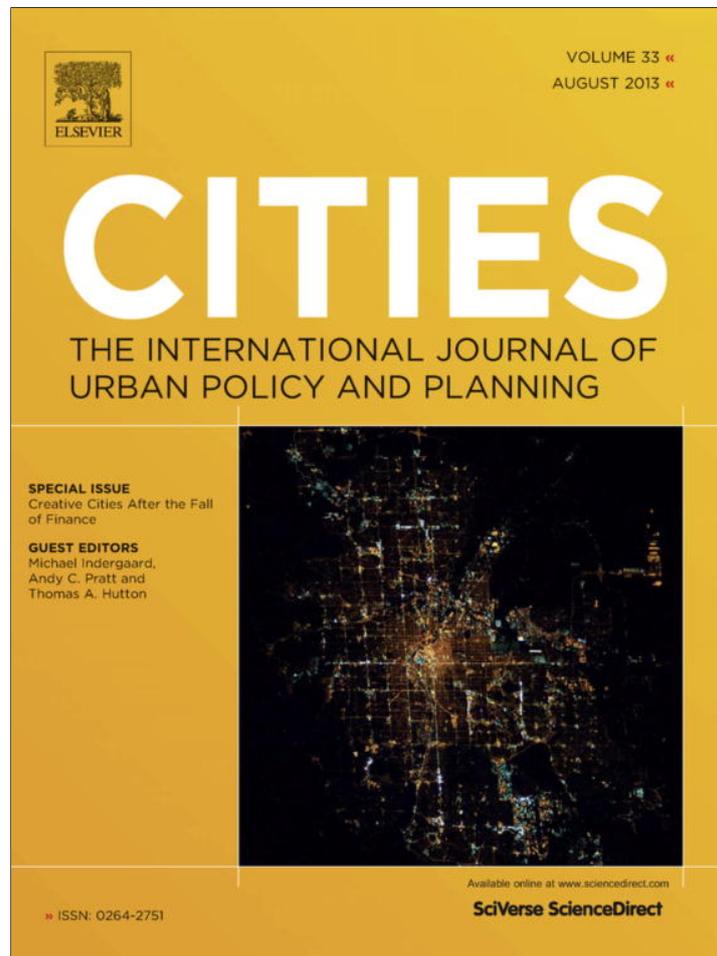


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The cultural economy in recession: Examining the US experience

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ABSTRACT

Over the last two decades we have witnessed the global rise and spread of urban development policies aimed at stimulating the cultural economy. However, with the onset of the global financial crisis and recession, the cultural economy may experience a dramatic reorganization and even decline. Given the attention many cities place on the cultural sectors it is important to examine how they fare following this major economic event. To do so, this article examines the occupational distribution and geographic structure of the cultural economy in the 30 largest US metropolitan areas during recession and captures the changes that have occurred over the last decade. Based on this analysis, we identify a set of key trends, which highlight that while the boom period is generally characterized by widespread and, in some places, extreme growth in the cultural sectors, the recession is a period of selective growth and not a period of total decline. These findings have implications for determining the relevance of the arts and cultural sectors as targets of urban economic development policy in the post-recession era.

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Introduction

Over the last two decades, cities around the globe seeking new sources of economic growth and revitalization have made significant investments in a variety of cultural economy development strategies (Evans, 2009; Grodach & Loukaitou-Sideris, 2007). Although the cultural sectors – arts, media, and design-related fields – possess relatively low employment levels, interest in these sectors is justified in both the popular press and scholarly research based on their remarkable growth rates and capacity to realize a host of secondary effects. According to many observers, the cultural economy may engender new investment in the built environment, attract a highly-educated workforce, stimulate local consumer spending, provide a positive place identity, and contribute to the strength of more “basic” sectors through design and artistic inputs (Florida, 2002; Hutton, 2008; Markusen & Schrock, 2006; Pratt, 1997; Scott, 2000). However, with the onset of the global financial crisis and recession, the cultural economy may experience a dramatic decline in employment and rise in unemployment that fundamentally alters its structure and ability to deliver these purported spin-off effects. Given the attention many cities place on the cultural economy it is important to examine how the cultural sectors fare following this major economic event.

This article provides an occupational analysis of the cultural economy (e.g. arts, design, and media-based fields) in the 30 largest US metropolitan areas during recession and captures the

changes that have occurred over the last decade. To frame the analysis, we rely on Pratt's (2009) proposed scenarios for the “cultural and creative industries” following the financial crisis. He posits that the economic crisis may signal the end of the cultural economy's meteoric rise because its sectors are dependent on high levels of consumer spending and on other economies negatively affected by the crash or, alternatively, that the crash may provide an opportunity for growth, thereby demonstrating the independence and robustness of the cultural sectors. To explore these scenarios in more detail, we examine how the distribution and geographic structure of cultural economy employment in the US has transformed in recession. What places and occupations have experienced the most pronounced growth or decline? Do the traditional centers of the cultural economy continue to dominate or is there a pattern of decentralization emerging defined by new centers and margins? In other words, do we see decline in the cultural economy as a whole or primarily in those sectors and places closely tied to the financial and construction industries? Alternatively, do we see widespread or selective employment growth?

In the next section we provide a brief overview of the cultural economy and outline potential directions for the cultural sectors in recession based on the existing literature. Following this, we describe our data and methodology and, next, turn to our analysis of cultural sector occupations. We conclude with a discussion of key findings and trends, which highlight that while the boom period is generally characterized by widespread and, in some places, extreme growth in the cultural sectors, the recession is a period of selective growth and decline. This study is important because, although the recession may have officially ended, the financial

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collapse represents a major economic event that may shift the trajectory of economic development in many places. As such, our findings have important implications for determining the relevance of the cultural economy as a target of urban economic development policy.

Potential directions for the cultural economy in recession

The cultural economy is defined by the “conception and fabrication of outputs whose function is to entertain, to instruct, to embellish and to reinforce identity” (Scott, 2007, p. 1474). This broad description encompasses a variety of industrial sectors, artistic mediums, and cultural products related to, for example, film, fashion design, music, and cuisine. Scholarly definitions and policy associated with the cultural economy have evolved in response to significant economic, social, and political changes beginning in the 1970s and 1980s. In particular, the decline in manufacturing and the restructuring of economies around business and consumer services, high technology, and electronic media combined with growing employment and rising incomes in professional occupations pushed many governments to dedicate agencies to oversee urban cultural policy and develop strategies to encourage cultural development (Bianchini, 1993; Grodach & Silver, *in press*; Hesmondhalgh, 2007). Political dynamics play a role as well. The 1980s marked the beginning of a dramatic shift in urban policy away from redistributive and managerial policies towards entrepreneurial, growth-oriented attempts to address manufacturing job losses, abandoned city centers, and other realities of the post-fordist economy (Harvey, 1989). In fact, while attention to cultural development strategies in the UK and Europe actually emerged out of more social democratic politics, they were ultimately remade according to economic motives to serve the needs and demands of global finance (Bianchini, 1993; Oakley, 2012).

Cultural strategies initially focused primarily on boosting tourism, consumption, and improving the city image through the development of large, iconic cultural projects, arts districts, and entertainment destinations (Grodach, 2011; Mommaas, 2004; Zukin, 1996). While this has by no means ceased, by the 1990s and particularly into the 2000s, cities increasingly focused on mapping the structure and dynamics of design and media-based industries (Flew, 2012; Hesmondhalgh & Pratt, 2005). This shift from place-based redevelopment to cultural industries was engendered in part by a growing recognition of human capital and innovation as engines of urban growth and the simultaneous formation of policy discourse that blended traditionally separate spheres of artistic and media activity (Flew, 2012; Garnham, 2005).

The conception of the cultural economy based on criss-crossing, multi-sector artistic, media, and design work opened up a flood of research seeking to better understand the dynamics of the cultural industries and how they produce economic growth. Some posit that the cultural sectors produce growth indirectly in their role as amenities that attract a highly skilled workforce (Clark, 2004; Florida, 2002). Others point to the direct economic effects of cultural industries that produce and export their products and supply inputs and specialized labor to other industries (Markusen & Schrock, 2006; Scott, 2000). As a great deal of research shows, cultural industries are defined by a highly specialized and flexible set of firms and workers organized to respond to rapid changes in product design and consumer demand. As a result, much work is temporary, project-based, and requires the close proximity of collaborators and competitors to access timely information and acquire necessary resources as well as a labor pool willing to accept a lack of job security in exchange for the “freedom” of self-management (Currid, 2007; Hesmondhalgh, 2007; Lloyd, 2006; Neff, Wissinger, & Zukin, 2005; Pratt, 1997; Rantisi, 2004; Scott, 2000, 2007; Storper & Christopherson, 1987).

Given these functional attributes, cultural economy activity is not evenly distributed, but tends to cluster in certain places, particularly large cities, where the complex system of specialized services, labor, and production activities co-exist and link to larger economic sectors like high-technology and financial services that depend on inputs from cultural and design-based industries (Scott, 2007). This condition is supported by Florida's (2002) highly debated creative city index, which shows in part that creative class occupations cluster in cities with strong tech sectors and a sizable population of artists. Others posit that large cities dominate the cultural economy because they sustain thick support networks and nurture artistic and patron communities where there is high demand for artistic labor (Markusen & Schrock, 2006). Further, a cultural workforce may be attracted to large cities because they are rich in amenities and possess a tolerant and diverse population (Florida, 2002; Markusen & Schrock, 2006). Another particularly distinct feature of a large and concentrated cultural economy is the pronounced gap between the upper and lower tiers of the workforce – creative class professionals demand a high level of personal services that tend to offer a low wage (Donegan & Lowe, 2008; Sassen, 2000; Scott, 2007).

