

# CULTURAL POLICY AS DEVELOPMENT POLICY: EVIDENCE FROM THE UNITED STATES

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*Abstract:* Cultural policies and cultural projects in the United States have been reframed to emphasize their economic benefits to cities. New alliances between arts advocates and place promoters are apparent at all levels, but are most prominent locally. These new alliances are facilitated by the changing interests of local officials and business people, who have come to believe there is economic value in the arts and of arts administrators, for whom attracting broader public support has become imperative. In some cities, entirely new organizational structures have sprung up to plan and implement projects that serve cultural and economic development advocates simultaneously. Such new institutions are most prominent in more economically disadvantaged cities.

*Keywords:* Cultural policy, Urban development

ARTS INSTITUTIONS have long been located in city centres, but over the past two decades the construction and expansion of cultural facilities in North American and European cities has been undertaken as an explicit part of an urban development strategy. This co-mingling of arts and local economic revitalization builds on earlier traditions of civic promotion, but represents a new, intensified reframing of arts policies and their role in the larger community. This reframing of cultural policies has been furthered by: local officials, who seek to attract tourists and investors by improving their city's image; cultural organizations, who hope to position themselves as broadly beneficial civic actors; and business promotion groups who hope to boost local economic activity through association with the arts. These new linkages are not merely discursive: rather, they are realized through new organizational alliances and supported by new funding streams.

This article considers the emergence of new, local alliances in US cities that encourage construction for the arts as a tool of urban development. Examining the US generally and the cities of Newark (New Jersey), Charlotte (North Carolina), Philadelphia (Pennsylvania) and Seattle (Washington) in greater detail, it illuminates those factors that explain the adoption by

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both local cultural policy advocates and economic development promoters of a framework, here labelled “culture as development”, in which cultural projects are undertaken to achieve economic development goals. Of course, there are a variety of ways in which culture and consumption can be considered as part of an economic development strategy and increasingly city leaders are seeking models that tie cultural creativity to business innovation (Porter, 2000; Florida, 2002). More typically, however, US urban developers have connected the arts and urban revitalization through bricks and mortar projects, such as the construction of new cultural facilities.

In spite of these similarities, the “culture as development” policy area has varied from city to city, marked by different organizational forms. In some cases, existing institutions have been well-positioned to move into this new policy area. In others, new sets of actors have created entirely new organizational vehicles to forge linkages between cultural, business and political leaders able to carry out development-orientated cultural projects. The distinctive interest constellations behind arts development projects, these case studies show, are shaped by the socio-economic conditions found in each city, as well as the prevailing patterns of leadership characterizing each place. It is quite likely that very similar patterns would be found in other US cities. Although this article focuses on the marriage of the arts and economic development in American cities, no doubt parallel policy alliances can be found in those European cities where cultural projects have been built with the goal of boosting the local economy (Fisher and Owen 1991; Bianchini 1993).

### **“CULTURE AS DEVELOPMENT”: THE VIEW FROM THE CITY**

Efforts to reframe cultural support as investment policy in the United States can be found on the national level, as arts advocates have sought to move away from the ideologically charged battles over public funding for allegedly “obscene” art by stressing the educational and economic value of cultural programs (Wyszomirski, 1995). However, it is at the local level that new discourses on the role of culture and new organizational alliances championing such views, are most apparent, in part, because such approaches have great appeal to public and private sector urban elites. Today’s urban economies no longer centre on the attraction and retention of manufacturing firms; in many cases, they have even lost their competitive advantages for office-based service industries. Instead, urban officials have invested in: recreation and consumption activities, including everything from shopping malls, often given a sort of urban flair; baseball stadiums and basketball arenas; and museums and performance centres (Hannigan, 1998). Eager to improve a city’s image and also attract tourists, public and private sector leaders plan arts festivals and cultural fairs; in Europe, cities vie to be named “European City of Culture”, a designation originally intended foster greater cultural community that has since become an important marketing tool (Häußermann and Siebel, 1993; Holton, 1998).

