APPENDIX E

Shared spaces: Social and economic returns on investment in cultural infrastructure

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Social and economic returns on investment in cultural infrastructure

1 Introduction

Over the past three years, the Centre of Expertise on Culture and Communities (CECC) has engaged in three main activities: knowledge generation, outreach and networking, and knowledge exchange. This paper is a contribution to the Centre’s research on the impacts of cultural infrastructure and activity in cities and communities.

Because this is a vast topic, the paper will utilize a limited definition of tangible cultural infrastructure: “built structures, cultural venues, monuments, public art or cultural spaces, and arts and cultural production or training centres that are essential to economy and society” (CECC, October 18, 2006, p. 2). Tangible infrastructure has been defined in a Statistics Canada publication as structures that have “long and useful lives; whose creation involves a considerable gestation period; that have no good substitutes in the short run; and that underpin the production of a flow of services, for which it is difficult to maintain inventories” (Baldwin & Dixon, 2008, p. 86), and this serves as a useful supplementary description of the focus of this paper. While intangible cultural infrastructure – the activities that facilitate the functioning and management of tangible cultural infrastructure – are undoubtedly important to communities and economies, it is beyond the scope of this short paper to assess the social and economic returns delivered by so-called “soft” cultural infrastructure. Where it is difficult to separate the intangible from the tangible, this will be noted, but in general the reader should assume that the evidence cited pertains mainly to “hard” cultural infrastructure as defined above.

The paper begins by establishing the context for cultural infrastructure investment in Canada. It then provides an overview of general theories on the social and economic effects of culture, followed by a section on specific approaches to measuring social and economic returns on cultural infrastructure investment. Methodological issues are then discussed, and the main findings from the literature are summarized. Finally, the concluding section examines the research challenges as well as areas where further work should be undertaken in order to increase our understanding of the social and economic returns on investments in cultural infrastructure.

2 Cultural infrastructure in the Canadian context

In Canada, cultural infrastructure is an important element in overall government spending at all levels. As Table E1 indicates, in 2005 cultural infrastructure was the sixth most important area of government infrastructure investment in Canada, with the highest proportion of investment occurring at the local level.¹

<table>
<thead>
<tr>
<th>Type of asset</th>
<th>Federal</th>
<th>Provincial</th>
<th>Local</th>
<th>All</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads</td>
<td>0.8</td>
<td>20.4</td>
<td>18.6</td>
<td>39.9</td>
</tr>
<tr>
<td>Environment</td>
<td>0.8</td>
<td>1.7</td>
<td>12.0</td>
<td>14.5</td>
</tr>
<tr>
<td>Water systems</td>
<td>0.6</td>
<td>0.7</td>
<td>9.5</td>
<td>10.8</td>
</tr>
<tr>
<td>Office buildings</td>
<td>3.7</td>
<td>1.8</td>
<td>3.7</td>
<td>9.2</td>
</tr>
<tr>
<td>Recreation</td>
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<td>0.7</td>
<td>4.8</td>
<td>5.5</td>
</tr>
<tr>
<td>Culture</td>
<td>0.1</td>
<td>0.3</td>
<td>1.6</td>
<td>2.0</td>
</tr>
</tbody>
</table>


¹ Cultural facilities included public libraries, historical sites, museums, and theatres.
As reported by Statistics Canada, sports facilities and cultural capital were the asset types that increased fastest in percentage terms between 1961 and 2005, with local governments’ investments increasing and provincial governments’ decreasing over the period (Statistics Canada, 2007, pp. 3-12). Table E2 shows the average annual growth rates for the six top infrastructure investment areas both nationally and by region.

During the period, Quebec and British Columbia had the fastest cultural infrastructure investment growth rate, while Ontario had the lowest. The federal share of infrastructure investments has, however, been declining in most instances, as shown in Table E3.

In many cases, infrastructure investments have been undertaken jointly by the three levels of government, with the Urban Development Agreements (UDAs) of the 1980s and 1990s in five Western Canadian cities being one of the most innovative ways of coordinating their interventions. For example, Winnipeg entered into a series of UDAs that levered over $300 million to transform the Forks rail yards into a mixed use area including public markets, recreation, housing, tourism, and heritage preservation (Bradford, 2008, p. 9).

### TABLE E2. Average annual growth of total government infrastructure capital by region and type of asset – 1961 to 2005
(Top six categories in 1997 constant dollars)

<table>
<thead>
<tr>
<th>Type of asset</th>
<th>Atlantic</th>
<th>Quebec</th>
<th>Ontario</th>
<th>Prairies</th>
<th>BC</th>
<th>Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads</td>
<td>1.6</td>
<td>1.4</td>
<td>2.2</td>
<td>1.7</td>
<td>2.3</td>
<td>1.9</td>
</tr>
<tr>
<td>Environment</td>
<td>1.8</td>
<td>2.5</td>
<td>2.3</td>
<td>1.3</td>
<td>2.9</td>
<td>2.2</td>
</tr>
<tr>
<td>Water systems</td>
<td>1.8</td>
<td>2.4</td>
<td>2.8</td>
<td>2.3</td>
<td>2.2</td>
<td>2.4</td>
</tr>
<tr>
<td>Office buildings</td>
<td>2.2</td>
<td>3.1</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
<td>2.6</td>
</tr>
<tr>
<td>Recreation</td>
<td>3.6</td>
<td>2.6</td>
<td>4.0</td>
<td>3.8</td>
<td>4.7</td>
<td>3.7</td>
</tr>
<tr>
<td>Culture</td>
<td>3.7</td>
<td>4.6</td>
<td>3.2</td>
<td>3.4</td>
<td>4.6</td>
<td>3.8</td>
</tr>
</tbody>
</table>


### TABLE E3. Average annual growth of federal government infrastructure by region and type of asset – 1961 to 2005
(Top six categories in 1997 constant dollars)

<table>
<thead>
<tr>
<th>Type of asset</th>
<th>Atlantic</th>
<th>Quebec</th>
<th>Ontario</th>
<th>Prairies</th>
<th>BC</th>
<th>Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads</td>
<td>-2.1</td>
<td>-1.8</td>
<td>-0.9</td>
<td>-1.8</td>
<td>-1.5</td>
<td>-1.5</td>
</tr>
<tr>
<td>Environment</td>
<td>-2.3</td>
<td>-0.4</td>
<td>-0.8</td>
<td>-1.1</td>
<td>-1.3</td>
<td>-1.1</td>
</tr>
<tr>
<td>Water systems</td>
<td>-2.4</td>
<td>-1.4</td>
<td>-0.1</td>
<td>-0.5</td>
<td>-0.8</td>
<td>-0.8</td>
</tr>
<tr>
<td>Office buildings</td>
<td>1.2</td>
<td>1.4</td>
<td>1.0</td>
<td>1.1</td>
<td>1.1</td>
<td>1.1</td>
</tr>
<tr>
<td>Recreation</td>
<td>n/a</td>
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<td>n/a</td>
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<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Culture</td>
<td>-1.0</td>
<td>3.1</td>
<td>0.4</td>
<td>-0.3</td>
<td>-1.1</td>
<td>0.5</td>
</tr>
</tbody>
</table>


### 3 General theories of social and economic returns on cultural investments

Several broad theoretical approaches have been utilized in the literature to explain the overall impact of cultural investments. These theories often overlap and sometimes cite the same types of evidence in support of their hypotheses. This is particularly the case with theories related to social cohesion, social inclusion, social well-being, and cultural sustainability, which all attempt to link positive social and economic outcomes to cultural investments.
economic outcomes within similar broad conceptual frameworks. Cultural citizenship and creative economy theories attempt to separate social and economic elements a bit more clearly, but are still sweeping in their theoretical scope. This section sketches in a very general way the main elements of these theories, while the following section will examine the specific ways in which these theories are applied to the problem of measuring social and economic returns on investments in cultural infrastructure.

3.1 Social cohesion theory
Between 1998 and 2004, Canadian scholars and policy researchers spent a great deal of effort analyzing the concept of social cohesion and attempting to develop indicators based on this conceptualization. The most well-known of the Canadian theorists is Professor Jane Jenson of the University of Montreal, whose unpacking of the five dimensions of social cohesion is outlined in Figure E1. In Jenson’s framework, the degree of social cohesion in a society can be characterized by where it ranks on the continuum represented by each of the five dimensions (Jenson, 1998, p. 15).