Some note that mid-sized cities possess assets that large cities lack. For instance, Florida (2002) directs his attention less to large cities than specialized, mid-sized hubs like Austin, TX and Portland, OR that possess significant concentrations of high-tech activity, a highly educated demographic, and abundant amenities. Markusen and Schrock (2006) offer that a strength of mid-sized cities over their larger counterparts is, in some cases, a more closely-knit and supportive artistic community and an affordable cost of living that enables them to home-grow artists at significant rates.¹

Markusen and Schrock (2006) provide one of the few studies examining how the cultural economy has changed over time in the US. Although they do not find a uniform pattern related to either size or growth rate for artists and related cultural workers, their work shows that cities with the highest concentrations of employment – Los Angeles, New York and San Francisco – became even more concentrated during the 1990s. Further, whereas these cities are strong in all occupations, mid-sized cities like Seattle and Minneapolis tend to specialize in a particular sub-group. Interestingly, however, recent news articles report “a diaspora of artists” migrating from the established artistic centers of Los Angeles and New York to lower cost, “shrinking cities” like Detroit, Baltimore, and Cleveland due to recessionary pressures (Fallon, 2011; Souccar, 2010). If this is the case, we could be witnessing a new pattern of decentralization emerging.

Indeed, as Pratt (2009) observes, the financial crisis may alter these patterns of cultural economy development. He lays out three possible scenarios. In the first scenario, he frames the cultural economy as dependent on consumer spending and, we can add by extension, other sectors, namely finance and technology, which are considered to support high levels of cultural sector employment (Scott, 2007). As such, due to the financial crash and its impact on housing and consumer spending, the cultural economy will likewise experience a major decline in employment and, ultimately, “fall and burn” particularly in those regions where financial speculation and foreclosure rates have been highest. In turn, those places with large cultural economies most specialized in financial and consumer services and hi-tech will contract most dramatically. This scenario is reinforced by Hesmondhalgh (2007) and others (Neff et al., 2005; Rantisi, 2004) who show that the cultural economy is highly vulnerable due to its specialized and fragmented structure, precarious

¹ In earlier work, Markusen (1996) argues that many mid-sized cities gain on larger urban centers due to the geographic structure of the US economy as a whole, which is defined not by a single primate city, but a flat urban hierarchy in which major urban economic sectors are differentially concentrated.

workforce, and large number of small enterprises with few capital resources – all factors that make it difficult to survive the economic crisis. Despite the privileged position of large cities as cultural economy leaders, they are likewise most vulnerable to dramatic economic change. As Scott (2007, pp. 1465–1466) notes, the “spiral of interdependencies” and “localized external economies of scale and scope” that drive the cultural economy “are intimately dependent on the expansion of final markets, and they are liable to reversal when – among other things – markets collapse.” In contrast, however, because the cultural industries co-locate in regions with strong financial and professional services due to upper-income consumer spending (Currid, 2007), and because finance seems to have quickly recovered from the crash, the cultural sectors may actually remain stable in such places despite their dependent role.

Alternatively, Pratt (2009) posits a “cultural production scenario” whereby cultural production has assumed a more central role in the economy as a whole and, rather than being relegated to a position of dependency, is now a major economic driver due to the economic restructuring discussed above. As such, the cultural sectors may actually be immune to recession and even experience growth despite a downturn. Because the symbolic content of products has become more important, a host of other industries have come to depend on these cultural services to add value and define product identity. In other words, “‘culture’... is the main action, and as such cannot be removed from the product easily” (p. 496). This scenario is reinforced by a third possible direction, the creative destruction scenario, whereby the recession benefits cultural sectors by eliminating outmoded products or ideas and shifts investment to new concepts despite the high risk. In contrast to the first scenario, because many cultural economy firms are small, adaptable, require low start-up costs, and are open to risk, they may actually be structured to capitalize on new, recession-driven demand.

In sum, is the cultural economy so tightly wound up and dependent on finance that the recession marks the beginning of its demise or do we see decline primarily in those sectors most closely tied to the financial and construction industries? Do the large, concentrated centers of the cultural economy collapse or are they impervious to recession and further enhance their dominant position? Conversely, do we see a new pattern of decentralization on the rise in which established mid-sized or secondary cities grow and new, more affordable cultural economy centers emerge? Based on the extant literature, we should expect that those occupations and regions that are highly dependent on finance, construction, and consumption will experience a dramatic dip in employment and increased unemployment in recession. At the same time, however, given the importance of the cultural sectors to much of the global economy, we might see the large, developed cultural centers maintain their advantage due to their advanced development of social and economic networks, labor, and firms, while smaller, less developed and emerging hubs of activity will likely decline due to the larger economic pressures.

Data sources and methodology

Analyzing changes in the cultural economy over time requires consideration of the type of work conducted and careful selection of the means by which to measure it. Occupations commonly associated with the cultural sectors are not bound solely to a specific industry. For example, a graphic designer could work for a design firm or be employed in-house by a firm in the financial services sector. Alternatively, he or she may be self-employed and work on a contract basis across multiple industries. At the same time, people who work in cultural sector occupations may hold more than one job. This variance in employment structure requires us to use employment data focused on occupations rather than industries.

In order to capture the employment dynamic of cultural economy occupations, we gathered employment and unemployment data from the Integrated Public Use Microdata Series (IPUMS). IPUMS data are based on surveys administered by the U.S. Census, which ask individuals to self-report their primary occupation regardless of employment and earnings status. For example, IPUMS data allow us to examine the aforementioned graphic designer freelancing for companies in several industries as well as an individual who works the majority of their time on design projects, yet holds a second job to supplement their income. For these reasons, we did not use an employer-centric dataset such as offered by the Bureau of Labor Statistics (BLS).

A review of relevant literature and our personal insights helped in selecting occupations to examine. Twenty-three occupations as defined by the 2000 Standard Occupational Classification (SOC) system were selected to represent the cultural economy (Appendix, Table A1). Three occupational categories – “Architects,” “Chefs,” and “Designers” – are isolated from the overall selection in order to provide greater focus to the analysis.² We also compiled a fourth isolated category, “Artists,” from several others, which represents those whose skills are more closely related to the fine arts (Appendix, Table A2). Consideration of certain occupations allows for analysis of how the cultural economy varies by metropolitan area detailing the relative strength or weakness of links between cultural occupations and general industry.

Our analysis concentrates on the top thirty metropolitan areas in terms of population as reported by the U.S. Census in 2010. The populations of the regions range in size from 1.9 million to 19 million. In total, the 30 regions account for 49% of national employment in cultural occupations. The selection of regions reflects our desire to include both large metropolitan areas with established and dense clusters of cultural economy employees as well as mid-sized or secondary regions that may be either establishing such clusters or losing traction in the cultural sectors. For example, comparing the employment trend of designers in the established cultural center of New York City – also a financial, insurance, and real estate capital – with design employment in tech-centric Seattle and struggling Detroit provides insight concerning the varied impacts of the global financial crisis and recession on the cultural economy. Correlating IPUMS data with the metropolitan areas defined by the Census is accomplished by selecting the primary metropolitan statistical areas (PMSA) that most closely resemble the metropolitan areas provided by the Census. PMSAs incorporate only the primary urban area and surrounding communities that are integrated economically and socially. We employ a similar tolerance when associating the ACCRA *Cost of Living Index* with the selected metropolitan areas. We analyze the cost of living data to determine if a correlation between low-cost regions and cultural workforce growth in recession exists.

The time-series factor in our research also requires us to use data that have comparable parameters. To meet both needs, we use 1% weighted IPUMS sample employment and unemployment data from the years 2000, 2006, and 2009.³ The specific years

² We chose to examine chefs (BLS Standard Occupation Code 35-1011 “Chefs and Head Cooks”) due to the creative nature of their profession, increasing profile in the media, and inclusion of the culinary arts in cultural and economic development plans of cities across the United States. This occupational category does not include those employed as cooks or food preparation workers.

³ A 5% sample would have provided a larger pool of data; however, a 5% sample was not available from IPUMS for the years 2006 and 2009, so using it for our comparative purposes was not an option. Reliability of the 1% weighted sample was tested by gauging relative standard error (RSE) for the data. Markusen, Schrock, and Cameron (2004) document this process and note that RSE levels under 10% are “fairly reliable,” levels of 10–15% are “still acceptable,” and levels over 15% “should be interpreted with some caution” (Markusen et al., 2004, p. 26). The vast majority of our RSE levels were below 10%, although in a few select cases for the individual occupations, they occurred between 11% and 12%. RSE levels are available upon request from the authors.