We can see examples of urban development policies centred on cultural projects in many cities (Bianchini, 1993; Plaza, 2000; Strom, 2002). Newark, Charlotte, Philadelphia and Seattle, the focus of this paper, are among those where major fine arts projects were built with the explicit goal of revitalizing or stabilizing their downtowns. The state of New Jersey, prodded by political and business leaders, backed the construction of a “world class” arts facility in Newark, both to spur development in its largest city and to put the state on the regional cultural map. Charlotte’s business community made the development of a downtown arts centre, built with

state, city and private funds, a key feature of its larger central city revitalization strategy. Philadelphia's mayor used a considerable amount of political capital to help develop several cultural projects along a stretch of Center City's South Broad Street he came to dub "Avenue of the Arts". Seattle's City Council allocated \$40 million in city funds to help the Symphony build a new concert hall on a forlorn downtown block, and has also supported the moves of the art museum and a regional theatre company to new, downtown locations. Similar stories can be found in dozens of other US cities.

Why do city leaders embrace and often subsidize these projects? Most think they will help accomplish two goals. First, entertainment is itself an industry and as cities don't have many comparative advantages for widget manufacturers or even insurance agencies, they want to build on those industries where they still do have advantages. Cultural advocates have sought to highlight their economic impact, commissioning studies that show how the arts "industry" creates jobs and pumps money into the economy. However, the direct economic impact of arts employment is not huge. Even in New York City, the country's cultural capital, the 1997 Economic Census counted 65,455 people employed in "Arts, Entertainment and Recreation"—approximately 2% of the workforce. In Philadelphia, about 26,000 people or 1.5% of the workforce are employed in this sector.<sup>1</sup>

Secondly, and probably more realistically, urban officials embrace entertainment projects for their indirect benefits. Footloose companies, especially those employing highly educated workers, don't want to be in cultural wastelands; convention planners prefer cities where there are things to do; individual tourists visit cities with distinctive attractions. High culture projects are an important subset of the entertainment industry. They may ultimately have a smaller direct economic impact than more commercial offerings, but their value as symbols of good taste and excellence may give them a more powerful indirect impact than, say, another Hard Rock Café. Cultural amenities also help create unique, or pseudo-unique identities for cities—every city may, indeed, have the same Hard Rock Café, but not this museum, this piece of public art, this music festival. If cities invest in the infrastructure of culture, economic boosters have learned, they can count on their cultural communities to fill it with distinctive programs.

That cultural amenities have become important economic development and marketing tools is clear when one looks at their embrace by the groups charged with marketing cities to businesses. I studied the websites of public and quasi-public development offices, Chambers of Commerce and other peak business promotion organizations of the 65 largest US cities, a total of 242 organizations (see Table I). One hundred sixty-five or 70% of these economic development groups discuss their city's cultural amenities—many as part of a larger section on "quality of life," but 49 (20%) of them quite prominently in sections specifically addressing the local arts infrastructure. Cultural content is even higher when we eliminate the public and quasi-public agencies from this list (many of which are more focused on business services than economic development or promotion)—of these 200 organizations, 170 have some arts references on their websites, and 64 (32%) prominently feature arts content. Those organizations specifically involved in downtown revitalization comprise a subset of these organizations. For downtown groups, arts and culture are often a central part of the organization's promotional efforts. Eighty-seven per cent of the downtown groups in this study featured arts and cultural information on their websites, 39% of them prominently. For organizations engaged in local business promotion, especially in the central city, arts and cultural resources have become an important part of the local infrastructure.