FIGURE E1. Jenson’s five dimensions of social cohesion

<table>
<thead>
<tr>
<th>Belonging</th>
<th>Isolation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inclusion</td>
<td>Exclusion</td>
</tr>
<tr>
<td>Participation</td>
<td>Non-involvement</td>
</tr>
<tr>
<td>Recognition</td>
<td>Rejection</td>
</tr>
<tr>
<td>Legitimacy</td>
<td>Illegitimacy</td>
</tr>
</tbody>
</table>

Paul Bernard, a colleague of Jenson’s at the University of Montreal, later suggested that another dimension – equality versus inequality – be added to her framework to make it more complete (Bernard, 1999, p. 13). Bernard also pointed out that the resulting six dimensions could then be paired, since they represent either conditions promoting social cohesion (as manifested by formal state policies and programs) or substantive societal outcomes of these policies and programs. The resulting pairing is shown in Figure E2.

FIGURE E2. Bernard’s formal and substantive dimensions of social cohesion

<table>
<thead>
<tr>
<th>FORMAL</th>
<th>SUBSTANTIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equality / Inequality</td>
<td>Inclusion / Exclusion</td>
</tr>
<tr>
<td>Recognition / Rejection</td>
<td>Belonging / Isolation</td>
</tr>
<tr>
<td>Legitimacy / Illegitimacy</td>
<td>Participation / Non-involvement</td>
</tr>
</tbody>
</table>

A state may have in place a variety of formal policies and programs to promote social, cultural, and economic equality. If these policies are effective, the substantive outcome will be citizens who feel included in the life of their communities. If they are not, large portions of that population may feel excluded, posing a threat to the cohesion of that society or community. Similarly, the legitimacy of political, social, economic, and cultural institutions, as established by constitution, rule of law, or tradition, frequently dictates the degree of political, social, and economic participation by individuals within the society. If political institutions are not viewed as legitimate, large numbers of citizens may withdraw their support. Withdrawal from the political, social, and cultural spheres manifests itself in a
variety of behaviours, such as low voter turnout and falling volunteerism rates, which are frequently considered to have negative consequences for social cohesion.

As a result of research by Jenson, Bernard, and others, Canadian policymakers moved toward the following definition of social cohesion:

Social cohesion is based on the willingness of individuals to cooperate and work together at all levels of society to achieve collective goals. (Jeannotte et al., 2002, p. 3)

In an exploratory initiative, a group of international scholars met in 2004 to discuss the possible ways that culture promoted beneficial social outcomes. They identified six key effects, which were later elaborated upon in a series of articles in the Canadian Journal of Communication:

- Enhancing understanding and capacity for action
- Creating and retaining identity
- Modifying values and preferences for collective choice
- Building social cohesion
- Contributing to community development
- Fostering civic participation (Stanley, 2006, p. 8)

A number of studies in the United Kingdom have attempted to make explicit links between cohesion and culture. For example, an evaluation of the London Arts Creative Neighbourhoods program, which ran in 2002–2003, determined that it contributed to:

- A common vision and sense of belonging
- Appreciation and positive valuation of the diversity of people’s backgrounds and circumstances
- Similar life opportunities for those from diverse backgrounds
- Strong and positive relationships between people from different backgrounds (Carpenter, 2003, p. 55)

Other studies have focused on the dimension of participation as a vehicle through which culture contributes to social cohesion. For example, François Matarasso’s influential study of the social impact of the arts, Use or Ornament, used survey methodology to assess the impact of 60 participatory arts projects on personal development, social cohesion, community empowerment and self-determination, local image and identity, imagination and vision, and health and well-being. He found that participatory arts programs were an effective way of contributing to “a stable, confident and creative society” (Matarasso, 1997, p. vi). Also in this vein, Jeannotte (2003) examined the contribution of cultural capital to social cohesion and sustainable communities, identifying a positive link between altruistic behaviour and various forms of cultural participation.

An American study on arts, culture, and the social health of the nation found that 78% of Americans believe that attending arts events helps them to see things from other people’s perspectives, and 75% believe that this attendance helps them to think more imaginatively (Miringoff & Opdycke, 2005, p. 9). However, the study also found significant participation differences between those with incomes
under $35,000 and above $35,000. For example, 69% in the higher income category attended art shows and museums compared to only 48% in the lower income category, and 58% in the higher income groups attended live performances compared to only 32% in the lower income group (p. 47).

More recently, the Irish National Economic and Social Forum examined various facets of arts participation – production of art, participation in decision-making in the arts, passive consumption of the arts, and active consumption of the arts – as “an avenue to increase social capital and social cohesiveness” (NESF Report 35, 2007, p. 2). It concluded that “participation in the arts in Ireland varies markedly according to a number of factors, including occupational class, educational level and age. … One of the serious consequences of this could be cultural exclusion, adding further to social exclusion and the lack of [the] social cohesiveness that is essential to the functioning of a democratic society” (p. 24).

### 3.2 Social inclusion theory

In the formulations of social cohesion theory described above, inclusion is one of the elements of social cohesion and is an outcome or result of policies and programs that promote equality. While this theory came into widespread use as a justification for public policy interventions in Europe in the 1990s, study of the concept of social inclusion in Canada was not initiated by the Laidlaw Foundation until 2002 in the context of policy debates on the needs of children and families. The Foundation reframed the debate around traditional notions of poverty by highlighting the social dimensions of the problem, and by linking poverty and economic vulnerability with sources of exclusion, such as discrimination and disability. Rather than elaborating an all-encompassing definition of social inclusion, the Laidlaw Foundation developed a social inclusion framework, outlined in Figure E3.

The Laidlaw Foundation’s formulation does not explicitly recognize culture as an element of social inclusion, but the role of culture could be included in the spatial, relational, functional, and participation dimensions of the model.

### FIGURE E3. Laidlaw Foundation Social Inclusion Framework

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Elements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Spatial</strong></td>
<td>Public spaces</td>
</tr>
<tr>
<td></td>
<td>Private spaces</td>
</tr>
<tr>
<td></td>
<td>Physical location</td>
</tr>
<tr>
<td></td>
<td>Geographic proximity/distance</td>
</tr>
<tr>
<td></td>
<td>Economic proximity/distance</td>
</tr>
<tr>
<td><strong>Relational</strong></td>
<td>Social proximity/distance</td>
</tr>
<tr>
<td></td>
<td>Emotional connectedness</td>
</tr>
<tr>
<td></td>
<td>Recognition</td>
</tr>
<tr>
<td></td>
<td>Solidarity</td>
</tr>
<tr>
<td><strong>Functional/developmental</strong></td>
<td>Capabilities</td>
</tr>
<tr>
<td></td>
<td>Developmental capacities</td>
</tr>
<tr>
<td></td>
<td>Assets/liabilities</td>
</tr>
<tr>
<td></td>
<td>Talents/potential/Human capital</td>
</tr>
<tr>
<td><strong>Participation/empowerment/agency</strong></td>
<td>Participation</td>
</tr>
<tr>
<td></td>
<td>Agency/freedom</td>
</tr>
<tr>
<td></td>
<td>Empowerment/power</td>
</tr>
</tbody>
</table>


As mentioned in Section 3.1, the National Economic and Social Forum of Ireland has explicitly linked cultural participation to social inclusion goals. Other projects that have attempted to make similar links include the Arts and Social Inclusion Project in Edinburgh, which in 2004 set out to “set up systems and participatory processes to measure the impact arts activities have in delivering social
inclusion” (Capital City Partnership, 2004, p. 4). The Edinburgh initiative engaged in a number of projects related to green and safe neighbourhoods, affordable housing, lifelong learning, health, and city centre improvements (Capital City Partnership website), and eventually proposed a cultural planning approach as “a basis for regeneration strategies at community and city levels” (Ghilardi, n.d., p. 3).

