1. Develop a public involvement plan;
2. Describe the proposed policy change;
3. Define baseline conditions;
4. Identify significant probable impacts of the policy change;
5. Investigate these probable impacts;
6. Predict the response of the affected communities;
7. Investigate indirect impacts;
8. Recommend alternative policies;
9. Develop a mitigation plan; and
10. Develop a monitoring plan.

An important part of the process is the identification of appropriate indicators (steps 3 and 4) and methods for predicting changes in these indicators (steps 5, 6, and 7). Sagnia suggests 16 indicators (for example, political structure and forms of organization and traditional architecture) but not how to gather or measure the indicators, and provides no methods for explaining changes in the indicators.

References

Gibson, G., O'Faircheallaigh, C., & MacDonald, A. (2008). *Integrating Cultural Impact Assessment into Development Planning*. International Association for Impact Assessment Workshop. Fargo, ND: International Association for Impact Assessment.

Gibson, G., MacDonald, A., & O'Faircheallaigh, C. (2011). Cultural considerations associated with mining and indigenous communities. In P. Darling (Ed.), *SME Mining Engineering Handbook* (3rd ed.) (pp. 1797-1816). Denver: Society for Mining, Metallurgy and Exploration, Littleton.

James, P. (2014). *Assessing Cultural Sustainability*. Agenda 21 for Culture - Committee on Culture of United Cities and Local Governments (UCLG).

https://www.academia.edu/15885475/Assessing_Cultural_Sustainability_Agenda_21_for_Culture.

Accessed October 12, 2017.

Mackenzie Valley Review Board. (2009). *Status Report and Information Circular: Developing Cultural Impact Assessment Guidelines*. Yellowknife, NT, Canada: Mackenzie Valley Review Board.

<http://reviewboard.ca/file/750/download?token=vNkEZfXH>, Accessed October 12, 2017.

Marceau, J., & Davidson, K. (2004). *Social Impacts of Participation in Arts and Cultural Activity*. Sydney, Australia: Australian Expert Group in Industry Studies, University of Western Sydney.

Partal, A., & Dunphy, K. (2016). Cultural impact assessment: A systematic literature review of current methods and practice around the world. *Impact Assessment and Project Appraisal*, 34(1): 1-13.

Sagnia, B. K. (2004). *Framework for Cultural Impact Assessment*. International Network for Cultural Diversity working paper.

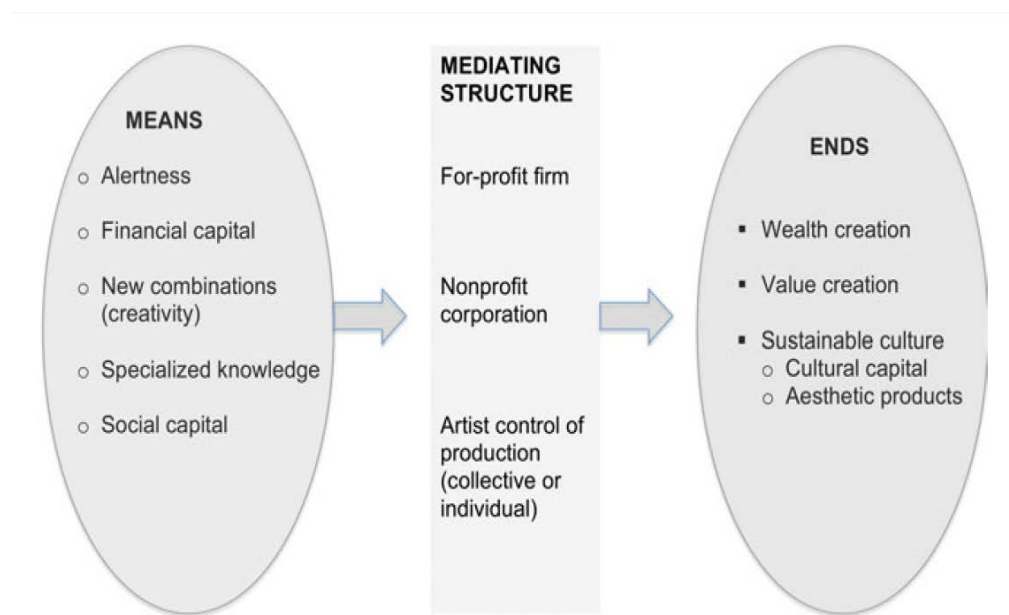
[http://www.dmeforpeace.org/sites/default/files/Framework%20for%20Cultural%20Impact%20Assessment%20\(INCD\)_2004.pdf](http://www.dmeforpeace.org/sites/default/files/Framework%20for%20Cultural%20Impact%20Assessment%20(INCD)_2004.pdf). Accessed October 11, 2017.