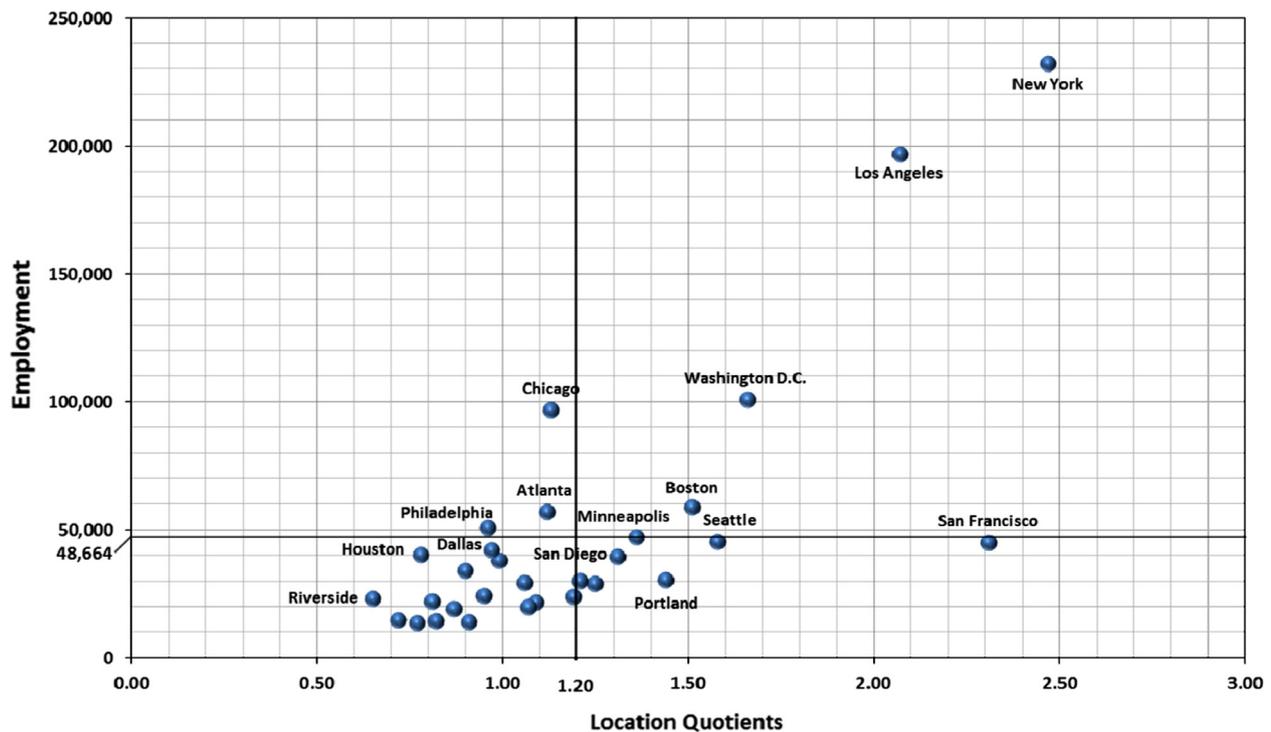


Fig. 1. 2009 Employment concentration and size for top 30 metropolitan areas. Source: Calculations by authors based on Integrated Public Use Microdata Series sample data from Ruggles et al. (2010).

chosen reflects our desire to incorporate two distinct, recent time periods. We analyze two time intervals – 2000 to 2006 and 2006 to 2009. The first period captures the dot-com bust of 2001 and the subsequent recovery and renewed growth that began in 2003, as well as the run-up to the housing-driven financial boom. We compare this to the second time period, which corresponds to the peak of the financial markets and the housing boom, both of which lead into the “Great Recession” that officially commenced in December 2007 and ended in June 2009 according to the National Bureau of Economic Research (Isidore, 2010).

The scope of this paper does not include measuring a causal relationship between the development or decline of the cultural economy in the study cities, nor does the paper seek to compare the growth of selected cultural occupations with others outside of the cultural economy in order to provide a comparative occupational analysis. The focus rests solely on utilizing occupational data as a proxy to understand the shifting nature of the cultural economy in recession.

The geography of the cultural economy in recession

At the national level, the cultural economy has not experienced a major decline or reorganization during recession. In fact, from 2006–2009, cultural sector employment has only nominally decreased nationally (–.35%) and the regions we study experienced a slight gain (1.2%). Similarly, the basic geography of the cultural economy remains unaffected. There are, however, important, place-specific trends that emerged during the recession, which may have considerable implications in the future. First, a majority of the regions showing the strongest cultural economy growth during the boom years were hit hardest by the recession, particularly the leading hubs Los Angeles and New York, as well as the smaller cultural economy regions. Conversely, many of the strong cultural

economies during the recession had only modest or even negative growth during the “boom” years. This set of secondary centers gains on the primary cultural economy regions, Los Angeles and New York, and further distinguish themselves from the smaller, less specialized metros. As such, whereas the boom period is generally characterized by widespread and, in some places, extreme growth in the cultural sectors (presumably tied to the growth in housing and financial and consumer services), the recession is a period of selective growth and decline.

Recessionary rankings

The cultural economy continues to cluster in a few select places. In 2009, Los Angeles and New York maintain their dominant positions. These cities possess cultural sector employment concentrations over twice as large as the national average – with location quotients (LQs) of 2.07 and 2.47 respectively – and far exceed the 30 metro employment average of 48,664.⁴ Together they account for 29.4% of the cultural sector employment in the regions we study. In addition, there is a notable set of secondary hubs led by San Francisco and Washington, DC, which possess strong, but more modest employment levels in absolute numbers; and, with the exception of San Francisco, have smaller concentrations of cultural sector employment than the two leading regions. In fact, only four cities – Los Angeles, New York, Boston, and Washington, DC – are on average larger and more specialized than the 30 metros we study (Fig. 1).

Eleven of the cities possess concentrations of cultural sector employment above the 30 metro average in 2009 (LQ1.20). Los

⁴ A location quotient (LQ) of 1.00 represents the national average, while an LQ exceeding 1.25 is considered as evidence of strong regional specialization (Blakely & Greenlegh, 2010).

Table 1

Top 30 metropolitan areas categorized by concentration and size of cultural sector employment. Source: Calculations by authors based on Integrated Public Use Microdata Series sample data from Ruggles et al. (2010).

| | LQ 2009 | Cultural sector employment 2009 |
|-------------------------------------|---------|---------------------------------|
| <i>Primary metros</i> | | |
| New York–Northeastern, NY–NJ | 2.47 | 232,531 |
| Los Angeles–Long Beach, CA | 2.07 | 196,849 |
| <i>Secondary metros</i> | | |
| San Francisco–Oakland–Vallejo, CA | 2.31 | 45,304 |
| Washington, DC/MD/VA | 1.66 | 100,930 |
| Seattle–Everett, WA | 1.58 | 45,420 |
| Boston, MA | 1.51 | 59,009 |
| Portland–Vancouver, OR | 1.44 | 30,761 |
| Minneapolis–St. Paul, MN | 1.36 | 47,211 |
| San Diego, CA | 1.31 | 39,718 |
| Miami–Hialeah, FL | 1.25 | 28,998 |
| Denver–Boulder–Longmont, CO | 1.21 | 30,194 |
| Chicago–Gary–Lake, IL | 1.13 | 97,104 |
| Atlanta, GA | 1.12 | 57,236 |
| <i>Marginal metros</i> | | |
| Orlando, FL | 1.19 | 24,056 |
| Kansas City, MO–KS | 1.09 | 21,891 |
| Las Vegas, NV | 1.07 | 19,997 |
| Baltimore, MD | 1.06 | 29,504 |
| Detroit, MI | 0.99 | 38,103 |
| Dallas–Fort Worth, TX | 0.97 | 42,355 |
| Philadelphia, PA–NJ | 0.96 | 51,034 |
| Tampa–St. Petersburg–Clearwater, FL | 0.95 | 24,382 |
| Cincinnati, OH–KY–IN | 0.91 | 14,301 |
| Phoenix, AZ | 0.90 | 34,128 |
| Pittsburgh–Beaver Valley, PA | 0.87 | 19,434 |
| Sacramento, CA | 0.82 | 14,615 |
| St. Louis, MO–IL | 0.81 | 22,368 |
| Houston–Brazoria, TX | 0.78 | 40,340 |
| San Antonio, TX | 0.77 | 13,936 |
| Cleveland, OH | 0.72 | 15,061 |
| Riverside–San Bernardino, CA | 0.65 | 23,158 |

Angeles, New York, and San Francisco possess by far the largest concentrations of cultural sector employment followed by a set of eight secondary regions – Washington, DC, Seattle, Boston, Portland, Minneapolis, San Diego, Miami, and Denver (Fig. 1). A mix of southwest metros such as Dallas, Houston, Riverside, and Phoenix and older industrial ones including Philadelphia, Detroit, and Cleveland lag well below the 30 metro average.

In general, we found size and concentration of cultural employment to be strongly related (the correlation coefficient between them is 0.746 and statistically significant).⁵ However, there are important differences among the metros in this regard. Besides Los Angeles and New York, only five other regions – Washington, DC, Chicago, Boston, Atlanta, and Philadelphia – contain a cultural sector workforce above the 30 metro average of 48,664 (Fig. 1). San Francisco, despite containing the second largest cultural employment concentration with an LQ of 2.31, ranks 10th by absolute cultural sector employment size with 45,303 employees. Similarly, other regions with strong concentrations of cultural sector employment such as Portland, Miami, and Denver have only modest absolute employment numbers in the cultural sectors, and even trail some metros with low and moderate concentrations of cultural employment including Chicago, Philadelphia, Dallas, and Houston. In short, the cultural economy in 2009 is defined by two primary hubs, Los Angeles and New York, followed by a set of secondary metros with notable cultural sector employment characteristics, and trailed by a larger group of marginal regions with smaller, less concentrated cultural workforces (Table 1).

⁵ See the Appendix for a table of correlation coefficients.

Growth and change in recession

Overall, we see mixed support for Pratt's (2009) cultural production scenario defined by a concentration and growth of cultural economy activity in a defined set of strong secondary hubs and marginal growth in the major centers (the correlation coefficient for cultural sector employment growth and concentration is moderately significant at .328). During the 2006–2009 period, 11 metros experienced positive and, in some cases, dramatic growth in cultural sector employment, exceeding the rate of growth across all 30 metros (1.17%) (Fig. 2). The four metros with significant size and specialization in 2009 – Los Angeles, New York, Boston, and Washington, DC – all gain cultural employment during the recession ranging from New York's barely perceptible increase to Boston's 14.4% gain. The other metros with strong concentrations of cultural sector employment in 2009 (LQ > 1.20) saw mixed results. Whereas Minneapolis (28.9%), Seattle (15.5%), Denver (8.2%), and San Diego (7.4%) experienced impressive cultural sector employment growth from 2006 to 2009, San Francisco (–3%), Portland (–2.2%), and Miami (–3.6%) suffered a loss. However, those metros with cultural employment concentrations below the national average tended to endure greater setbacks. Of the 13 metros with LQs less than 1.00 in 2009, only Houston and Tampa managed employment growth in the recessionary period. Losses for these regions ranged from –.5% in Dallas and Detroit to –21.6% in Cleveland and –18.8% in San Antonio.