### 3.3 Social well-being and quality of life theory

In a guide to the role of the arts in well-being, Australian researchers linked community well-being to its culture and values in recognition of the “inter-relatedness of environmental responsibility, social equity, economic viability and cultural development” (Mills & Brown, 2004, p. 5). In a series of case studies, they explored how involvement in artistic and other creative processes helped communities to enhance community well-being in seven areas: health, ecologically sustainable development, public housing and place, rural revitalization, community strengthening, active citizenship, and social inclusion/cultural diversity. In doing so, they made a distinction between:

- **Instrumental approaches** – “let’s implement policy using the arts”; and
- **Transformational approaches** – “let’s allow creative activity to help determine policy, negotiate shared understandings and map out solutions.” (p. 9)

An example of the instrumental approach would be to utilize culture and creativity as a means of revitalizing the local economy. An example of the transformational approach would be to encourage fundamental shifts in policy processes, agency structures, modes of decision-making, and attitudes.

In a study exploring the importance of culture and recreation for the quality of life and well-being of individuals and communities in Canada, Torjman (2004) identified four areas where evidence exists:

- **Health** – both physical and emotional;
- **Skills development** – especially in creative thinking, decision-making and problem-solving;
- **Social capital formation** – including social connectedness, social reconstruction, community identity and multicultural understanding;
- **Economic benefits** – including urban revitalization through the establishment of solid social and cultural infrastructure, which serve as both “magnets” (factors that attract external resources) and “glue” (factors that promote individual and community well-being). (pp. 2-10, emphasis added)

In the United States, “quality of life” appears to be the preferred term to describe community well-being. The American Urban Institute’s Arts and Culture Indicators in Community Building Project developed a conceptual framework for its measurement activities, which consisted of four elements:

- **Presence** – the existence of whatever creative expressions a given community defines and values as community assets;
- **Participation** – the many ways in which people participate in creative expression;
- **Impacts** – the contribution of creative expressions and participation to community-building outcomes;
• **Systems of support** – the resources (financial, in-kind, organizational and human) required to bring opportunities for participation in creative expression to fruition.  (Jackson & Herranz, 2002, pp. 6-7, emphasis added)

Duxbury (2005), in her overview of research on cultural indicators of quality of life and sustainability, cites Jackson & Herranz’s work to suggest that participation in arts, culture, and creativity at the community level may contribute to:

- Supporting civic participation and social capital
- Catalyzing economic development
- Improving the built environment
- Promoting stewardship of place
- Augmenting public safety
- Preserving cultural heritage
- Bridging cultural/ethnic/racial boundaries
- Transmitting cultural values and history
- Creating group memory and group identity (Jackson & Herranz, 2002, p. 33)

The authors cited above have all utilized mainly qualitative evidence to support their theories. One of the few quantitative studies of the impact of the arts on quality of life was conducted in the community of Prince George, British Columbia, using a randomly drawn household sample of 315 adult residents. In that study, Michalos (2005) constructed three well-being indices from 43 statements describing people’s beliefs and feelings about the arts. (The most frequently cited belief was that “My artistic activities contribute to my overall well-being” (p. 27). The three indices and the two highest scoring items in each of them were:

- **Arts as self-health enhancers** – “help me to relax” (88%); “have a positive effect on my life” (87%)
- **Arts as self-developing activities** – “provide opportunities to try new things” (77%); “give me a sense of accomplishment” (75%)
- **Arts as community-builders** – “strengthen a community” (76%); “help me accept differences among people (67%) (pp. 32-33)

When arts-related items were correlated with a fourth index on subjective well-being (summing respondents’ scores on four items: life satisfaction, satisfaction with standard of living, satisfaction with overall quality of life, and happiness) their explanatory power was found to be modest compared to other domains of life such as family and job. However, the study has several limitations, the most serious of which is that the 315 respondents were not representative of the residents of the city as measured by Census data from 2001, making it difficult to generalize to larger populations.

**3.4 Cultural citizenship theory**

Cultural citizenship theory is an overarching concept that attempts to define culture’s relationship to “the broader and bigger-picture issues of economic development, community regeneration, social inclusion, diversity, *convivencia* (learning how to live together) and, ultimately, that elusive, but
measurable, *quality of life*” (Mercer, 2005, pp. 9-10, italics in the original). Governments necessarily have an interest in promoting active citizenship, and Stanley suggests that cultural policy is a strategic asset in this regard because it can help cultural and heritage producers to create content that increases understanding among citizens, and it can also help citizens to participate in the cultural life of the community, thereby contributing to the collective understanding and collective life that is the foundation of citizenship (Stanley, 2007).

In practice, most research with regard to cultural citizenship tends to focus on a narrower band of issues: the relationship between cultural participation and identity/civic engagement, the degree to which cultural rights are recognized and respected, and the role of cultural citizenship in the integration of newcomers and marginal groups.

For example, with regard to civic engagement, the National Endowment for the Arts in the United States conducted an analysis of the 2002 Survey of Public Participation in the Arts and concluded that “arts participants are active people who volunteer, exercise, and go out to movies, concerts, and sporting events at higher rates than non-participants” (National Endowment for the Arts, 2007, p. 2). A Canadian study that used data drawn from the General Social Survey found that people who attended art galleries and read books had a stronger sense of social engagement than those who did not participate in these activities, including higher rates of volunteering, donating, and doing favours for neighbours (Hill Strategies, 2008, p. 36). An Australian study that surveyed over 100 studies on the social impact of participation in the arts found that many claimed (among other things) that cultural participation contributed to increases in active citizenship, development of community identity, and development of self-reliant organizations (Cultural Ministers Council – Statistics Working Group, 2004, pp. 21-22).

In the second category, a Canadian researcher has made the linkage between cultural participation and cultural rights, arguing that the right to participate has several meanings when translated into the language of rights and citizenship, including:

- **Expressive** – the right to tell stories in one’s own language or to engage in different cultural practices
- **Normative** – the right to treatment with respect and tolerance and to security of being
- **Instrumental** – the obligation of the state to provide informational tools, education and cultural resources regardless of income or geographic location
- **Procedural** – protection of minorities and indigenous peoples
- **Deliberative** – the right to recognition of cultural status, representation in cultural decision-making and control over cultural self-determination. (Murray, 2005, pp. 40-41)

The third area of cultural citizenship research examines both transnational and national forms of cultural citizenship to try to understand evolving attitudes and practices with regard to immigration and the social integration of minorities. For example, a recent Canadian study on immigration and cultural citizenship provides an overview of emerging forms of citizenship produced by globalization, migration and the internet, and attempts to show how *cosmopolitan citizenship*, *flexible citizenship*, *nomadic citizenship*, *diasporic citizenship*, and *global citizenship* can be reconciled with the cultural policies and practices of nation states that are intended to promote collective identity (Stone et. al., 2008, p. 112).
3.5 Cultural sustainability theory

In a major volume on the social sustainability of cities, Stren & Polèse (2000) describe social sustainability as “development (and/or growth) that is compatible with the harmonious evolution of civil society, fostering an environment conducive to the compatible cohabitation of culturally and socially diverse groups while at the same time encouraging social integration, with improvements in the quality of life for all segments of the population” (pp. 15-16). Since these words were written, the volume of literature on cultural sustainability has increased notably, as analysts and decision-makers attempt to incorporate the concept into policies and programs. There are at least three major elements of cultural sustainability evident in this literature: economic, social, and technological.

David Throsby, a noted theorist on the economic aspects of cultural sustainability, has suggested that just as natural ecosystems support the real economy, so also are cultural systems – the networks of cultural relationships and institutions that permeate societies – essential to sustain economic activity; thus, for example, it can be argued that when cultural ‘ecosystems’ function well, human productivity can be increased and economic growth can be enhanced. (Throsby, 2005, p. 4)

Jon Hawkes, who has written an influential paper on the social aspects of cultural sustainability, has suggested that a sustainable cultural ecosystem is characterized by “cultural vitality” founded on human interaction at the local level (Hawkes, 2001, p. 23). In his “Four Pillars” model he has suggested that cultural vitality is “as essential to a healthy and sustainable society as social equity, environmental responsibility and economic vitality” (p. vii). Elements of this vitality include several of the elements discussed above: well-being and quality of life, diversity, engagement and active citizenship, creativity and innovation, cohesion and social capital, identity, belonging and a sense of place, and ethics and morality.