TABLE I Culture on websites of economic development agencies

	<i>All organizations</i> ( <i>n</i> = 242)		<i>Private non-profit organizations</i> ( <i>n</i> = 143)		<i>Downtown organizations</i> ( <i>n</i> = 57)	
	<i>n</i>	%	<i>n</i>	%	<i>n</i>	%
0	77	32	20	21	10	17
1	60	25	37	26	5	9
2	56	25	34	24	10	17
3	49	20	42	29	22	39

0, No references to arts or culture on website. 1, Arts and culture somewhere on website, but not prominent (several clicks from homepage). 2, Arts and culture included within a lifestyle, entertainment, or quality of life section that is prominent (on homepage or just 1 click away). 3, Arts and culture prominent on home page or one click away.

These findings suggest that economic development and business promotion professionals are likely to view their cities' arts amenities as part of what would compel a company to invest in their cities.

### **CULTURE AS DEVELOPMENT: THE VIEW FROM THE CULTURAL SECTOR**

Can a fine arts museum or a symphony hall serve as the fulcrum of a city's economic development programme? After all, as we learn from Paul DiMaggio's work on cultural organization in late nineteenth century Boston, or Vera Zolberg's work on museums and their missions, many of these high cultural institutions had been organized to differentiate serious from popular art (DiMaggio, 1982; Zolberg, 1986). While all certainly hoped to draw audiences, their goal had never been to draw the largest possible audience, but to exhibit or perform the most academically sanctioned art to those willing and able to receive it. Such an institution may provide important social bona fides to a city, but it would hardly anchor an economic development project.

How have cultural institutions been transformed from places offering a non-commercial, cleansing opportunity for elites, to places offering a way to improve the municipal bottom line? Over the past generation, US cultural institutions have repositioned themselves in a variety of ways (in many cases spurred by changes in their funding sources), becoming more professionalized, more concerned with public relations and marketing, and more reliant on commercial transactions. Fine arts institutions of all kinds are more dependent on corporate support (although during the 1990s donations from individuals increased more rapidly, thanks to stock market gains) and corporations are more likely to view their contributions as part of their own marketing efforts, insisting that their names and logos get prominent display. Museums gravitate toward the sort of blockbuster exhibitions that corporate sponsors like; they are aware of the greater need to show evidence of audience appeal to public and corporate sponsors through admissions and membership figures (Alexander, 1996).

Their role as urban revitalization vehicles is hardly the only or the leading factor explaining changes within arts organizations. However, such groups, pushed by public and private funders to become more professional, more market-savvy and more sensitive to their communities, are well-positioned to recognize that they need and benefit from a better economy; that they can

contribute to it; and that they can benefit from showing that they contribute to it. Under these circumstances, it is far less of a reach for a museum or concert hall to be seen as an economic asset and for its leadership to feel comfortable promoting it in that role. Sociologists use the concept of the “organizational field”—a collection of organizations that “constitute a recognized area of institutional life” (DiMaggio and Powell, 1983: 148)—a construct that allows us to conceptualize how organizations concerned with similar issues but from a variety of sectors might form some sort of unified system.<sup>2</sup> Organizations in the same field come to resemble each other, according to DiMaggio and Powell, not only through coercion (e.g. resource-rich organizations demand certain behaviours from dependent organizations), but also because ideas and norms are diffused throughout the field (DiMaggio and Powell, 1983). The organizational field of culture underwent a transformation in the 1960s and 1970s in response to changing patronage patterns, away from individuals and toward bureaucratic (foundation, government and corporate) financing (Peterson, 1986; Alexander, 1996). As part of this transformation, the field has shifted, most notably at the local level, to include organizations that develop and market the city, especially those focused on tourism. These changes, as well as those on-going in city development agencies as they look more toward symbolic capital and “soft” amenities, have led to a further broadening of the organizational field to create links between public and private “place marketers” and cultural organizations. When we look at cultural facility development on the local level, it becomes clear that the expansion of the organizational field of culture has led directly to the transformation of local policy communities, as new constellations of actors, championing new practices and discourses, have come to shape policy debates.

