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**NEFA publishes groundbreaking new Creative Economy study**  
**"The Creative Economy: A New Definition" proposes standardized methodology for**  
**measuring the sector's economic importance**

(BOSTON) New England Foundation for the Arts (NEFA), a leader in creative economy research in the region for the past 30 years, has released "The Creative Economy: A New Definition," a report that proposes a standard methodology with the goal of establishing a core definition of the creative economy that could be employed in all regions. The report, written by Douglas DeNatale, Ph.D. of Community Logic, Inc., and Gregory H. Wassall, Ph.D. from the Economics Department at Northeastern University, provides a new, comprehensive research framework for New England and beyond, and includes an economic analysis of the New England creative economy.

Building on its history of creative economy work, NEFA initiated a well-known earlier study, in collaboration with the New England Council, published in 2000. "The Creative Economy Initiative: The Role of the Arts and Culture in New England's Economic Competitiveness" was conducted by the economic development consulting firm Mt. Auburn Associates, with additional contributions from Wassall, DeNatale, and NEFA staff. The model developed in this earlier study, which included nonprofit and commercial enterprises as well as individual artists and entrepreneurs, has been widely adopted in New England to measure and compare the sector's economic importance and vitality over the past several years. Subsequent framings of the Creative Economy in New England and elsewhere have included an unspecified and proprietary range of organizations and individuals. These various approaches have resulted in confusion and conflict in the field. The term "creative economy" has taken on multiple meanings and definitions, making comparison among various creative economy research efforts nearly impossible.

In response, NEFA asked DeNatale and Wassall to review the model from the earlier study, as well as several other approaches advanced in recent years, in a white paper that was presented in 2006 to researchers and practitioners for feedback. "The Creative Economy: A New Definition" incorporates much of that feedback and the resulting new model purposefully upholds a

conservative definition of the standard, federal data categories that should be used as a foundation for research, while allowing for local refinement and adjustment to these categories to account for local geographic differences and advocacy purposes.

Section II of the new report uses NEFA's recent creative economy research framework to report on cultural activity in New England. Some of the findings based on recent census data include the following.

- New England's top 10 Cultural Enterprise industries and Cultural Workforce occupations match those of the U.S., showing that New England has high concentrations of the most important industries and occupations nationally.
- Cultural enterprises and cultural workers play an important role in New England's economy, with a greater relative endowment of cultural workers and 12.8% higher cultural enterprise employment than the U.S. as a whole. These firms and professionals complement many of the region's other strengths: a strong tourism base, concentrations in higher education, high technology, medical care, finance and insurance.
- Three New England states (MA, CT and RI) rank in the top 10 in the country for the number of artists as a percentage of their workforce. All New England states are in the top 25.
- As in the U.S., the unemployment rate of cultural workers in New England is almost two percentage points below the overall rate. Cultural workers also had fairly stable wages and steady, full time employment.

"NEFA's commitment to Creative Economy research stems from the goal of developing a consistent framework and definition to measure the economic importance of cultural activities - locally, regionally, nationally and internationally - to demonstrate the value of this major industry and be able to compare relative assets in all states and regions of the U.S." said NEFA director of programs Jane Preston.

"Increased investment in promoting cultural and heritage tourism has been one of the primary successes resulting from this work," Preston continued. "For example, as a result of the 2000 Creative Economy Initiative report, the Vermont Council on Culture and Innovation drew on this research to evaluate the effects of cultural development on tax revenues, and found that there were dramatic increases in local meals and sales taxes that could be directly correlated to the renovation of the Vergennes Opera House and the restoration of the Exner Block in Rockingham.

Collaborative multi-state efforts have resulted from the research, as in the case of the Scenic Byway Council of VT and NH. This council was recently created to consider policy, promotion and stewardship of the Connecticut River Byway and the surrounding cultural communities. Other groups who would benefit from the research include: cultural enterprises using their state assets

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ranking to attract highly qualified workers, businesses looking at expanding or investing into a new area, and researchers searching for employment data for comparison.

"As with all of these efforts toward the creative economy and cultural heritage tourism, this is the culmination of years of planning and partnership," said Preston.

To make the research available to all, NEFA has published this report as a PDF. To download the complete report or the report highlights, visit <http://www.nefa.org/pubs/index.html>.

The report was produced with support from the six New England state arts agencies.

### **About New England Foundation for the Arts**

NEFA creatively supports the movement of people, ideas, and resources in the arts within New England and beyond, makes vital connections between artists and audiences, and builds strength, knowledge, and leadership of the creative sector. NEFA is a 501 (c) 3 that operates with funding from the National Endowment for the Arts, the New England state arts agencies, and from corporations, foundations, and individuals.

NEFA administers nine grant-making programs that support the performing arts, public art and Native arts. NEFA is also actively involved in over ten projects and initiatives, ranging from the research and analysis of the impact of the creative economy to the creation and administration of resources and online tools, which link and advance the regional, national, and international cultural community. For more information, please visit [www.nefa.org](http://www.nefa.org) or call (617) 951-0010.

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