In 2003, the World Summit on the Information Society stated in its Declaration of Principles its “commitment to build a people-centred, inclusive and development-oriented Information Society, where everyone can create, access, utilize and share information and knowledge, enabling individuals, communities and peoples to achieve their full potential in promoting their sustainable development and improving their quality of life” (World Summit on the Information Society, 2003, Article A.1). The Declaration goes on to state: “Cultural diversity is the common heritage of humankind. The Information Society should be founded on and stimulate respect for cultural identity, cultural and linguistic diversity, traditions and religions, and foster dialogue among cultures and civilizations” (World Summit on the Information Society, 2003, Article B.52).

The magnitude of the cultural sustainability challenge has been summarized by Arturo Escobar in his conceptualization of the cultural ecosystem. While Escobar derived his conceptualization from an analysis of natural ecosystems, his insights can also be applied to the three descriptions of cultural ecosystems cited above. The characteristics of each of the three ecosystems are summarized in Table E4.
TABLE E4. Characteristics of cultural ecosystems

<table>
<thead>
<tr>
<th>System Characteristic</th>
<th>Capitalist</th>
<th>Organic</th>
<th>Techno</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dominant timeframe</td>
<td>Linear</td>
<td>Biological/circular</td>
<td>“Real time” / space-time</td>
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<td>Philosophical orientation</td>
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<td>Linkage of society and nature</td>
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<td>Dominant “production” model</td>
<td>Fordist, uniform</td>
<td>Cultural rituals and practices</td>
<td>Recombination of commodities</td>
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<td>embedded in society</td>
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<td>Basis of knowledge system</td>
<td>Managerial, based on expert</td>
<td>Habitual practice, based on</td>
<td>Interactive, based on</td>
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<td>knowledge</td>
<td>local and indigenous knowledge</td>
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<td>System span</td>
<td>Universal and global</td>
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Escobar (1999) emphasizes that these ecosystems do not represent a linear sequence of stages, but rather co-exist and overlap. They are also sites of tensions and conflicts, although interactions between them can potentially represent opportunities for what he calls “hybridization” – “… a way of crossing the boundary between the traditional and the modern and of using both local and transnational cultural resources to create unique collective identities” (p. 13).

Duxbury & Gillette (2007) have identified three comprehensive models that attempt to incorporate culture into the overall development framework, whether traditional or online:

1. Four-piller model of sustainability (originating with Jon Hawkes, Australia)
2. Four well-beings of community sustainability (originating with New Zealand’s Ministry for Culture and Heritage)
3. The Medicine Wheel approach to sustainability (originating with the Centre for Native Policy Research in Vancouver, British Columbia, Canada) (pp. 13-16).

However, as these three models are primarily concerned with sustainability at the local level, challenges arise for other jurisdictions – whether regional, national, or international – in adopting and applying them.

3.6 Creative economy theory

A torrent of literature on the creative economy has been published over the past decade, but it should be noted that the definition of this economy, as well its scope and impact, are as contested as those of the other theoretical areas described above. In a survey of the research literature on the economic impacts of the arts, Guetzkow (2002) found evidence that investments in this sector attract visitors (who spend both directly at cultural venues and events and indirectly at stores, restaurants, and hotels in the community), attract residents and businesses (who pay taxes and provide employment), and attract investments (which increase property values and boost the local economy) (pp. 8-9).

In a recent report, the United Nations Conference on Trade and Development (UNCTAD) utilized the following definition of the creative economy, which captures most of the main elements treated in the literature:
The creative economy is an evolving concept based on creative assets potentially generating economic growth and development.

It can foster income generation, job creation and export earnings while promoting social inclusion, cultural diversity and human development.

It embraces economic, cultural and social aspects interacting with technology, intellectual property and tourism objectives.

It is a set of knowledge-based economic activities with a development dimension and cross-cutting linkages at macro and micro levels to the overall economy.

It is a feasible development option calling for innovative multidisciplinary policy response and interministerial action.

At the heart of the creative economy are the creative industries (UNCTAD, 2008, pp. 12-13).

It should be noted that there is no consensus on which industries should be considered creative. The UK Department of Culture, Media, and Sport considers the following to be creative industries: advertising; architecture; crafts and designer furniture; fashion clothing; film, video, and other audiovisual production; graphic design; educational and leisure software; live and recorded music; performing arts and entertainment; television, radio, and internet broadcasting; visual arts and antiques; and writing and publishing (Creative Clusters Network website). On the other hand, the creative industries are defined by UNCTAD (2008) as “the cycles of creation, production and distribution of goods and services that use creativity and intellectual capital as primary inputs” and comprise traditional arts and crafts; publishing; music; visual and performing arts; film, television, and radio broadcasting; new media; and design. (p. 13). Using this definition, over the 2000 – 2005 period it found that international trade in creative goods and services grew by 8.7% annually, and the value of world exports in this category reached $424.4 billion in 2005 or 3.4% of total world trade (p. 13).

Some organizations, such as the New England Foundation of the Arts, began with a definition of the creative economy that included three interrelated elements:

- Creative Cluster – the enterprises and the individuals that directly and indirectly produce cultural products
- Creative Workforce – the thinkers and doers trained in specific cultural and artistic skills who drive the success of leading industries (not limited to arts and culture)
- Creative Community – a geographic area with a concentration of creative workers, creative businesses and creative organizations (The New England Council, 2000, pp. 4-5).

However, because of measurement difficulties using this definition, the organization has moved toward a more conservative definition that includes only two core categories: the Cultural Workforce and Cultural Enterprises, which can be measured using major standard data classification systems, such as the Standard Occupational Classification and the North American Industry Classification System (DeNatale & Wassall, 2007, p. 11).

While some researchers strive to simplify the contours of the creative economy, others argue that it is necessary to recognize the increasingly complex relationship between culture and the economy. John Holden of the Demos organization in the United Kingdom has observed: “Greater numbers of people
are engaging with the *content* and *spaces* of publicly-funded culture, while the working lives of greater numbers of people are taking on the *characteristics* and *processes* of cultural practitioners (Holden, 2007, p. 8, italics in the original). While the traditional economic model of cultural production and distribution consisted of only two elements – funded culture and commercial culture – the creative economy has added a third element – social production – that has implications for both the production process and public policy:

Creative production now navigates three territories, not two. Publicly funded culture and online social spaces both feed commercial activity. Both social production and funded culture, which themselves overlap, are experimental spaces and testing grounds. … One effect of this change from a public/commercial model to an integrated public/commercial/social model has been to alter working practices, career paths and business strategies for individuals and organisations. (Holden, 2007, pp. 14-15)

With the inclusion of the social element in the creative economy model, the concept begins to overlap with several of the other theories described above. Increasingly, it is on the ground of cultural infrastructure investment where many of these theories are being tested, and the following section will provide an overview of how they are being applied to the “bricks and mortar” of culture.

4 Conceptual approaches to measuring returns on cultural infrastructure investment

There are two main conceptual approaches that are used to frame investments in cultural infrastructure: (1) the creative city/community approach and (2) the cultural planning approach. While it would be misleading to characterize the first approach as an *economic* orientation and the second as *social*, since the aims and outcomes tend to be mixed, a survey of the literature indicates that the former tends to be dominated by creative economy theory, while the latter usually utilizes arguments and evidence drawn from social cohesion, social inclusion, quality of life, cultural citizenship, and cultural sustainability theory.

Both approaches are used to justify inclusion of culture in urban regeneration initiatives, but even when *creative city* and *cultural planning* arguments overlap, they tend to marshal evidence in differing ways. This section will provide a very condensed overview of the main types of evidence utilized in each approach.

4.1 Creative city/community approach

4.1.1 Creative clusters and the creative economy

While most of the literature focuses on creative cities, rather than communities, it is possible to make some general statements about the role that cultural infrastructure, as defined in this paper, plays in communities of all sizes. For example, Gertler (2004) advances the following arguments for supporting the development of creative cities:

- They play an ever more important role in enhancing the dynamism, resilience, and overall competitiveness of the national economy.
- They have the potential to enhance quality of life and opportunity for a broad cross-section of Canadians. (p. 1)

He then describes how artists function as a force in urban regeneration, playing “a vanguard role in colonizing underused, neglected, and devalorized urban neighbourhoods” by inhabiting “urban space
that is affordable, accommodates their functional requirements for space and light, permits (either
tacitly or explicitly) the mixing of residential and working uses, and is favourably located with respect
to other fixtures and features of the urban environment” (p. 5). In addition, as Markusen (2005) points
out, “The presence of artists in the neighbourhood eight to twenty-four hours a day infuses
neighbourhoods with energy, unlike large performing arts facilities that are frequented only on certain
evenings and weekends” (p. 16).