### PERFORMING DOWNTOWN DEVELOPMENT: CULTURAL POLICY REFRAMING IN FOUR CITIES

One would be hard-pressed to find an American city in which some sort of major cultural project was *not* the centrepiece of a downtown revitalization effort. In many cities, such as the

TABLE II Overview of cases

	<i>Newark</i>	<i>Philadelphia</i>	<i>Seattle</i>	<i>Charlotte</i>
Name	New Jersey Performing Arts Center (NJPAC)	Kimmel Center for the Performing Arts	Benaroya Hall	North Carolina Blumenthal Performing Arts Center
Date opened	Fall 1997	Fall 2002	Fall 1998	Fall 1992
Cost	\$180 million	\$245 million	\$160 million	\$65 million
Public contribution	\$126 million	\$93 million	\$41 million	\$30 million
Key initiator(s)	1. Governor Kean 2. Mayor James, regional corporate leaders	1. Philadelphia Orchestra 2. Mayor Rendell 3. Governor Ridge 4. Downtown business organizations	1. Seattle Symphony 2. Mayor Rice 3. Regional corporate leaders	1. Downtown business leaders 2. Symphony board members

four profiled below, central city development advocates and cultural organizations converged around the construction of performing arts centres.<sup>3</sup> The following section will examine the development of new, downtown performing arts centres in Newark, Charlotte, Philadelphia and Seattle (Table II), exploring the role of arts groups, public officials, and economic development stakeholders formulating each project.<sup>4</sup> While each city's story is unique, taken together they suggest patterns that offer insight into the forces behind "culture as development" efforts in other cities as well.

### Newark

Of all four cities, Newark has the least developed cultural scene. This is not surprising: Newark is the smallest and poorest of the group, and its proximity to New York City has created stiff competition for the arts. To be sure, the Newark Museum is internationally renowned both for its collections and for its far-reaching educational programmes. The city had a Symphony Hall, a renovated Masonic temple, which was home to the New Jersey Symphony Orchestra, as well as host to a variety of classical and popular events. The city-owned facility had become badly deteriorated, suffering from rapid management turnover and fiscal difficulties since the 1960s. Even in its better years, Newark had been a solid working class city whose regional elites gravitated toward cultural offerings in New York.

The idea of building a major performing arts centre in the city was born of a governor's desire to create a state-wide cultural institution. Newark's mayor and other political and economic stakeholders lobbied the governor, who agreed to build the project in New Jersey's largest city after a consultant endorsed the plan (Strom, 1999). The New Jersey Performing Arts Center (NJPAC) opened in 1997 and has been considered a huge success, managing to bring thousands of suburbanites to the city, while winning accolades among local residents for its varied programming and well-regarded educational outreach.

NJPAC has transformed both the city's small cultural policy community and its economic development community. The cultural policy community in the city remains nascent, but it has clearly been invigorated by the attention and resources drawn by NJPAC. After the PAC opened, a dormant Newark Arts Council was brought back to life, a few small galleries have opened and there is an effort underway, spearheaded by a regional planning group, to create subsidized artist housing within a designated cultural district. Changes in the city's downtown development community have been evident as well. The coalition that brought the PAC into being—including city and state officials and regional corporate leaders—came together around the notion of using an arts institution to revive Newark's downtown, and the staffing, programming and mission statement of the PAC embody the goals of that coalition. NJPAC's president is by training and inclination an urban planner and developer; the PAC's board is made up of people whose interest in the city's revitalization equals or exceeds their interest in the arts.