This pattern is reinforced by the changing concentration of cultural employment from 2006 to 2009. Metros with above average concentrations (LQ > 1.20) in 2009 enhanced their competitive advantage by 4% on average, while those below the national average continued to lose their share of employment, dropping 5% on average. This growing dissimilarity occurred despite the fact that two of the three most specialized regions, New York and San Francisco, saw their concentrations decline, the latter substantially. While New York's LQ declined from 2.53 to 2.47, San Francisco dropped by 18% to 2.31. The loss is absorbed primarily by the strong secondary metros—Minneapolis jumped from 1.10 to 1.36, Seattle grew from 1.42 to 1.58, and Boston increased from 1.37 to 1.51. As such, we see a defined set of secondary metros closing the gap between themselves and the traditional cultural economy hubs during the recession while a larger group lags further behind.

This pattern contrasts to the pre-recession years (2000–2006). This period is characterized by widespread cultural workforce growth in which 23 of the 30 metros showed positive gains and 16 enjoyed a double digit increase in employment (Table 2). With the exception of Portland and Miami, the strongest growth occurred in the marginal metros that fared poorly in the recession such as Riverside, Cincinnati, and San Antonio. Conversely, stand-out regions in recession (LQ > 1.20) actually account for 4 of the seven regions that lost employment during the boom years. Seattle and Boston each lost nearly 12% of their employment share while Minneapolis and San Diego lost employment as well.

Finally, there is no clear evidence that artists or other cultural sector workers are increasing in affordable, older industrial metros like Detroit and Cleveland whether due to migration from more established cultural hubs, as has been widely reported in the popular media, or otherwise (Fallon, 2011; Souccar, 2010). Both of these regions, which possess below average concentrations of cultural sector employment, have endured declines during the recession not only for cultural occupations as a whole, but for artists in particular (see below). Altogether, the correlation coefficient for cost of living and cultural sector employment growth is weak (.122) and not statistically significant. As Fig. 3 shows, although low-cost Houston, Kansas City, Atlanta, and Denver all see cultural sector workforce growth and concentration during the recession they are outpaced by two mid-priced metros, Minneapolis and

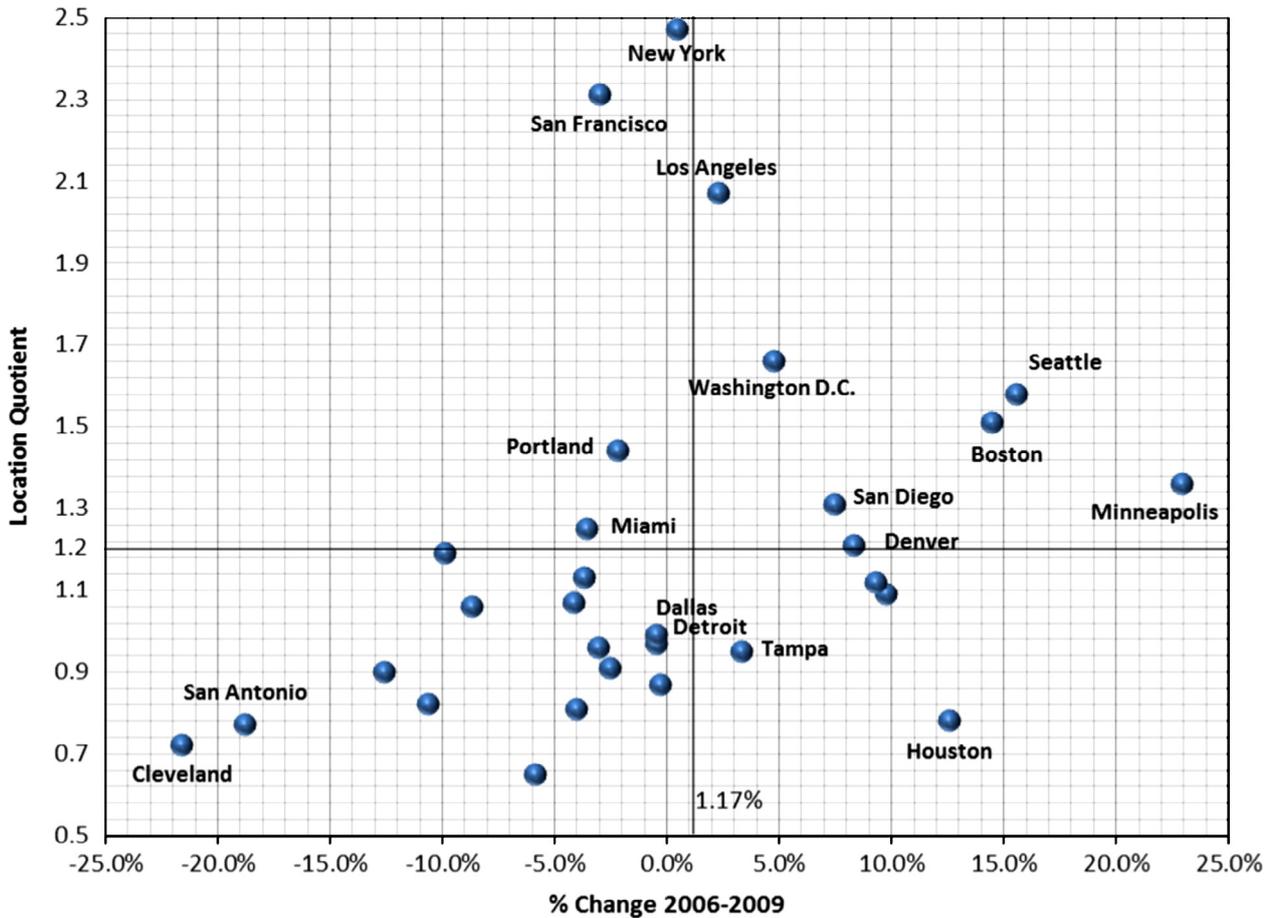


Fig. 2. Change in cultural sector employment growth for top 30 metropolitan areas. Source: Calculations by authors based on Integrated Public Use Microdata Series sample data from Ruggles et al.(2010).

Seattle, as well as Boston, which is among the regions with the highest cost of living. San Diego and Washington, DC, which are also expensive, show similar rates of growth and concentration. Overall, those regions with above average gains in employment between 2006 and 2009 possess an average cost of living 13.4% greater than the national average.

In sum, we are not witnessing a major collapse of the cultural economy nor are the most specialized regions uniformly sustaining the greatest loss. Although San Francisco stands out for its deconcentration of employment with an LQ drop from 2.49 in 2006 to 2.31 in 2009, it remains the second most specialized region in the study. Further, while strong secondary regions like Portland have also experienced declining concentrations, the marginal regions endured a much greater loss, thus further separating the field. During recession we are witnessing the concentration of cultural sector employment in a set of growing secondary regions with mid-sized and significantly concentrated employment pools. At the same time, the primary centers retain their position while smaller, less specialized regions – including more affordable, “shrinking cities” – further decline.

The effect of recession on key occupations

Looking at the cultural economy as a whole is important to gauge major trends, but the recession may have divergent effects on different occupations. Some may be more closely tied to indus-

tries like construction and finance (e.g. architects) that declined sharply following the economic crisis or closely tied to consumption (e.g. chefs). Others may operate more independently or even grow as Pratt hypothesizes in his cultural production scenario. We take a closer look at four occupations – architects, designers, artists, and chefs – to get a sense of how specific segments of the cultural economy respond to recession. An analysis of these occupations reveals the place and industry-specific nature of the cultural economy and, therefore, the place-specific nature of both Pratt’s (2009) cultural consumption and production scenarios. The correlation coefficients for employment concentration and rate of growth in these four occupations are moderate and statistically significant for architects (.500) and designers (.397), but weak and not statistically significant for artists (.228) and chefs (.173). As anticipated, architects are most strongly impacted by the recession given their dependence on residential and commercial real estate and construction industries and especially suffer in places associated with the housing bubble. Similarly, the fate of chefs rises and falls with regional economies highly dependent on entertainment, tourism, and consumption. Artists continue to concentrate most in Los Angeles and New York, while designers highlight a modified place-specific nature of the cultural production scenario in that they fare well in the leading secondary hubs like Seattle and Minneapolis that did not experience major real estate declines. Also, as discussed above, none of these occupations display a clear pattern of attraction to affordable regions.

Table 2

Cultural sector employment growth for top 30 metropolitan areas. *Source:* Calculations by authors based on Integrated Public Use Microdata Series sample data from Ruggles et al. (2010).

| | % Change 2000–2006 | % Change 2006–2009 | LQ 2009 |
|-------------------------------------|--------------------|--------------------|---------|
| 30 Metro total | 8.14 | 1.17 | |
| Riverside–San Bernardino, CA | 43.79 | –5.93 | 0.65 |
| Cincinnati, OH–KY–IN | 42.01 | –2.60 | 0.91 |
| Las Vegas, NV | 35.06 | –4.22 | 1.07 |
| Miami–Hialeah, FL | 33.79 | –3.62 | 1.25 |
| Portland–Vancouver, OR | 33.49 | –2.23 | 1.44 |
| San Antonio, TX | 33.45 | –18.82 | 0.77 |
| Pittsburgh – Beaver Valley, PA | 29.57 | –0.34 | 0.87 |
| Baltimore, MD | 27.98 | –8.75 | 1.06 |
| Orlando, FL | 27.24 | –9.95 | 1.19 |
| Phoenix, AZ | 20.18 | –12.63 | 0.90 |
| Dallas–Fort Worth, TX | 17.56 | –0.53 | 0.97 |
| New York–Northeastern, NY–NJ | 16.69 | 0.41 | 2.47 |
| Denver–Boulder–Longmont, CO | 13.71 | 8.28 | 1.21 |
| San Francisco–Oakland–Vallejo, CA | 11.30 | –3.03 | 2.31 |
| Kansas City, MO–KS | 11.01 | 9.73 | 1.09 |
| Atlanta, GA | 10.57 | 9.26 | 1.12 |
| Sacramento, CA | 7.12 | –10.67 | 0.82 |
| Tampa–St. Petersburg–Clearwater, FL | 6.32 | 3.27 | 0.95 |
| Los Angeles–Long Beach, CA | 6.26 | 2.22 | 2.07 |
| Washington, DC/MD/VA | 6.15 | 4.68 | 1.66 |
| Houston–Brazoria, TX | 4.42 | 12.53 | 0.78 |
| Chicago–Gary–Lake, IL | 3.92 | –3.73 | 1.13 |
| Cleveland, OH | 1.84 | –21.65 | 0.72 |
| San Diego, CA | –2.37 | 7.43 | 1.31 |
| Minneapolis–St. Paul, MN | –7.14 | 22.86 | 1.36 |
| Philadelphia, PA–NJ | –8.35 | –3.10 | 0.96 |
| Boston, MA | –11.60 | 14.39 | 1.51 |
| Seattle–Everett, WA | –11.90 | 15.53 | 1.58 |
| Detroit, MI | –13.17 | –0.54 | 0.99 |
| Saint Louis, MO–IL | –18.78 | –4.10 | 0.81 |