Richard Florida, who is perhaps the best-known exponent of the relationship between cities and the
creative class, has given three reasons why creative clusters in creative cities are important elements
of global economies:

• They are incubators of creativity, innovation and new industries – “real concentrations of
  people in real places.”
• They are the sites of loose networks and weaker ties that promote novel combinations of
  resources and ideas.
• They attract what he calls “creative capital” – people who power economic growth and who
  seek communities that offer them the opportunity to validate their identities as creative
  people. (Florida, 2003, pp. 4-8)

These creative synergies of place are generally analyzed by creative city/community theorists and
researchers in terms of “creative clusters” or agglomerations. As Scott (1997) points out, there are
three types of creative clusters: those based on traditional craft industries (such as leather goods from
Florence or Inuit sculpture from Nunavut); tourist resorts that are structured around unique collective
assets (such as historical sites in Athens or Rome); and major metropolitan areas that possess multiple
clusters of cultural products and industries (such as Los Angeles or New York) (p. 329).

In general, it is the third type of agglomeration that is described in the creative city literature. For
example, Scott describes how cities are becoming “master hubs of cultural production in a postfordist
global economic order” (p. 327), emphasizing the collective advantages of localized cultural-
economic systems in five areas:

• Labour intensity complemented by advanced flexible computer technologies;
• Dense networks of intensely interdependent small and medium-sized establishments;
• Multifaceted industrial complexes that provide a flexible source of employment for the
  creative labourforce;
• External economies due to the mutual learning and cultural synergies made possible by the
  presence of many interrelated firms and industries in one place;
• Institutional infrastructures that can ease the functioning of the local economy by providing,
  for example, overhead services or facilitating flows of information (p. 333).

In support of this hypothesis, a case study by Currid uses occupational data to analyze the source of
New York City’s competitive advantage and concludes that it lies in its role as a creative hub,
specifically in its arts, design, media, and entertainment industries (Currid, 2006, p. 343). Markusen
(2005) also uses occupational data to analyze the growth rates of a selected group of metropolitan
areas in the United States between 1980 and 1990, and comes to much the same conclusion: i.e. “that
the productivity of earnings in a regional economy rise as the incidence of artists within its boundaries
increases, because artists’ creativity and specialized skills enhance the design, production and marketing of products and services in other sectors (p. 3).

More recent work by Florida and his colleagues has analyzed how the density of the creative class has affected patenting activity in over 240 metropolitan areas of the United States, concluding that “the density of creative workers promotes innovation” and that “innovation, learning, and knowledge creation is strongly geographically and spatially mediated” (Knudsen, Florida, Gates, & Stolarick, 2007, p. 24).

4.1.2 Cultural infrastructure and the creative economy

Two Canadian case studies have examined the role that cultural infrastructure plays in nurturing creative networks in the Montreal and Toronto regions.

In Montreal, examples of cultural infrastructure that promote the creative economy include the Kino organization of independent filmmakers that works with a local provider of digital imagery equipment to produce short films; the TOHU Circus City that creates, trains, broadcasts, and produces circus arts; the Centre for Research and Documentation that provides information on history, artworks, and practices associated with the electronic and digital media arts; and the International Quarter, an urban development project featuring public spaces and public art (Stolarick & Florida, 2006, pp. 1809-10).

In Toronto, both the intensity of creative employment and the density of the creative industries are cited as key elements supporting the local economy. In 2001, over 62,000 people worked in the creative occupations, and the city-region was home to over 8,600 firms in the creative industries of advertising, motion picture and video production, sound recording, and specialized design (Gertler, Tesolin, & Weinstock, 2006, pp. 28, 32). A third element found to contribute to the creative economy was the supply of workspace for creative practitioners, which included Toronto Artspace’s live/work spaces, urbandspace Property Group’s 401 Richmond complex and the Robertson Building’s Centre for Social Innovation, Evergreen Commons at the Brickworks, the MaRS Discovery District, the Distillery Historic District, and Liberty Village (Gertler, Tesolin, & Weinstock, 2006, p. 38). The Toronto case study also highlights the role of cultural infrastructure in promoting local tourism, citing statistics that indicate almost two million adults go to Toronto theatres, about one million visit the Royal Ontario Museum, and over 650,000 visit the Art Gallery of Ontario (p. 22).

In her case study of the Twin Cities (Minneapolis-St. Paul), Markusen (2005) notes the role that new arts institutions and organizations have played in multiplying the outlets for creativity and innovation and diversifying the occupational workforce. Investments that have contributed to the vitality of the local economy include art schools, such as the Minneapolis College of Arts and Design, artists’ live/work spaces in northeast Minneapolis and Lowertown in St. Paul, and cooperative venues such as artist-run galleries and the Writer’s Loft, a place where writers gather to share their work and learn craft and marketing techniques (p. 15).

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2 Defined as architects and landscape architects; industrial, graphic, and interior designers; writers and editors; producers, directors, and choreographers; conductors, composers, and arrangers; musicians, singers, and dancers; actors and other performers; painters, sculptors, illustrating artists, and other visual artists; photographers; announcers, and other broadcasters; theatre, fashion, exhibit, and other creative designers; artisans, craftspersons, and patternmakers.
Investments in large flagship cultural facilities have been justified by creative economy strategists using two main arguments:

- As a focal point to attract tourist dollars and help promote a city’s image as a cultural destination
- As a means of attracting highly skilled and educated workers to communities (Jenkins, 2005, pp. 3-4)

Some examples of cities that have adopted this strategy include:

- **Dublin** – the Temple Bar district, where close to 200 million euros has been invested in cultural venues such as the Multimedia Centre for the Arts, the Irish Film Centre, the National Photographic Centre, and the Viking Exhibition Centre (Greffe, 2002, pp. 32-33 and footnote 79, p. 267).
- **Glasgow** – the cultural renaissance of the 1980s and 1990s included a new gallery for the Burrell Collection, the 3,000-seat Clyde Auditorium, the Glasgow Science Centre, and the Glasgow Royal Concert Hall, and resulted in the city being named a European Cultural Capital in 1990 (Glasgow City website).
- **Bilbao** – the construction of the Frank Gehry-designed Guggenheim Museum on the Bilbao waterfront was on the site of a former shipbuilding yard (“Bilbao: From Factory to Museum,” 2000, pp. 7-8).
- **Toronto** – the investment of $233 million under the Canada-Ontario Infrastructure Program included renovations to the Royal Ontario Museum, the Art Gallery of Ontario, the Royal Conservatory of Music, Roy Thomson Hall, and the Gardiner Museum of Ceramic Art, as well as for construction of the Four Seasons Centre for the Performing Arts (the new home of the Canadian Opera Company) and new training facilities for the National Ballet of Canada (Gertler, 2006, p. 15).
- **Newcastle-Gateshead** – where several major cultural venues (the Gateshead Millennium Bridge, the Baltic Centre for Contemporary Art, and the Sage Gateshead, a music centre) were developed as part of the cities’ bid to be the European Capital of Culture in 2008.

Evaluations of the impact of such large investments provide a mixed picture at best. On the one hand, overall levels of tourism have undoubtedly increased. For example, between 1982 and 1984, tourist numbers in Glasgow tripled from 700,000 to 2 million (Lewis, 1990, p. 133). In Bilbao, attendance rates at the Guggenheim Museum averaged about 100,000 visitors per month in 1997, the year the Museum opened, and have levelled off to about one million visitors per year since then. On the other hand, local cultural infrastructure does not necessarily benefit from spillovers from the flagship projects. In Bilbao, since the Museum opened, the shipyards have been transformed into a greenbelt with playgrounds, bicycle paths, and cafes, and various other new educational and cultural facilities, such as university buildings and libraries, have been added (Lee, 2007, pp. 2-3). However, the local Museo de Bellas Artes and the Maritime Museum have failed to increase visitor numbers, leading one critic to observe that “the city lacks the critical mass of attractions to take it from a provincial post-industrial town, to a global cosmopolitan city” (Lee, 2007, p. 4).