Secretariat of the Convention on Biological Diversity. (2004). *Akwé: Kon: Voluntary Guidelines for the Conduct of Cultural, Environmental and Social Impact Assessment regarding Developments Proposed to Take Place on, or which are Likely to Impact on, Sacred Sites and on Lands and Waters Traditionally Occupied or Used by Indigenous and Local Communities*. Montreal, Canada: CBD Guidelines Series.

Essig's Art Entrepreneurship Model

The research literature on entrepreneurship is vast, and has three major foci: (1) the individual and his or her characteristics; (2) entrepreneurial characteristics of sectors and firms; and (3) characteristics of places that contribute to, or inhibit, the success of entrepreneurial individuals and firms.

Essig (2015) offers several conceptualizations of entrepreneurship in the US arts and culture sector, and ultimately concludes that art entrepreneurship is a process of discovery and creation rather than management. While the means available and the desirable ends may differ from artist to artist, arts entrepreneurship can be understood as the process of connecting those means with those ends through an appropriate mediating structure: "The artist takes the creative risk to make significant unique work of symbolic meaning. The arts entrepreneur minimizes risk by surrounding that work with a structure that enables them to connect their means...with the end product of a repeatable, and potentially scalable, creative enterprise" (p. 243). This focus on risk and strategies for minimizing risk is consistent with the [Social Network Market Model](#).



Source: Figure Essig (2015) p. 242.

Essig's (2015) model proposes a way to understand the process of arts entrepreneurship and draws on several models of entrepreneurship (i.e., Schumpeter, 1934, 1942), and entrepreneurial bricolage (Baker & Nelson, 2005). For the purposes of this paper, Essig (2015) describes entrepreneurial bricolage as "a process for connecting means and ends in a resource poor environment, making it a particularly useful construct for the arts entrepreneurship domain" (p. 228). The basic theme here is that entrepreneurial artists are those who are able to find or create a relationship between means and ends. The means in the case of art entrepreneurship are quite universal—personal traits such as alertness, creativity, and specialized knowledge, combined with financial capital and support from social networks. Other aspects of this model are peculiar to the arts sector—that the desired ends are almost always much broader than profit maximization, including non-monetary rewards, creation of cultural capital, and aesthetic

products. The model also explains that there must be some mediating structure for the relationship to work.

The Essig model is quite dissimilar to other models reviewed here. It focuses not only on the system's actors, but also on the system's communities and on those communities' sectors. The "means" in this model include the assets available to the artist (financial, human, intellectual, and social capital) and some elements of the institutional context. In these ways the model complements other models. Importantly, it contains many elements that make it consistent with a comprehensive wealth view of arts and culture.

The model is dynamic and spatial and includes some distributional features.

References

- Baker, T., & Reed, E. N. (2005). Creating something from nothing: Resource construction through entrepreneurial bricolage. *Administrative Science Quarterly*, 50(3): 329–366.
- Essig, L. (2015). Means and ends: A theory framework for understanding entrepreneurship in the US arts and culture sector. *The Journal of Arts Management, Law, and Society*, 45(4): 227-246.
- Schumpeter, J. A. (1934). *The Theory of Economic Development*. Cambridge, MA: Harvard University Press.
- Schumpeter, J. A. (1942). *Capitalism, Socialism, and Democracy*. New York: Harper Perennial