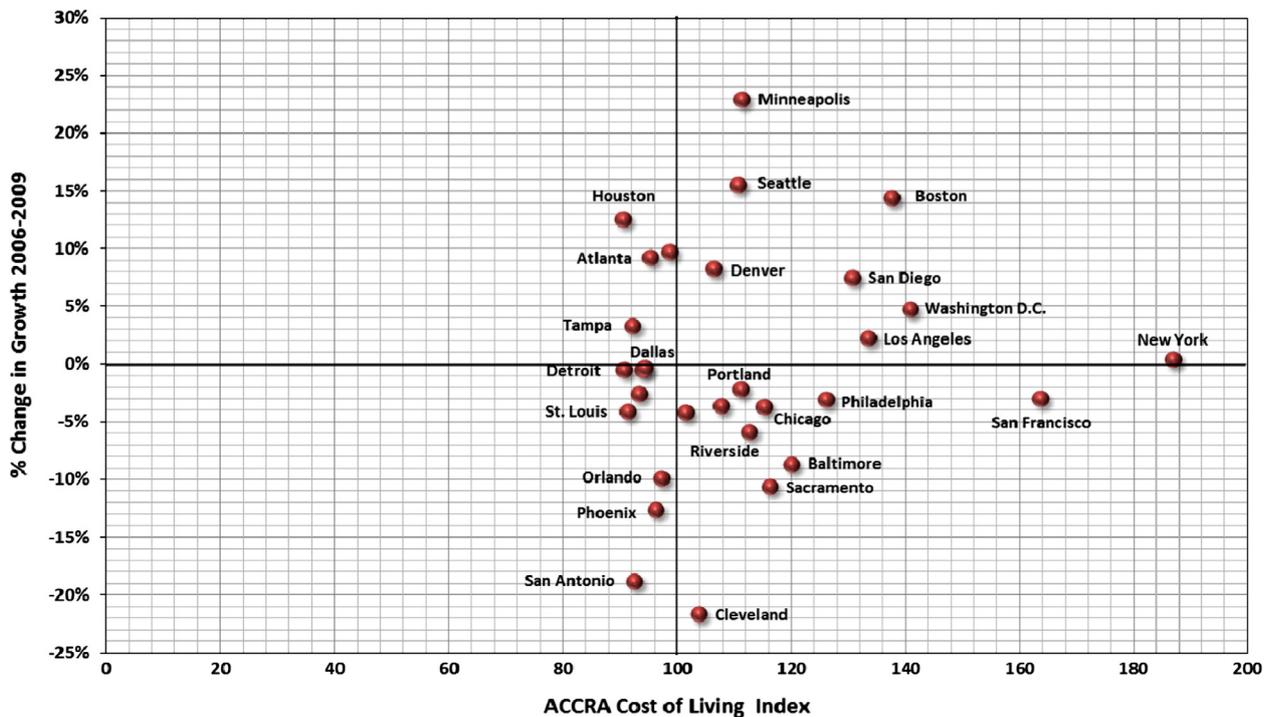


Fig. 3. Cost of living index and cultural sector employment growth, 2006–2009. *Source:* Calculations by authors based on ACCRA Cost of Living Index 2011, 1st Quarter and Integrated Public Use Microdata Series sample data from Ruggles et al. (2010). *Note:* 100 = ACCRA Index National average

Architects

Architects display an extreme tendency to concentrate. Eight metros possess concentrations close to or above twice the national average (Table 3). San Francisco contains over four times the national average with an LQ of 4.18, followed by Boston, Portland, and Seattle. Additionally, architects concentrate most where complementary cultural economy activity is located. All of the eight architectural centers are among the most concentrated regions for cultural sector employment as a whole. Similarly, the largest populations of architects are found in metros with large cultural sector employment – New York leads with 10,660 followed by Los Angeles, Washington, DC, and Chicago each with well over 6000 architects.

As anticipated, architects are severely impacted by the economic decline and recession. Nationally, architecture employment declined nearly 9% faster than the cultural economy as a whole in the recession period. In contrast, during the preceding period, architecture employment grew by nearly 31% in the top 30 regions. Much of the recessionary loss occurred in real estate bubble regions – Sacramento, Tampa, Phoenix, and San Diego – but Minneapolis and Washington, DC also experienced significant declines. However, when we look at changes in the rate of growth between the “boom” and “bust” periods for architects, the regions highest on RealtyTrac’s 2009 foreclosure rankings (of 203 US metros) experienced by far the largest declines topped by Las Vegas (Rank #1, –180%), Riverside (Rank #4, –252%), and Phoenix (Rank #8, –85%). Additionally, like the cultural economy as a whole, the absolute number of architects in the primary regions Los Angeles and New York declined during recession while many secondary regions added architects. As of 2009, architects continue to work primarily in architectural and engineering firms, and while their

employment in construction declined over the decade, it increased in national security industries.

Designers

This category encompasses a fairly broad set of design occupations including commercial and industrial designers, fashion designers, floral designers, graphic designers, interior designers, merchandise displayers, and set and exhibit designers. They most commonly work for architecture and design firms, print media publishers, advertising and public relations firms, and department stores. This group is not as concentrated as architects though they too cluster in the major cultural economy hubs (Table 4). Like architects, designers cluster most markedly in San Francisco and the other highly specialized metros including New York, Los Angeles, Seattle, Boston, and Minneapolis, and in Detroit, a region with high industrial design activity. Los Angeles and New York employ by far the largest numbers of designers although Chicago, Washington, DC, and Boston possess sizable employment as well.

During the recession period, designers fared much better than architects, with employment declining by only 2.9% nationally and slightly growing in the 30 metros (and design employment has a weaker correlation with rate of growth at .397) (Table 5). However, this is down from a national growth rate of 6.2% and a 30 metro growth rate of 9.6% during the preceding period. This underscores the place-specific nature of the cultural production scenario in that a few strong cultural economy regions lost notable shares of design employment – San Francisco, Miami and Portland – yet many others had robust growth rates during the recession. Notably, this growth is led by the secondary cultural economy metros Boston, Minneapolis, Seattle, and San Diego, as well as Los Angeles. As these regions added design jobs, New York lost employment.

Table 3

Employment concentration (2009) and employment growth for architects. *Source:* Calculations by authors based on Integrated Public Use Microdata Series sample data from Ruggles et al. (2010).

| | LQ 2009 | % Change 2000–2006 | % Change 2006–2009 |
|-------------------------------------|---------|--------------------|--------------------|
| National | | –0.86 | –9.17 |
| 30 Metro total | | 30.81 | –0.37 |
| San Francisco–Oakland–Vallejo, CA | 4.18 | –22.18 | 42.54 |
| Boston, MA | 2.55 | –29.72 | 22.95 |
| Portland–Vancouver, OR | 2.41 | –37.31 | 53.24 |
| Seattle–Everett, WA | 2.16 | –22.71 | –9.68 |
| Miami–Hialeah, FL | 2.14 | 80.08 | 66.70 |
| Denver–Boulder–Longmont, CO | 1.91 | –43.23 | 128.78 |
| New York–Northeastern, NY–NJ | 1.91 | –3.76 | –1.23 |
| Washington, DC/MD/VA | 1.91 | 20.63 | –25.40 |
| Baltimore, MD | 1.63 | 25.39 | –9.28 |
| Dallas–Fort Worth, TX | 1.52 | –2.55 | 17.85 |
| Orlando, FL | 1.52 | –35.30 | 14.87 |
| Las Vegas, NV | 1.36 | 182.63 | 3.14 |
| Chicago–Gary–Lake, IL | 1.32 | 1.80 | –27.50 |
| St. Louis, MO–IL | 1.29 | 40.82 | –25.76 |
| Houston–Brazoria, TX | 1.27 | 35.02 | 16.25 |
| San Diego, CA | 1.23 | –13.52 | –27.98 |
| Los Angeles–Long Beach, CA | 1.22 | 17.93 | –15.09 |
| Minneapolis–St. Paul, MN | 1.21 | 10.13 | –19.43 |
| Phoenix, AZ | 1.17 | 48.23 | –36.84 |
| Atlanta, GA | 1.14 | 12.49 | –27.00 |
| Kansas City, MO–KS | 1.13 | 74.83 | –22.97 |
| Philadelphia, PA–NJ | 1.11 | 16.65 | –24.67 |
| Cleveland, OH | 1.05 | 11.34 | 15.94 |
| Sacramento, CA | 0.93 | 72.78 | –56.52 |
| Detroit, MI | 0.87 | 13.59 | –23.12 |
| Pittsburgh – Beaver Valley, PA | 0.79 | 86.20 | 0.96 |
| Cincinnati, OH–KY–IN | 0.78 | –20.79 | 9.35 |
| Tampa–St. Petersburg–Clearwater, FL | 0.73 | 123.08 | –52.09 |
| San Antonio, TX | 0.69 | 14.53 | –14.32 |
| Riverside–San Bernardino, CA | 0.59 | 267.12 | 15.30 |