In terms of branding, surveys undertaken before and after “Glasgow’s Miles Better” cultural marketing campaign, showed that twice as many people began to associate the city with *culture,*
entertainment, art and music, and tourism after the campaign and saw it as a more attractive place to live or visit (Lewis, 1990, p. 133). However, as Greffe (2002) has pointed out, such increased popularity can also result in an increase in prices, land speculation, the displacement of local craftspersons and artists, and irreversible damage to cultural tourist sites if their carrying capacity is exceeded (pp. 40-41).

There is little doubt that such developments do attract large numbers of visitors from the “creative class.” However, they can also lead to the formation of “separate worlds” where the local culture and the tourist culture exist side-by-side but seldom meet. For example, in an assessment of a high-profile exhibition at the refurbished Garfield Park Conservatory, located in a historic park in a low-income part of Chicago, evaluators found only 7% of all visitors were from the local neighbourhood and that many local residents viewed the improved transportation and security measures associated with the Park’s restoration as benefiting tourists more than themselves (Harris-Lacewell, Albertson, Althoff, & Cox, 2003, p. 29).

4.2 Cultural planning approach
The National Cultural Planning Steering Group in Scotland has expressed a number of concerns about large-scale culture-led urban regeneration projects, which can be summarized as follows:

• Difficulty in sustaining these developments over time;
• Loss of distinctive urban lifestyles as they become absorbed into progressive gentrification projects;
• Lack of inclusiveness, transparency and accountability to citizens in the governance of many urban place-making projects. (Ghilardi, n.d., p. 7)

In response to such concerns, a second type of approach to cultural infrastructure and cultural regeneration has emerged – cultural planning. Cultural planning is a practice that:

• Adopts a broad, anthropological definition of cultural resources which includes not only the arts, but also “urban design, the leisure and entertainment structure of a place, its history and heritage, and the creative activity that feeds the contemporary cultural industries”;
• Views “the city as an ecosystem composed of physical-economic-ethical processes interacting with each other in a natural flow”;
• Maps the distinctive cultural assets of a place in partnership with local residents;
• Builds strategies that are cross-departmental and cross-sectoral to address governance and participation issues. (Ghilardi, n.d., pp. 8-10)

As an approach, it bears some resemblance to Integrated Area Development, a methodology that served as the analytical framework for research in the European Union on the role of local development in combating social exclusion (Nussbaumer & Moularet, 2004, p. 251). In an effort to bring these approaches together, the Department for Culture, Media, and Sport in the United Kingdom has issued a guide on how to integrate cultural planning initiatives within local community plans, citing the opportunities this affords to:

3 Lee observes that “… in certain artistic and architectural circles, a pilgrimage to Bilbao became de rigueur” (p. 1), but a young local man whom he met outside a bar in the City of Bilbao remarked that “I’ve never been to the Guggenheim. … It’s for tourists.” (p. 5)
Establish a strong case for the contribution of culture
Put the community into cultural and community planning
Build a strong partnership for culture
Build effective leadership for culture. (Creative Cultures, 2004, p. 2)

The benefits to be derived from such a holistic approach to cultural regeneration are said to include:

- Fostering social capital
- Developing a sense of place and local identity
- Strengthening community pride and bonds between individuals and groups
- Enhancing employability
- Encouraging wider community and democratic engagement in projects which improve the local environment. (Ghilardi, n.d., p. 13)

4.2.1 Cultural infrastructure and place-based development

Cultural planning is based on the premise that community and place are intertwined. According to one author, community “relates to a set of relationships between individuals,” while place “refers to a physical location that has a specific and unique meaning” (Milligan, 2003, p. 22). However, in real life, the built environment of a place “serves as a container for a collection of site-based experiences” that can either contribute to “diversity, tolerance and civility” or to the “theme-parking” of a place where “social problems are hidden from those with the resources to avoid them” (p. 24). Proponents of cultural planning therefore tend to draw upon arguments from the literature on the social impacts of culture rather than those from the literature on economic impacts (although the latter are not completely absent) to show how the built environment can contribute to the construction of positive social relations.

For example, in a paper about local policies for cultural diversity, Laaksonen (2006) suggests that at the local level “an enabling and proactive environment for access, participation and community action facilitates and fosters the sense of inclusion and enjoyment and rights, and at the same time the sense of responsibility toward the community itself” (p. 55). In a summary of common elements in several local cultural planning initiatives in Latin America and Europe, she derived the following common elements, all of which are couched in social impact terminology: access, civic participation, cultural democracy, sustainability, memory, diversity, connectivity and digital inclusion, and networking (p. 71).

In a study of the culture-led urban regeneration in Newcastle-Gateshead, Bailey, Miles, & Stark (2004) present quantitative results that show increased attendance at arts events in the region after the opening of the Gateshead Millennium Bridge and the Baltic Centre for the Contemporary Arts. They trace this behaviour to the long-term involvement of local people in these developments, as well as to their desire for “something tangible with which to reassert their collective identities” (p. 62). In this regard, they acknowledge that the region is not immune to global trends which force people to base identities on consumption, rather than production. However, they suggest that the region’s working class background and traditional sociability have served to shape the local cultural identity and have also democratized access to its new cultural infrastructure offerings.


4.2.2 Cultural infrastructure and community development

Perhaps because of the place-based nature of cultural infrastructure, much of the research on the topic tends to be in the form of qualitative case studies. For example, the Centre of Expertise on Culture and Communities hosts an online website documenting the community impacts of 15 cultural spaces located throughout Canada. An analysis of the impacts reveals the following:

- 18 social impacts – such as providing venues for community organizations, providing community arts programming, contributing to local identity, increasing neighbourhood security and safety, promoting of awareness of issues related to landscape and the environment
- 11 cultural impacts – such as providing opportunities for local artists, promoting original artwork, developing curatorial techniques for cross-cultural interpretation, promoting networking among cultural organizations
- 10 economic impacts – such as increasing tourism, providing employment, increasing traffic at local businesses (Centre of Expertise on Culture and Communities website)

In Canada, one of the few studies to have attempted a quantitative analysis of the spillover effects of investments in cultural infrastructure was conducted by a team from Ryerson University, Toronto Artscape, and the City of Vancouver. It utilized GIS mapping data, socioeconomic and demographic data, business, sales and employment data, crime data, and data on real estate prices and building permits, as well as survey data of area residents and businesses, to assess the impact of a refurbished theatre on a Vancouver neighbourhood and of two new artist live-work spaces on Toronto neighbourhoods. In Vancouver, after the re-opening of the renovated Stanley Theatre in 1998, the study found that average household income in the neighbourhood increased by 35%, total crime was down by 26%, retail sales in surrounding businesses increased by 108%, and condo prices doubled. A survey of area residents found that 76% of respondents felt that the Stanley Theatre had had a positive impact on the community (Jones et al., 2003).

An analysis of 23 case studies on artist space development in the United States by Jackson & Kabwasa-Green found that almost half were positioned primarily as community economic development and social improvement projects, six were positioned primarily as business ventures, and five were focused on services for artists. Although the researchers found little formal documentation on the impacts of these projects, they were able to identify several physical, social, and economic effects of investments in artist spaces:

**Physical**

- Decreased blight
- Beautification of space
- Animation of vacant property
- Increase of both pedestrian and automotive traffic
- Historic preservation of buildings

**Social**

- Increased arts-based programming for residents
- Availability of additional multipurpose space for use of community residents
- Diversification of low-income communities
- Youth development
Social and economic returns on investment in cultural infrastructure

- Promotion of ethnic pride
- Increased inter-generational interaction

**Economic**

- Promotion or formation of creative clusters
- Increase in cost/value of real estate leading to revitalization or gentrification
- Small scale increase in job opportunities
- Diversification of community development strategies
- Inclusion of artist space development in cultural and community plans

(Jackson & Kabwasa-Green, 2007, p. 45)

Finally, a series of programs broadcast on the Saskatchewan Communication Network (SCN) entitled *Edifice and Us* explored in an audiovisual format the impact that various structures have had on their communities. The programs on cultural infrastructure examined the tourism impact of the T-Rex Discovery Centre on the Town of Eastend, the community impact of Danceland, a heritage dance hall on the shores of Lake Manitou, the Aboriginal heritage significance of the Wanuskewin Heritage Interpretive Centre in Saskatoon, and the struggles of the Town of Qu’Appelle to reopen its Opera House (Edifice and Us website).