NJPAC and its leadership have transformed the local and state cultural community, but their principal impact has been to reposition the city's economic development actors. Shortly after the PAC's successful first season, the main players involved in the centre's creation formed the Newark Alliance, a peak organization including several major corporations and philanthropists. Additionally, many of these same actors came together to found the New Newark Foundation, an non-profit development organization that bought or optioned a great deal of land in the several block area between the performing arts centre and the university district, hoping to

develop retail and housing appropriate to an arts/university district. Several members of the same group have been pushing the state to underwrite the construction of a new sports arena that will be home to the state's professional hockey and basketball franchises; they have also pressured the city to restructure its economic development agency, replacing it with one with fewer ties to the public sector and better positioned to carry out entrepreneurial development projects. The successful development of NJPAC has mobilized the city and region's business and philanthropic elite around an urban revitalization agenda focused on rebuilding the downtown around cultural, educational and recreational amenities.

### **Philadelphia**

Like Newark, Philadelphia has suffered from long-term population decline and job loss. The city's cultural infrastructure includes the 125-year-old Philadelphia Museum of Art, and the world famous Philadelphia Orchestra, which long shared the 150-year-old Academy of Music with the Pennsylvania Ballet and Philadelphia Opera. Since the 1970s, the city's cultural organizations have been organized into the Greater Philadelphia Cultural Alliance, a now 230-member service and advocacy coalition that includes arts groups from Philadelphia and its suburbs.

The idea that promoting the arts could serve to promote economic development surfaced occasionally throughout the century, but gained momentum with the election of Ed Rendell as mayor in 1991. Several years earlier the Central Philadelphia Development Corporation, a business promotion group primarily representing real estate and banking interests in Center City, had commissioned a study that proposed creating an arts district along South Broad Street, the declining main artery of the business district. At the same time, the Philadelphia Orchestra wanted to build a new concert hall along the avenue. Trying to build broader support for what was seen as a narrow, elite-serving project, they touted the economic benefits that such an endeavour would bring to the area.

Ed Rendell was elected mayor largely on a platform pledging economic development and fiscal responsibility; he had not shown any particular interest in the city's cultural life. However, he quickly bought into the argument that cultural institutions could play a key role in reviving the central city and adopted the Broad Street cultural district plan as one of the key parts of his revitalization efforts. The arts were an especially appealing package for economic development in the early years of Rendell's mayoralty. Much of his energy went toward trying to restore the city's fiscal health after it came perilously close to bankruptcy the year of his election: he accomplished this largely by cutting services and waging loud, politically costly battles with municipal labour unions (Bissinger, 1997). Realizing that you can't campaign for re-election purely on a balanced budget, Rendell no doubt saw the promotion of the arts and other entertainment venues as a positive, upbeat corollary to the otherwise gloomy tone of his early years in office. His efforts helped transform several cultural and economic development institutions, and gave birth to several new ones. As a result of Rendell's lobbying, the governor committed \$60 million in economic development funds to South Broad Street arts projects, most notably the construction of a new concert hall for the Philadelphia Orchestra now known as the Kimmel Center for the Performing Arts. The concert hall project, which had been stalled for a decade, was finally realized during the Rendell years. The new centre, named for Sidney Kimmel, a clothing manufacturer who had contributed \$15 million, his first major donation to an arts group, opened in 2001. Although the orchestra has been a major fundraiser and leader

in building the Kimmel Center, it is an independent organization (officially called the Regional Performing Arts Center, or RPAC), whose board is chaired by one of the city's most active real estate developers, and whose first executive director was a lawyer and close Rendell associate.

In addition to RPAC, several other organizations that were to play an important role in creating the culture/economic development nexus came into existence during the Rendell administration. First, Rendell himself created the Avenue of the Arts, Inc, which was to shape the development of the Broad Street cultural district. With a board that was led by Rendell's wife (a lawyer later appointed to a federal judgeship who had a strong personal interest in the arts), and included key members of the city's development and legal community, the non-profit organization was to coordinate the several development projects on the avenue and promote the cultural district throughout the region. The Greater Philadelphia Tourism and Marketing Corporation, founded in 1996, is not an arts organization, but its mission—marketing the city to individual tourists—gives it a strong interest in the health of the city's cultural institutions. Funded by a 1% addition to the hotel-motel tax collected in the city, a great deal of its work concerns the promotion of cultural tourism. It contributed funds to the Kimmel Center, offers grants for cultural district marketing and promotes packages around cultural events. It works closely with the Greater Philadelphia Cultural Alliance, and has come to function as a bridge between downtown development interests, the hospitality industry and the arts community.