How Art Works System Map

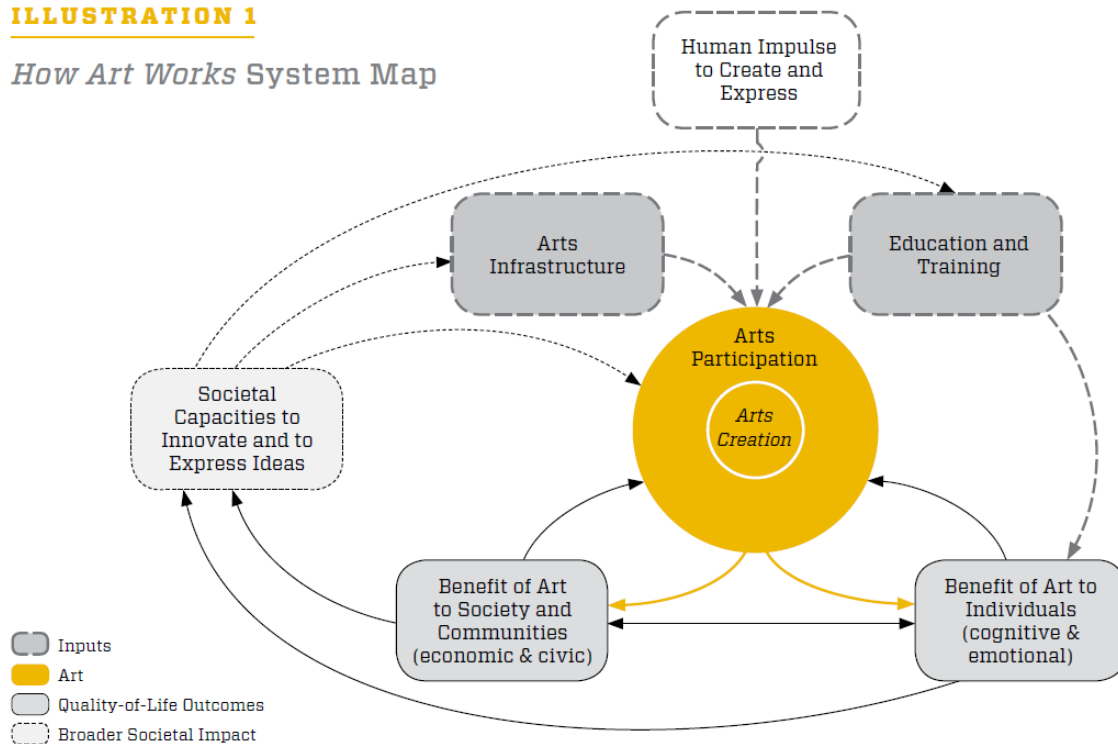
Another, more elaborate, model of art creation and consumption was recently offered by the National Endowment for the Arts (NEA, 2012). The model employs system mapping—a tool used in many disciplines to build conceptual models of dynamic systems. The NEA report points out that

System mapping is an analytical technique broadly applied in both the social and physical sciences. It allows analysts to picture complex interactions between large numbers of variables combining to generate single outcomes. The constellation of causal variables is referred to as a “system.” The “mapping” is the process of first imagining and then testing how variables interact with one another over time to produce impact. The basis of the method is the recognition that the structure of any system—the many circular, interlocking, sometimes time-delayed relationships among its components—is often just as important in determining its behavior as the individual components themselves (p. 10).

System mapping is the first step in building a system dynamics model (Forrester, 1994; Meadows, 2002). This method will be used by the Rural Cultural Wealth Lab as a device to conceptualize and eventually model rural cultural wealth.

ILLUSTRATION 1

How Art Works System Map



Source: NEA 2012, p. 11.

In this model, participation in art production is a response to the human impulse to create and express. To fulfill this impulse, people also require the opportunity to participate, which is fulfilled by the art infrastructure and appropriate education and training. When these motivations and opportunities are combined, the result is art. The creation of, and participation in, art generates direct benefits (quality of life) to the individuals involved and to society in general, including economic and other instrumental benefits. In addition to these direct or first order benefits, society is hypothesized to benefit indirectly in the form of increased ability to innovate, new forms of self-expression, and new outlets for expression. The model then hypothesizes feedback from the indirect societal benefits to support for arts infrastructure, education and training, and increased participation in arts creation and consumption.

The model also recognizes that not all the consequences of art creation and consumption are positive to all stakeholders. Because of differences in tastes and values, some art will be threatening to some people. Also, art comes with opportunity costs—more resources devoted to the arts will mean fewer resources devoted to non-art activities and products.

This model is dynamic, and considers the sectoral components and boundaries, the spatial context, and some distributional features.

The report goes on to describe issues related to the measurement of the model components, and to research priorities that emerge from the conceptual model.

References

- Forrester, J. W. (1994). Learning through system dynamics as preparation for the 21st century. In *Keynote Address for Systems Thinking and Dynamic Modeling Conference for K-12 Education* (pp. 27-29). Concord, MA: Concord Academy.
<https://pdfs.semanticscholar.org/f1d2/44f3f6e68cddb834d5080eb21406b54ae069.pdf>. Accessed February 14, 2018.
- Meadows, D. (2002). Dancing with systems. *Systems Thinker*, 13(2): 2-6.
- National Endowment for the Arts. (2012). *How Art Works: The National Endowment for the Arts' Five-Year Research Agenda, with a System Map and Measurement Model*. Washington, DC: National Endowment for the Arts. https://www.arts.gov/sites/default/files/How-Art-Works_0.pdf. Accessed February 14, 2018.