Table 4

Employment concentration (2009) and employment growth for designers. *Source:* Calculations by authors based on Integrated Public Use Microdata Series sample data from Ruggles et al. (2010).

| | LQ 2009 | % Change 2000–2006 | % Change 2006–2009 |
|-------------------------------------|---------|--------------------|--------------------|
| National | | 6.20 | –2.86 |
| 30 Metro total | | 9.58 | 0.81 |
| San Francisco–Oakland–Vallejo, CA | 2.27 | 25.26 | –3.58 |
| New York–Northeastern, NY–NJ | 1.98 | 23.29 | –4.04 |
| Los Angeles–Long Beach, CA | 1.79 | 7.32 | 8.34 |
| Portland–Vancouver, OR | 1.74 | 86.93 | –14.57 |
| Seattle–Everett, WA | 1.74 | –23.30 | 19.29 |
| Minneapolis–St. Paul, MN | 1.63 | –12.91 | 40.39 |
| Boston, MA | 1.51 | –12.86 | 19.78 |
| San Diego, CA | 1.48 | –6.88 | 18.97 |
| Kansas City, MO–KS | 1.46 | 32.64 | 20.02 |
| Detroit, MI | 1.39 | –22.96 | 2.02 |
| Chicago–Gary–Lake, IL | 1.19 | 15.33 | –8.41 |
| Cincinnati, OH–KY–IN | 1.18 | 54.72 | 4.49 |
| Denver–Boulder–Longmont, CO | 1.16 | 39.95 | 2.56 |
| Atlanta, GA | 1.15 | –17.72 | 24.33 |
| Miami–Hialeah, FL | 1.15 | 68.83 | –13.82 |
| Dallas–Fort Worth, TX | 1.09 | 30.54 | –4.98 |
| Baltimore, MD | 1.01 | 53.73 | –18.06 |
| Washington, DC/MD/VA | 0.99 | 2.83 | 0.52 |
| Houston–Brazoria, TX | 0.98 | 7.47 | 6.65 |
| Orlando, FL | 0.98 | 38.91 | –21.34 |
| Philadelphia, PA–NJ | 0.98 | –11.87 | 0.62 |
| Tampa–St. Petersburg–Clearwater, FL | 0.87 | 45.85 | –13.69 |
| Phoenix, AZ | 0.86 | 7.52 | –24.38 |
| Pittsburgh – Beaver Valley, PA | 0.85 | –6.00 | 4.28 |
| St. Louis, MO–IL | 0.82 | –38.93 | 14.96 |
| Riverside–San Bernardino, CA | 0.81 | 34.81 | –0.59 |
| San Antonio, TX | 0.79 | 180.88 | –3.99 |
| Cleveland, OH | 0.77 | 11.13 | –26.42 |
| Las Vegas, NV | 0.75 | 18.66 | –18.66 |
| Sacramento, CA | 0.69 | 30.58 | –14.18 |

Table 5

Employment concentration (2009) and employment growth for artists. *Source:* Calculations by authors based on Integrated Public Use Microdata Series sample data from Ruggles et al. (2010).

| | LQ 2009 | % Change 2000–2006 | % Change 2006–2009 |
|-------------------------------------|---------|--------------------|--------------------|
| National | | 0.89 | 0.37 |
| 30 Metro total | | 6.03 | 1.12 |
| Los Angeles–Long Beach, CA | 3.11 | 9.01 | 2.30 |
| New York–Northeastern, NY–NJ | 2.85 | 15.37 | 0.36 |
| San Francisco–Oakland–Vallejo, CA | 2.49 | 18.75 | –6.69 |
| Portland–Vancouver, OR | 1.47 | 11.61 | 3.03 |
| Washington, DC/MD/VA | 1.47 | 25.93 | –2.61 |
| Orlando, FL | 1.40 | 25.42 | –6.00 |
| Minneapolis–St. Paul, MN | 1.35 | –29.67 | 37.86 |
| Boston, MA | 1.34 | –10.38 | 10.29 |
| Seattle–Everett, WA | 1.34 | –8.00 | 6.01 |
| Las Vegas, NV | 1.26 | 3.97 | 28.91 |
| San Diego, CA | 1.25 | –23.63 | 26.44 |
| Atlanta, GA | 1.19 | 25.58 | 19.65 |
| Miami–Hialeah, FL | 1.17 | 42.63 | –5.73 |
| Baltimore, MD | 1.08 | –5.46 | 19.11 |
| Chicago–Gary–Lake, IL | 1.05 | 2.39 | –2.69 |
| Denver–Boulder–Longmont, CO | 1.01 | –4.41 | 4.89 |
| Kansas City, MO–KS | 0.93 | 10.20 | 3.50 |
| Dallas–Fort Worth, TX | 0.92 | 13.68 | –6.69 |
| Pittsburgh–Beaver Valley, PA | 0.89 | 112.91 | –11.22 |
| Tampa–St. Petersburg–Clearwater, FL | 0.88 | –27.28 | 7.44 |
| Philadelphia, PA–NJ | 0.82 | 3.99 | –13.71 |
| Phoenix, AZ | 0.81 | –9.37 | –3.85 |
| Cincinnati, OH–KY–IN | 0.80 | 43.53 | –25.40 |
| Detroit, MI | 0.79 | –12.25 | –2.22 |
| St. Louis, MO–IL | 0.79 | –22.75 | –7.04 |
| Sacramento, CA | 0.74 | –12.76 | 5.75 |
| Cleveland, OH | 0.61 | –15.44 | –17.91 |
| Houston–Brazoria, TX | 0.59 | 10.24 | –0.22 |
| Riverside–San Bernardino, CA | 0.57 | 17.02 | –4.57 |
| San Antonio, TX | 0.55 | –8.78 | –44.21 |

Artists

Artists include a diverse range of occupations including dancers, writers, directors, and producers and work in a range of industries including the performing arts, film, advertising and public relations, and religious organizations. This is the largest subgroup of cultural economy occupations we study. Though less concentrated than architects, artists, more than any other group, continue to concentrate in Los Angeles and New York despite the recession (Table 6). Washington, DC, Boston, and San Francisco also possess highly specialized and sizeable populations of artists, but they are far smaller than the two lead hubs. As such, while artists concentrate in primary cultural economy metros, there is less competition from the leading secondary regions. Two other regions have surprisingly high concentrations of artists – Orlando and Las Vegas. This is due perhaps to their strong entertainment and tourism economies.

Nationally, artists appear unaffected by the economic downturn with their slow, steady growth in absolute numbers from 2006 to 2009 (Table 5). In terms of specific locations, Minneapolis, Las Vegas, San Diego, and Atlanta all displayed high employment growth in recession. In contrast, with the exception of San Francisco and Miami, most of the job loss occurred in places that had little activity to begin with (e.g. Cincinnati, San Antonio, and Cleveland). Also, perhaps because of the significant artistic concentrations in Los Angeles and New York, 12 regions grew faster in recession, most notably, Minneapolis, San Diego, and Atlanta. However, some of these high growth regions actually lost significant arts employment in the 2000–2006 period while the lead hubs retain much of their growth during this time and remain unchallenged artistic centers.

Chefs

The presence of chefs highlights how aspects of the cultural economy are linked to tourism, entertainment, and consumption. Chefs are particularly dependent on a large patron base for support through restaurants, hotels, conventions, and personal food preparation. As such, chefs concentrate in large regions and those with strong tourist economies particularly in New York as well as Miami, Las Vegas, San Francisco, and Orlando. Detroit also has a surprisingly strong concentration (Table 6). The largest populations of chefs are found in the large and concentrated cultural economy regions – New York, Los Angeles, Washington, DC, and Boston – and in those large, less specialized cultural employment regions – Chicago and Philadelphia.

Nationally, chefs appear to be affected by the financial crisis and recession, yet they continue to grow by nearly 5% from 2006 to 2009 on top of a 26.2% national growth rate during the preceding period. However, examining regional patterns we can see a notable decline in many of those places hit hardest by recession (Table 7). Between 2006 and 2009, Los Angeles, Las Vegas, Phoenix, and New York all saw declines between 7.5% and 13.6% and in Orlando, San Diego, and Sacramento employment dropped over 30%. These losses are offset, however, by major gains in Seattle, Washington, DC, Houston, Dallas, and Atlanta. However, most of this growth comes nowhere near that of the preceding period when the country became fascinated with food television programs, celebrity chefs, and organic and regionally grown foods and when many households had a significantly greater cash flow. During 2000–2006, 24 of the 30 regions saw double digit growth and 8 of these regions grew between 96% and 188% including all of the big recessionary losers.