In addition, several existing institutions have increased their focus on culture as economic development. The Pew Charitable Trusts and the William Penn Foundation, whose extensive grants among Philadelphia arts institutions are all the more important given the dearth of public arts funding in the city, do not explicitly fund groups for their economic impact, but they have become increasingly interested in helping groups work collectively to develop audiences and market their products. Pew underwrote the study that led the city, state and hospitality industry to support the creation of Greater Philadelphia Tourism and Marketing Corporation. Both foundations have funded the Cultural Alliance's joint marketing efforts, supported studies on the economic impact of arts activities and convened less formal working groups on cultural tourism. Secondly, the Delaware River Port Authority has become an important funder of cultural groups in Philadelphia and its suburbs. Modelled after the Port Authority of New York and New Jersey, the DRPA is authorized through a bi-state (New Jersey and Pennsylvania) compact; it collects tolls on the several Delaware River bridges, using revenues to maintain the roads, subsidize a commuter rail line and underwrite economic development projects in the region, most notably those along the Camden and Philadelphia waterfronts. In 2000, the DRPA gave over \$5 million to the Cultural Alliance to re-grant to local cultural organizations who can demonstrate that their projects generate economic activity, bring in tourists and/or enhance the region's reputation. The DRPA's newfound interest in culture surely indicates the degree to which the arts have begun to seem like a good investment to regional players concerned with economic development.

### **Charlotte**

Charlotte has grown rapidly in the last few decades, transforming itself from a centre of textile and agricultural trade to a leading banking and financial services centre. If the main economic narrative of the late twentieth century in Newark and Philadelphia was one of decline, with locally-based companies moving, failing or selling out, in Charlotte the reverse was true, as



local companies like Nationsbank (now Bank of America), First Union Bank and Duke Power expanded, keeping their key operations in Charlotte.

Much of what is cosmopolitan in this city, including most of its cultural infrastructure, was created or encouraged by the leaders of these corporations. Led by Bank of America president Hugh McColl, Charlotte area businesses have exhibited a high degree of commitment to building local institutions, and in particular fostering development in the downtown (which, in Charlotte, is known as “Uptown,” as its central intersection is the highest point in the city). In 1958 members of the business community created the Arts and Science Council, a united arts fund that has come to play the leading role in the arts community. It receives funds from both county and city government (acting, then, as a sort of municipal arts council), from corporations and, most notably, from area employees who are solicited each year at their place of business and who can elect a contribution that is then deducted from their weekly pay. Most of the city’s arts groups, which include a Symphony, the Mint Museum, a ballet and opera company, and several theatre groups, were founded after the creation of the Arts and Science Council, so that the ASC, whose board is dominated by the city’s leading corporations, has been the leading actor in the city’s cultural community.

The idea to create a downtown performing arts centre emerged as part of a downtown revitalization plan envisioned by corporate leaders. Charlotte’s business community, working largely through a downtown business association (first called Charlotte Uptown Development Corporation, now known as Charlotte Center City Partners), had engaged in a series of planning exercises in the 1960–1970s aimed at revitalizing a downtown that was losing its department stores and street life. Several of these exercises resulted in the recommendation that some sort of arts district be created near the city’s central hub and that the anchor of such a district would be a multi-theatre performing arts centre. By the 1980s, Charlotte Symphony trustees, were actively raising funds for a new hall to replace the symphony’s outdated Ovens Auditorium. At the same time, the owner of a department store that was leaving for the suburbs and the leadership of what was to become Bank of America, were eager to redevelop the central intersection abandoned by the department store into an office/retail complex, and decided that a new performing arts centre would make a good component of this development. The performing arts centre, then, is actually part of the Bank of America office tower/retail mall complex; one can enter it through the shopping arcade or from the street.