In summary, as Ghilardi asserts, “citizenship is what cultural plans should be about” (n.d., p. 8), and cultural plans should therefore provide opportunities to improve quality of life, respond to local needs, broaden opportunities, and promote social cohesion.

5 **Methodological issues**

Most of the studies cited so far in this paper have deplored the lack of evidence to support assertions about the social and economic impacts of culture. These are generally qualitative critiques, since the sheer volume of literature on the subject would suggest no shortfall in terms of quantity, and fall into two main categories:

- Critiques based on ideological disagreement
- Critiques based on methodological shortcomings

5.1 **Ideological critiques**

As pointed out by Belfiore & Bennett (2006) in their historical review of the use of instrumental, rather than intrinsic, justifications for cultural policy interventions, “views of how the arts relate to society, and views of their transformative powers, have always been at the centre of highly politicised debates” (pp. 181-182). Currently, many of these debates have focused on studies on the social and economic impact of cultural investments, which have been deemed invalid because they are based on ideological positions that are contrary to those of the critics.

Critiques of economic impact studies have generally been based on a negative view of the cultural industries and cultural economy approach, and are often a backlash against the neoliberal policies of the 1980s and 1990s that forced many heritage and cultural organizations to justify their activities on economic grounds (Belfiore, 2002, p. 95). This critique has been more evident in Europe than in North America and in the area of cultural infrastructure has manifested itself as a reaction to the New Urban Policy, characterized as “promoting large scale urban development projects (business centres, cultural temples, high-tech laboratories, etc.), city marketing and technology-sensitive initiatives” (Nussbaumer & Moulaert, 2004, p. 249).
As the “urban renaissance” promised by the New Urban Policy failed to materialize (Belfiore, 2002, p. 96; Nussbaumer & Moulaert, 2004, p. 250), in the 1990s policymakers shifted toward the increased use of social indicators as justification for arts and cultural policies. This trend was particularly evident in the United Kingdom after the election of the New Labour government in 1997. Social inclusion (and its opposite, social exclusion) theory have come under especially intense criticism as this trend unfolded in the late 1990s and early 2000s. For example, those on the left have charged that:

New Labour’s initiatives are premised on the limited ‘democratisation’ of existing cultural practices, directing public (and private) resources at members of ‘excluded’ groups in historically privileged cultural arenas. Such policies neither reform the present institutional framework, nor address its relationship to market forces. Instead, they attempt to make the arts more accessible in order to adapt populations to the demands of the labour market. (Cultural Policy Collective, 2004, p. 3)

The left’s “take” on cultural regeneration projects, such as Bilbao, is that they “contribute nothing to combating social exclusion” and “involve the transfer of large sums of public money to private interests” (Cultural Policy Collective, 2004, p. 38).

On the other hand, those in the “anti-instrumentalist” camp tend to regard both economic and social justifications for cultural investments as spurious, arguing that they miss the point that culture has intrinsic value as a “deep landscape of personal resource on which people can draw at key points in their lives, part of a store of tools for getting through life and meeting its challenges” (Jowell, 2004, p. 14). In returning to the definition of culture as “an end in itself,” those making this critique find attempts to justify cultural investments in terms of “helping to combat crime and create safe, active and cohesive communities, [and] … making a very substantial contribution to the economy” as “novel, even perverse” (Ellis, 2003, p. 5). Viewed through this lens, “Culture is a successful regenerator because it is an end in itself: the activity is inseparable from the achievement” (Biggs, 1996, p. 62, quoted by Belfiore, 2002, p. 105). The question still remains, however: how does one measure the “achievement”?

5.2 Methodological critiques
The somewhat rarefied arguments of the ideological critics of social and economic impact studies may rely upon subjective perceptions of the role of culture (and its tangible manifestation in cultural infrastructure). However, a wealth of criticism of the so-called “objective” techniques that underpin cultural impact studies also exists. This section will provide only an overview of these critiques before moving to suggest in the final section of the paper some possible responses to address methodological shortcomings.

From a general perspective, a group of researchers from the Rand Corporation identified several weaknesses in studies of the instrumental benefits of arts involvement – weakness in empirical methods and analytical techniques, absence of specificity about how benefits are produced, and failure to consider opportunity costs or alternative ways of producing the same effects (McCarthy et al., 2004, pp. xiv-xv).

Madden has criticized various methods of measuring the economic impact of culture as being misleading. Some examples include:

- Equating size of impact with importance
• Misinterpreting exogenous increases in wealth or expenditure (e.g., an increase in tourism revenues in one city may be at the expense of another city) and failing to factor in opportunity costs
• Lack of attention to market failure (i.e., to non-private benefits that result from cultural investments) (Madden, 2001)

In a survey of the literature, Guetzkow (2002) found a number of definitional weaknesses, including failure to define what is meant by “the arts,” and lack of clarity about impact (for example, whether the impact is on individuals, institutions, communities, or the economy, whether it is direct or indirect, or whether it is short-term or long-term) (p. 13). Another weakness of many studies is the failure to define community – whether as a geographic region, municipality, neighbourhood, or ethnic group (p. 14).

Cost-benefit analysis and the multiplier effect (indirect benefits derived from cultural investments) are the most frequently used methodologies, but one of the most prominent cultural economists, David Throsby, has argued that this type of economic impact analysis is inadequate to the task of measuring cultural impacts. Instead, he proposes that contingent valuation – “a research method that measures a consumer’s willingness to pay for specific types of cultural goods” – would be a better way of measuring longer-term as well as intangible benefits (Lasting Effects, 2004, p. 44).

Matarasso’s work on the social impact of arts participation has been the subject of particularly severe methodological criticism. Merli (2002) has suggested that his research has no internal validity because the survey instrument was not related to the study’s hypotheses, the questions were structured to lead to biased answers, and the research design has no control groups or longitudinal dimension. Further, she charges, his research has no external validity because the sample is not representative of the wider population or of all participatory arts activities (pp. 108-111).

The tendency of cultural impact research to rely on qualitative rather than quantitative data has also been criticized. Selwood (2002), for example, has found that “the most frequent approaches used were the aggregation of case studies, project evaluations, cameos, ‘pen portraits of particular projects or initiatives, brief accounts of engagement with specific groups in the community, and anecdotal quotes from staff, project workers and project participants’” and concluded that “few pass muster in relation to current critiques of the evidence” (p. 10).

Perhaps the most comprehensive critique of the impact of cultural infrastructure was that undertaken by Evans in 2005. He examined evidence in support of culture’s contribution to physical regeneration, economic regeneration, and social regeneration, and found that impact studies seldom use more than one type of measure. Economic and environmental measures tended to be quantitative, but social measures tended to be qualitative, such as behavioural effects, social capital, and perceptions of community safety, exclusion, diversity, and heritage (Evans, 2005, p. 15). He concluded that:

the nature of cultural projects which feature in regeneration schemes may need to be assessed more rigorously in terms of the impact they actually produce – i.e. it is not only the opportunity cost between cultural and ‘non-cultural’ investment in regeneration, but between which type of cultural intervention and where best serves the regeneration and community objectives (pp. 17-18, italics in the original).
He noted: “Attention to basic social and economic data gathering and generation will be needed if any serious attempt at measuring effects and policy evaluation is being considered” (p. 18). He also found that “local community involvement and the sense that they might have of their ‘place’ is the least evident in this process” and suggested that this needed to receive greater attention (p. 18).

In Canada, an attempt was made in 2004 to build the case for more research on the impact of cultural infrastructure similar to that carried out by the Beyond Anecdotal Evidence team. Some of the methodological improvements suggested at that time included:

- More attention to “control” neighbourhoods or communities when assessing the impact of cultural facilities.
- Separation of the impacts on cultural producers and non-cultural producers (e.g., visitors to cultural facilities).
- Thorough mining of all secondary data sources before conducting expensive surveys.
- More media content analyses of cultural infrastructure investments.
- Greater effort to engage the community, either in the form of public meetings or focus groups.
- Development of both regional “creativity” indices (such as Florida’s) and neighbourhood renaissance indices using census, business, crime, and survey data.
- Adoption of a longitudinal approach by applying these indices in specific case study neighbourhoods across time. (Sharpe et al., 2004)

No action on these recommendations appears to have taken place, even though attempts were made to establish an administrative structure to pursue support and advice for further research. Although the Centre of Expertise on Culture and Communities has expended considerable effort in the past three years to advance the state of knowledge in this area, it is obvious from the critiques above that much more could be done. The following section will address some possible next steps to build on existing knowledge and address those thorny issues (primarily conceptual and methodological) that remain to be resolved.