Table 6

Employment concentration (2009) and employment growth for chefs. Source: Calculations by authors based on Integrated Public Use Microdata Series sample data from Ruggles et al. (2010).

| | LQ 2009 | % Change 2000–2006 | % Change 2006–2009 |
|-------------------------------------|---------|--------------------|--------------------|
| National | | 26.18 | 4.65 |
| 30 Metro total | | 48.85 | 0.81 |
| New York–Northeastern, NY–NJ | 2.50 | 74.03 | –13.55 |
| Miami–Hialeah, FL | 2.21 | 19.22 | 11.34 |
| Las Vegas, NV | 1.95 | 67.36 | –8.61 |
| San Francisco–Oakland–Vallejo, CA | 1.77 | 27.61 | –15.75 |
| Boston, MA | 1.65 | 21.84 | 41.48 |
| Denver–Boulder–Longmont, CO | 1.65 | 188.37 | 16.77 |
| Philadelphia, PA–NJ | 1.46 | 12.61 | 39.35 |
| Tampa–St. Petersburg–Clearwater, FL | 1.44 | –27.44 | 62.35 |
| Orlando, FL | 1.36 | 104.90 | –32.86 |
| Seattle–Everett, WA | 1.28 | –13.57 | 120.98 |
| Detroit, MI | 1.24 | –0.54 | 47.04 |
| Washington, DC/MD/VA | 1.18 | –7.48 | 48.23 |
| Atlanta, GA | 1.11 | 27.76 | 26.47 |
| Baltimore, MD | 1.11 | 72.03 | 19.65 |
| Los Angeles–Long Beach, CA | 1.11 | 40.77 | –7.46 |
| Phoenix, AZ | 1.07 | 66.25 | –11.40 |
| Chicago–Gary–Lake, IL | 1.06 | 69.12 | –24.00 |
| Cleveland, OH | 0.92 | 110.93 | –42.06 |
| Minneapolis–St. Paul, MN | 0.91 | 47.03 | 32.89 |
| Dallas–Fort Worth, TX | 0.90 | 169.56 | 26.65 |
| San Antonio, TX | 0.90 | 133.72 | –27.90 |
| Pittsburgh–Beaver Valley, PA | 0.85 | 155.47 | 1.34 |
| Kansas City, MO–KS | 0.84 | 0.75 | 22.41 |
| San Diego, CA | 0.76 | 66.37 | –34.32 |
| Houston–Brazoria, TX | 0.69 | 7.95 | 39.50 |
| Portland–Vancouver, OR | 0.67 | 71.90 | –43.84 |
| Riverside–San Bernardino, CA | 0.67 | 123.01 | 5.68 |
| Sacramento, CA | 0.67 | 149.43 | –41.36 |
| St. Louis, MO–IL | 0.58 | 42.87 | –30.97 |
| Cincinnati, OH–KY–IN | 0.56 | 96.51 | 4.10 |

Table 7

Cultural sector and total unemployment rates for top 30 metropolitan areas. *Source:* Calculations by authors based on Integrated Public Use Microdata Series sample data from Ruggles et al. (2010).

| | Cultural sector unemployment % change 2006–2009 | Cultural sector unemployment 2006 (%) | Total unemployment 2006 (%) | Cultural sector unemployment 2009 (%) | Total unemployment 2009 (%) |
|-------------------------------------|---|---------------------------------------|-----------------------------|---------------------------------------|-----------------------------|
| National | | 5.32 | 6.78 | 9.78 | 10.90 |
| Riverside-San Bernardino, CA | 11.61 | 4.08 | 7.56 | 15.69 | 16.55 |
| Tampa-St. Petersburg-Clearwater, FL | 9.09 | 1.89 | 5.78 | 10.98 | 13.15 |
| San Diego, CA | 7.31 | 4.84 | 4.85 | 12.16 | 10.29 |
| Miami-Hialeah, FL | 7.25 | 2.52 | 6.01 | 9.77 | 12.56 |
| Chicago-Gary-Lake, IL | 6.92 | 4.69 | 8.04 | 11.60 | 12.63 |
| Phoenix, AZ | 6.83 | 3.75 | 4.38 | 10.58 | 11.70 |
| Sacramento, CA | 6.80 | 5.06 | 7.35 | 11.86 | 14.07 |
| San Antonio, TX | 6.54 | 2.29 | 7.17 | 8.83 | 8.51 |
| Portland-Vancouver, OR | 6.43 | 3.50 | 6.35 | 9.92 | 12.36 |
| San Francisco-Oakland-Vallejo, CA | 6.26 | 3.04 | 5.38 | 9.30 | 9.57 |
| Los Angeles-Long Beach, CA | 6.16 | 10.78 | 6.93 | 16.94 | 12.09 |
| Saint Louis, MO-IL | 5.87 | 7.58 | 6.65% | 13.45 | 10.15 |
| New York-Northeastern, NY-NJ | 5.45 | 6.88 | 8.09 | 12.33 | 11.30 |
| Las Vegas, NV | 5.23 | 6.52 | 5.41 | 11.75 | 13.74 |
| Denver-Boulder-Longmont, CO | 5.00 | 4.83 | 5.84 | 9.83 | 9.81 |
| Seattle-Everett, WA | 4.95 | 3.52 | 5.50 | 8.47 | 8.73 |
| Pittsburgh - Beaver Valley, PA | 4.83 | 3.21 | 5.94 | 8.04 | 8.77 |
| Atlanta, GA | 4.26 | 5.44 | 7.42 | 9.71 | 13.08 |
| Orlando, FL | 4.22 | 5.05 | 5.47 | 9.27 | 14.37 |
| Kansas City, MO-KS | 3.95 | 4.70 | 5.97 | 8.64 | 8.93 |
| Boston, MA | 3.86 | 5.64 | 5.56 | 9.51 | 9.55 |
| Detroit, MI | 3.52 | 7.88 | 11.47 | 11.40 | 19.98 |
| Baltimore, MD | 3.46 | 4.69 | 5.61 | 8.14 | 8.56 |
| Cleveland, OH | 3.23 | 5.14 | 8.51 | 8.37 | 13.86 |
| Philadelphia, PA-NJ | 2.68 | 7.28 | 7.61 | 9.96 | 11.35 |
| Washington, DC/MD/VA | 2.31 | 2.24 | 4.82 | 4.55 | 7.68 |
| Minneapolis-St. Paul, MN | 2.05 | 3.88 | 5.60 | 5.94 | 9.03 |
| Houston-Brazoria, TX | 1.17 | 4.98 | 7.97 | 6.14 | 8.34 |
| Dallas-Fort Worth, TX | 0.41 | 6.68 | 6.77 | 7.09 | 9.35 |
| Cincinnati, OH-KY-IN | 0.04 | 5.41 | 7.48 | 5.45 | 10.56 |

Unemployment

Unemployment data demonstrate most clearly how the cultural economy is tied to trends in the economy as a whole and to that of specific metros.⁶ Overall, the correlation coefficient for the cultural sector unemployment rate and the rate of change for 2006–2009 is strong at .733 and statistically significant, yet metro-specific differences are important to highlight. As the 2009 unemployment data show, housing bubble metros in the southwest and Florida with high 2009 RealtyTrac foreclosure rankings such as Las Vegas (#1), Los Angeles (#32), Phoenix (#8), Riverside (#4), San Diego (#37), Sacramento (#15), and Tampa (#22) – display levels of unemployment in the cultural occupations over 10% (Table 7). Additionally, those places with comparatively high unemployment overall – Detroit, New York, and Chicago, for example – also contain significant unemployment in their cultural workforce. Each of these regions, except Detroit, saw cultural unemployment levels increase by 5% or more between 2006 and 2009. In contrast, regions that have more stable housing markets such as Dallas (ranked 94th) and Houston (111th) exhibit comparatively lower unemployment levels and these remained relatively constant between 2006 and 2009. This holds true as well for the leading secondary cultural economy hubs Boston, Washington, DC, Seattle, and Minneapolis. As such, these data show that the cultural economy is indeed dependent on financial and related consumer industries in specific places where these industries dominate the regional economy.

⁶ Unemployment for each occupation was not uniformly reported in each year and metro. Therefore, the data reported here does not reflect the entire population of occupations and metros.

Despite the setbacks in many metros during recession, the cultural economy seems to fair slightly better than the national economy in terms of unemployment. The 2009 cultural sector unemployment rate was at 9.8%, in line with the national average of 9.5% reported by the *National Endowment for the Arts in 2010* and about 1% lower than the total unemployment rate for the nation; and, in all but four of the metros, the unemployment rate for cultural occupations is at or below that for the metro as a whole. Additionally, although 11 of the metros possess 10% or more unemployment in the cultural occupations, most do not have significant concentrations and/or employment in the cultural occupations. However, some metros with substantial cultural sector employment also possess high cultural sector unemployment – nearly 17% in Los Angeles and around 12% in New York, San Diego, and Chicago. This implies that regions with a large and concentrated cultural workforce may be more dramatically affected by recession, though as we note above it also points to the role of specific regional conditions. Los Angeles ranked relatively high on the RealtyTrac foreclosure report (#32) and New York was at the center of the financial crash. Indeed, the highly concentrated, secondary centers of Washington, DC and Minneapolis have only 4.6% and 5.9% cultural sector unemployment respectively. Overall, the comparatively lower unemployment in the cultural occupations may be because many sectors are comprised of small businesses and the independently employed, which do not undergo massive layoffs like the construction industry. Alternatively, it poses an interesting condition on the cultural production scenario: whereas most emerging hubs face lower rates of unemployment, Los Angeles and New York are more vulnerable during crisis due to their large concentrations and the sheer number of employed.

We also looked at unemployment in the four specific occupational groups. These data show how the strong, concentrated cultural economies of Los Angeles and New York are particularly hurt by recession despite employment growth in some fields. Unemployment for designers, architects, and artists in these regions is exceptionally high – over 13% – and rises as high as 21% for artists in Los Angeles. In many cases, the unemployment rates, particularly for architects, but also designers, rise steeply from 2006 levels.

Overall, designers experience variable unemployment rates. For example, while Los Angeles and New York have 14.2% and 18.7% unemployment respectively, other lead design regions are at or well below the national average in 2009. Not surprising, these numbers are significantly lower across the regions in 2006. Somewhat unexpectedly, outside Los Angeles and New York, unemployment in architecture appears relatively stable in our sample of regions, though these have experienced major declines in employment. Artists, which are the most stable in terms of employment in recession, exhibit high unemployment. In addition to tremendous unemployment levels in Los Angeles (21%) and New York (13%), Boston (14.3%) fares poorly, though other strong secondary metros – Minneapolis, Washington, DC, and Seattle – keep unemployment below the national average. Finally, chefs possess the lowest overall unemployment rates. Philadelphia and Detroit exceed the national average, but unemployment for chefs actually declines from 2006 in Los Angeles, Boston, and Seattle.