The supporters of the hall raised about half the funds from public sources, securing \$15 million in state funds and another \$15 million from the city, approved through a public referendum. The remaining \$35 million was raised privately. Those heading the project sought donations large and small—they encouraged school children to “buy” bricks, at 25 cents a piece, and also solicited a \$3.5 donation, very large by Charlotte standards, from Herman Blumenthal, a local manufacturer whose family foundation has been active in cultural and educational projects. This formula, combining public and private contributions in a roughly 50/50 ratio, has become standard for many of Charlotte’s downtown projects. Like NJPAC, the NC Blumenthal PAC has been heralded as a success by observers in and around Charlotte. It drew over 2 million visitors in its first 2 years, and continues to sell tickets, largely bringing in touring Broadway shows and popular entertainment in addition to featuring symphonic music and ballet performances. The blocks around the PAC have become livelier, with new restaurants; the opening of a new public library, a new satellite of

the Mint Museum, along with the science museum, a renovated church used for art classes and performances, and an artist colony several blocks away. Since its opening, the NC Blumenthal PAC has come to anchor a small arts and culture district, just as downtown business leaders had planned.

### Seattle

Seattle, like Charlotte, has grown considerably in the past two decades and its cultural offerings have expanded as well. Many of the city's performing arts organizations were founded or built permanent halls around the time of the 1962 World's Fair. The city's cultural infrastructure was concentrated around the grounds of that fair, Seattle Center, a city-owned recreational and cultural district whose most famous landmark is the Space Needle (no doubt the Frank Gehry-designed, Paul Allen-initiated Experience Music Project is by now a close second). The city's next cultural building boom took place in the 1990s, and its locus was the downtown. Within a few years, the Seattle Art Museum had relocated from a park to the outskirts of the central business district, the Symphony had built itself a new concert hall occupying a full block across from the art museum, and a well-regarded regional theatre had renovated a former auditorium next door to the convention centre.

Whereas the museum's decision to locate downtown was largely internal to the organization (it began discussing downtown sites in 1979, finally beginning construction in 1985 and moving in 1991), although aided by city funds and carried out through a quasi-public development authority, city officials and, less publicly, downtown business interests were active in persuading the symphony and the theatre to consider downtown sites. Seattle never experienced the kind of decline found in Newark and Philadelphia; not only does the city have lower poverty rates and higher average incomes, but its central business district remained far more vibrant than anything found in the other cities. Nevertheless, in the early 1990s there was cause for disquiet. One major retailer, Frederick and Nelson, closed its flagship store; another, Nordstrom's, threatened to move; office vacancy rates were high, and the downtown was dotted with vacant lots that were detritus of private development projects gone bad. Eager to staunch the decline, Mayor Norm Rice saw the city's arts institutions as perfect anchors for the edges of the central business district.

The Seattle Symphony had been promised a site at Seattle Center and a large donation by the Kreielsheimer Foundation, a local arts funder. The foundation had purchased the site at Seattle Center a decade earlier, specifically to provide a new home for the symphony and had waited patiently for the symphony to raise the rest of the money needed to build the hall. However, the mayor and several council members pushed for the symphony to build on a derelict downtown site. The Kreielsheimer trustee, the head of Seattle Center, and some of the symphony's board had both emotional and practical objections to abandoning the Seattle Center in favour of downtown. (A Kreielsheimer executive recalls telling the mayor that his foundation's generous donation was for culture, "not for urban renewal" by way of explaining why it he didn't want to subsidize the costlier downtown project.) Mayor Rice convened a task force to examine the site selection issue; the task force endorsed the downtown site, and the city promised to make up the difference between the costs of building at the Seattle Center and downtown. These factors persuaded the symphony to accept the downtown site for what was to become Benaroya Hall, named for developer and symphony patron Jack Benaroya. Although a considerable amount of public funds went into Benaroya Hall and city council members and other officials were active in

shaping the building's design (public sector representatives were, for instance, most insistent that the square-block-long building include public spaces and retail so that it didn't present a blank wall to the daytime public), this was clearly a symphony project. The Seattle Symphony did most of the fundraising for the building, chose the architect, and is responsible for management and programming (through a closely related subsidiary, BH Music Hall Inc.).