6 Measuring the social and economic returns on cultural infrastructure investments: Conclusions and suggestions for next steps

This review of the evidence on social and economic returns to investments in cultural infrastructure leads to a number of conclusions. First, cultural infrastructure is inseparable both from the place in which it is located and the activities that take place in and around it. It is part of the cultural ecosystem of a place and therefore must be evaluated within the context of that ecosystem. Second, whether one favours the creative cities/communities approach or the cultural planning approach as a means of assessing the impact of cultural infrastructure, both social and economic returns must be taken into account if one is to understand the full value of that infrastructure to a community. Third, there are serious gaps in our knowledge about how cultural infrastructure affects the communities in which it is located. These gaps must be addressed before adequate indicators of the social and economic returns on cultural infrastructure investments can be developed.

These conclusions lead, not surprisingly perhaps, to several suggestions for further multidisciplinary research that is both place-based and long-term.
6.1 Developing a deeper understanding of the dynamics of creative communities

One of the more intriguing (and so far unexplained) set of cultural statistics in Canada is the geographical distribution of culture employment. In 2001, a Statistics Canada study found that several small cities and rural areas had more people working in cultural occupations than the national average. These areas included several rural areas in and around Vancouver Island, the Baffin region in Nunavut, and rural areas in southern Quebec (Schimpf & Sereda, 2001, p. 27). Analyzing Census data by artistic occupation and by postal code location, Hill Strategies found that of the ten urban areas with the highest concentrations of artists, five were in or near the Plateau district of Montreal, three were in the Annex, West Queen West, and Little Italy areas of Toronto, and two were in east Vancouver and Saltspring Island (Hill Strategies, 2005, pp. 3-4). This analysis also revealed rural clusters with higher than average artistic concentrations, including Nunavut’s Baffin region (which encompassed the capital, Iqaluit), a region west of Halifax, Nova Scotia, and the area around Tofino and Clayoquot Sound on Vancouver Island (p. 5).

While the statistics are intriguing, they do not tell us much about the cultural ecology of those places. What role, if any, does the existence of cultural infrastructure play in attracting creative people to make these places their homes? One of the ways of finding out would be to undertake analyses of the social relations and networking that takes place among these creative people and assess to what extent cultural infrastructure promotes (or inhibits) such networking.

Madden, in his critique of economic impact studies, has suggested that increasing attention to development rather than growth would be helpful as it encourages a change in perspective “from the arid notion of the economy as an engine of wealth to the more elegant conception of the economy as an attendant to human well-being, betterment and even enlightenment” (Madden, 2001, p. 169). A step in this direction has been undertaken in the United States, where research has provided some preliminary evidence that infrastructure helps promote local art production circuits and leverage neighbourhood improvements. A study of ten Chicago neighbourhoods using network analysis revealed several key supports that helped artists connect with audiences and other artists. One of these supports was “space resources – which included varied access to live/work space for making art as well as varied access to public, private and commercial space for art presentations, exhibitions, festivals, parades, murals and facilities” (Grams, 2004, p. 14). Other assets that were identified as part of some “circuits” were historic sites and public art that helped communities codify their identities, community-based art service activities for local children and families, and employment opportunities provided to local residents by non-profit cultural organizations (pp. 16-19). This study also showed that there were three mechanisms through which arts organizations leveraged assets for neighbourhood improvement: 1) by connecting people to local and non-local resources, 2) by enabling local problem-solving, and 3) by building social relationships among the different sectors of the community (Stern & Seifert, 2007, p. 45).

Since the late 1990s, the Social Impact of the Arts Project (SIAP) at the University of Pennsylvania has been examining local features of the cultural ecology, the geography of arts production, and the dynamics of cultural participation. Recently, the lead researchers have proposed a new way of looking at the creative economy that examines “cultural organizations not in isolation but as ‘networked enterprises’ in which their connections to wider systems are more important than their internal organization” (Stern & Seifert, 2007, p. 55). Their proposed new model – the neighbourhood-based creative economy – recognizes the social foundation of creative production and cultural participation and addresses the aspect of development that Madden criticized as lacking in most economic impact models. The SIAP model incorporates several nodes:
• Formal non-profit cultural organizations (which not only provide cultural opportunities, but also act as key connectors to financial and human resources for informal cultural associations and artists)

• Informal cultural opportunities (such as street festivals, community performances and events, informal dance parties)

• “Populist” for-profit cultural firms (such as music stores, dance academies, restaurants and bars)

• Non-profit community based organizations that provide cultural opportunities as part of their programs (such as schools, churches, social service agencies, community and recreation centres). (Stern & Seifert, 2007, p. 56)

To operationalize this model, the SIAP group is developing a way to measure the cultural assets of a neighbourhood (which include non-profit cultural organizations, commercial cultural firms, individual artists, and regional cultural participation rates), develop a single measure of a neighbourhood’s cultural assets based on economic and spatial realities, and identify neighbourhoods that are outperforming their location and economic status (Stern & Seifert, 2007, p. 58). While cultural infrastructure per se is not identified as an asset in this methodology, it would appear to be relatively easy to include as an adaptation or enhancement of the model.

6.2 Addressing methodological issues and data needs

Very few longitudinal analyses of cultural infrastructure returns have been undertaken, and those that have been, such as the retrospective assessment of Glasgow’s cultural regeneration projects and the ten-year impact assessment of Newcastle-Gateshead’s cultural infrastructure development, focus on results at the city rather than the neighbourhood level. Given the important investments that have been made in cultural infrastructure by all levels of government in Canada over the past five decades (see section 2), a need exists for research to track the impact that these investments have had on communities, incorporating many of the suggestions for methodological improvements made by Sharpe et al. in 2004.

A holistic approach that incorporates elements of both the creative cities/communities and cultural planning approaches would be particularly helpful in addressing deficiencies identified by other critics and should include:

• Cultural asset and network analysis of selected neighbourhoods throughout Canada (including both those identified as “creative” and control neighbourhoods that show lower levels of creativity)

• Mining of existing Census, employment, crime, participation, business, and other data for these neighbourhoods to create a baseline for longitudinal tracking

• Special surveys in these neighbourhoods to gauge residents’ perceptions about cultural assets and their impact, including, perhaps, questions probing contingent valuation of cultural infrastructure to determine how much they are prepared to pay for it

• Longitudinal tracking of these neighbourhoods (over at least ten years) to determine the effect of changes in cultural assets (using both the objective and subjective measures described above)
• Analysis of social and economic data for communities of all sizes (cities, towns, and rural areas) with higher and lower numbers of creative neighbourhoods to determine if there are correlations with overall social and economic health

• Parallel tracking of changes in non-cultural assets in neighbourhoods (e.g., malls, hospitals, schools, and transportation systems) to determine their level of correlation with the overall social and economic health of neighbourhoods in comparison to that of cultural infrastructure

This is undoubtedly an ambitious and costly research program, but it would go a long way to satisfying demands for “hard” evidence on the social and economic effects of cultural infrastructure investment. This is not to suggest that evaluations of the impact of specific cultural infrastructure projects are not needed, but emerging trends suggest that evidence of cultural infrastructure’s contribution to creativity and sustainability must be gathered from a wider perspective. As Evans (2005) has stated:

Methodologies which bring together approaches across anthropology, cultural and urban studies/sociology (Stevenson, 2004) and apply these to evaluation models which can measure social, economic and physical change, are yet to be developed, although in culture and regeneration this is what the phenomenon demands (p. 7).

As indicated at the beginning of this paper, the Centre of Expertise on Culture and Communities has made significant progress with regard to knowledge generation and exchange about cultural infrastructure. In the next stage of its work, it should be provided with the resources to undertake research, in partnership with governments, cultural practitioners, and citizens’ groups, to investigate the ways that cultural infrastructure operates as “shared space” within a community and how that shared space can provide returns across a broad range of societal actors and activities if properly valued and leveraged.

References


Social and economic returns on investment in cultural infrastructure

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