Conclusion

During the recession, the US cultural economy underwent a divergent set of changes. At the regional level, we observe four trends marked by a simultaneous pattern of concentration and deconcentration. First, the primary cultural economy hubs of Los Angeles and New York appear vulnerable to economic crisis as the recession chipped away at the competitive advantage these regions held over the last decade. Similarly, San Francisco, where there is a high concentration of cultural occupations, but a comparatively smaller labor pool, is particularly fragile in the recession. Consequently, while those metros with highly concentrated and interdependent cultural economies experienced stagnant or declining employment and particularly high unemployment levels following the economic crisis, there is divergence from the cultural consumption or dependency scenario in that these places retain their standing as the preeminent centers of the cultural economy. Second, in contrast to these major metros, a small set of emerging competitors with mid-sized and strong cultural economy workforce concentrations show remarkable resiliency during the recession. In particular, Boston, Minneapolis, Washington, DC, and Seattle uniformly added employment, enhanced their competitive advantage, and maintained comparatively low unemployment levels in the cultural occupations. Moreover, these gains offset the declines that occurred in these regions during 2000–2006. Third, a number of smaller, less specialized metros became even weaker, in many cases facing significantly higher unemployment and considerably minimizing employment gains in the cultural sectors prior to the recession. Finally, in terms of unemployment, those metros strongly affected by the larger financial collapse and housing bubble, particularly those regions with high foreclosure rankings, are almost uniformly the worst off regardless of specialization and size. Taken together, these trends suggest that a region's cultural economy is closely tied to the fate of the major industries there and that those regions struggling to adapt to larger structural change tend to suffer most.

The cultural economy experienced differential change in terms of specific occupations as well. Architecture absorbs the most pronounced declines across the regions. In contrast, design occupations defy any coherent pattern, exhibiting varied and place-specific change. Artist employment is seemingly unaffected by the recession, and this is the primary area in which Los Angeles and New York maintain unchallenged dominance. Simultaneously, however, these metros also suffer from high rates of unemployment for artists. Chefs display overall employment growth despite the recession, though growth is slower than during the boom years. Additionally, each of these fields exhibit fairly distinct geographies. Architecture experiences the most significant decline in places with the largest housing bubbles, while other regions hold steady or even grow employment. Chefs are another interesting example of mixed growth and decline. Whereas most of the tourist cities and some of those with tough housing markets are hurt, other regions, particularly those strong secondary cultural economies enhance employment in this field.

Overall, these trends support many of the common arguments for the clustering of the cultural economy. As noted above, the larger metros with highly specialized and substantial employment pools are most vulnerable to crisis. In contrast, the mid-sized secondary regions, despite their comparatively less complex production systems and sizeable labor pools are generally well-off, though we do not find a clear trend pointing toward a “diaspora” of cultural employment in the low-cost regions. Although [Markusen and Schrock \(2006\)](#) document the reconcentration of employment in the primary artistic hubs in the 1990s, we find a dual pattern of concentration and dispersal in recession, which fits more with [Markusen's \(1996\)](#) earlier observation that, in the economy as a whole, some mid-sized cities gain on larger ones due to the flatter urban hierarchy in the US. Finally, while we do not find uniform support for [Pratt's \(2009\)](#) cultural production scenario, the cultural economy is stable and growing in many places indicating the place-specific character of the cultural production scenario.

Lastly, these trends have implications for policy. While cultural economy strategies have been gaining traction over the last decade, the findings in this study indicate that this may not be a good fit for many cities. The uneven and highly concentrated geography and relatively low employment in the cultural sectors indicates that they are not good candidates to absorb employment losses. In many instances, the cultural sectors are tied to the fate of the regional economy as is so apparent in the marginal metros, many of which saw their sizable employment gains in the first half of the decade evaporate during the housing bust. Nonetheless, this does not mean that all cities should necessarily turn away from cultural economy investment. To some extent, simply being in a large region positions a city for cultural economy development. While many large regions may not have high employment concentrations due to their diverse economies, they certainly employ a large share of the cultural workforce and, as such, may have ample opportunity for establishing linkages to related sectors in the region. However, the larger regions also tend to be more susceptible to the negative impacts of recession and so should pursue cultural economy strategies with caution. In particular, the traditional hubs would benefit from building a safety net for workers and stimulate new development in their established cultural industries so that they do not allow their competitive advantage to slide further. For example, drawing on funds from the American Recovery and Reinvestment Act Community Development Block Grant program, Philadelphia established a \$500,000 Creative Industry Workforce Grants program to fund the renovation and expansion for new artist workspaces and arts incubators ([Merritt, 2010](#)). Above all, the emerging mid-sized regions are best positioned to capitalize on their comparatively strong showing during the recession and

would likely benefit most from strategies to enhance their cultural economy workforce and industries.

Appendix A

See Tables A1–A3.

Table A1

Selected occupations representing the cultural economy. Sources: Integrated Public Use Microdata Series, Minnesota Population Center; U.S. Bureau of Labor and Statistics.

| SOC Classification | Occupation |
|--------------------|---|
| 11-2011 | Advertising and Promotions Managers |
| 17-1010 | Architects, Except Naval 17-1011 Architects, Except Landscape and Naval 17-1012 Landscape Architects |
| 25-4010 | Archivists, Curators, and Museum Technicians 25-4011 Archivists 25-4012 Curators |
| 27-1010 | Museum Technicians and Conservators Artists and Related Workers 27-1011 Art Directors 27-1012 Craft Artists 27-1013 Fine Artists, Including Painters, Sculptors, and Illustrators 27-1014 Multi-Media Artists and Animators 27-1019 Artists and Related Workers, All Other |
| 27-1020 | Designers 27-1021 Commercial and Industrial Designers 27-1022 Fashion Designers 27-1023 Floral Designers 27-1024 Graphic Designers 27-1025 Interior Designers 27-1026 Merchandise Displayers and Window Trimmers 27-1027 Set and Exhibit Designers 27-1029 Designers, All Other |
| 27-2011 | Actors |
| 27-2012 | Producers and Directors |
| 27-2030 | Dancers and Choreographers 27-2031 Dancers 27-2032 Choreographers |
| 27-2040 | Musicians, Singers, and Related Workers 27-2041 Music Directors and Composers 27-2042 Musicians and Singers |
| 27-3010 | Announcers 27-3011 Radio and Television Announcers 27-3012 Public Address System and Other Announcers |
| 27-3020 | News Analysts, Reporters and Correspondents 27-3021 Broadcast News Analysts 27-3022 Reporters and Correspondents |
| 27-3031 | Public Relations Specialists |
| 27-3041 | Editors |
| 27-3042 | Technical Writers |
| 27-3043 | Writers and Authors |
| 27-3090 | Miscellaneous Media and Communication Workers 27-3091 Interpreters and Translators 27-3099 Media and Communication Workers, All Other |
| 27-4010 | Broadcast and Sound Engineering Technicians and Radio Operators 27-4011 Audio and Video Equipment Technicians 27-4012 Broadcast Technicians 27-4013 Radio Operators 27-4014 Sound Engineering Technicians |
| 27-4021 | Photographers |
| 27-4030 | Television, Video, and Motion Picture Camera Operators and Editors 27-4031 Camera Operators, Television, Video, and Motion Picture 27-4032 Film and Video Editors |
| 27-40XX | Miscellaneous Media and Communication Equipment Workers |
| 35-1011 | Chefs and Head Cooks |
| 39-3021 | Motion Picture Projectionists |
| 51-9071 | Jewellers and Precious Stone and Metal Workers |

Table A2

Selected occupations representing sub-categories of the cultural economy. Sources: Integrated Public Use Microdata Series, Minnesota Population Center; U.S. Bureau of Labor and Statistics.

| SOC classification | Occupation |
|--------------------|---|
| <i>Architects</i> | |
| 17-1010 | Architects, Except Naval 17-1011 Architects, Except Landscape and Naval 17-1012 Landscape Architects |
| <i>Artists</i> | |
| 27-1010 | Artists and Related Workers 27-1011 Art Directors 27-1012 Craft Artists 27-1013 Fine Artists, Including Painters, Sculptors, and Illustrators 27-1014 Multi-Media Artists and Animators 27-1019 Artists and Related Workers, All Other |
| 27-2011 | Actors |
| 27-2012 | Producers and Directors |
| 27-2030 | Dancers and Choreographers 27-2031 Dancers 27-2032 Choreographers |
| 27-2040 | Musicians, Singers, and Related Workers 27-2041 Music Directors and Composers 27-2042 Musicians and Singers |
| 27-3043 | Writers and Authors |
| 27-4021 | Photographers |
| <i>Chefs</i> | |
| 35-1011 | Chefs and Head Cooks |
| <i>Designers</i> | |
| 27-1020 | Designers 27-1021 Commercial and Industrial Designers 27-1022 Fashion Designers 27-1023 Floral Designers 27-1024 Graphic Designers 27-1025 Interior Designers 27-1026 Merchandise Displayers and Window Trimmers 27-1027 Set and Exhibit Designers 27-1029 Designers, All Other |

Table A3

Correlation coefficients.

| 2009 | Employment % change 2006–2009 | Unemployment % change 2006–2009 | Total cultural employment |
|-----------------------------------|-------------------------------|---------------------------------|---------------------------|
| Cultural Occupations | 0.328 | –0.135 | 0.746** |
| LQ | | | |
| Architects LQ | 0.500** | | |
| Designers LQ | 0.397* | | |
| Artists LQ | 0.228 | | |
| Chefs LQ | 0.173 | | |
| ACCRA | 0.122 | | |
| Cultural sector unemployment rate | | 0.733** | |

** Significant at the 0.01 level.

* Significant at the 0.05 level.

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