Whereas Seattle's major arts organizations, along with the arts commissions on the county and city levels, talk about the importance of the arts to the local economy, none of these groups has taken the lead in articulating a "culture as development" argument. To the extent that such an argument has been made, it has been most cogently expressed by the Corporate Council for the Arts. Like Charlotte's Arts and Science Council, CCA is a united arts fund, raising money (although almost exclusively from corporate donors, in contrast to Charlotte) and distributing it to arts groups. Like Charlotte's ASC, CCA does much more than just distribute funds: it offers technical assistance, participates in advocacy campaigns and helps promote arts groups (its website not only lists the groups it funds, but includes a calendar of its groups' events).

## CULTURE AS DEVELOPMENT IN FOUR CITIES

In all four cities, downtown performing arts centres were built both to house arts activities and to revitalize their surroundings. In some of these cities, entirely new organizations and alliances were created to carry out these projects, which were clear departures from "business as usual" in both the cultural and economic development communities. In other cases, the city's existing cultural and economic development organizations were able to undertake these projects as part of their on-going activities. The next section will probe the different experiences of cities undertaking similar projects, to understand why "culture as development" has had different organizational manifestations in these different cities.

### **Newark and Philadelphia: New Institutions, New Leaders**

In Newark, neither the existing cultural organizations nor the economic development organizations were much involved in launching a "culture as development" project, or engaging in its discourse. Rather, the idea of "culture as development" grew up around the creation of NJPAC and the entire structure of the performing arts centre—the economic and civic centrality of its board, the civic involvements of its president, the nature of its programming—is designed to reinforce its dual role as arts mecca and revitalization catalyst. Here, then, "culture as development" is represented by an entirely new organization, one that brings together disparate constituencies (business people and arts lovers, city dwellers, economic stakeholders and suburbanites) into a new, central-city focused economic development alliance. This alliance has been able to bring a great deal of public economic development funding to the construction of the performing arts centre.

Philadelphia had a well-established, if not always politically effective, cultural community, comprised of its many long-lived cultural institutions and its nearly 30-year old Cultural Alliance. Nonetheless, a number of new institutions were formed, mostly during the 1990s, with the support of Mayor Rendell, forming a "culture as development" policy community. Its core members are the Greater Philadelphia Tourism and Marketing Corporation, the Avenue of the Arts, Inc, the Kimmel Center and the re-conceived Greater Philadelphia Cultural

Alliance. The projects favoured by this community could tap into funding sources not normally available for the arts. These include state and Delaware River Port Authority economic development funding, a portion of the hotel/motel tax (channelled through the city's tourism and marketing agency) and certain private philanthropies. The members of this community work closely with longer standing downtown development organizations, such as the Central Philadelphia Development Corporation, both through some overlapping board membership and, interviews reveal, frequent staff contact. The other city cultural organizations work cooperatively with this network, sometimes by dint of participation on boards and task forces, sometimes through efforts to coordinate marketing or programming and less frequently through joint advocacy work.

### **Seattle and Charlotte: Existing Relationships Prevail**

In Seattle, a major new symphony hall was built downtown without the creation of any new institutions or the promotion of new leaders. Indeed, Seattle is the only city in which the orchestra took on the role of developing and managing the new hall. It created a subsidiary to do this, but this subsidiary is clearly an extension of the symphony itself, with much board and staff overlap. Symphony executives, in interviews, have spoken of the challenges of taking on these new responsibilities. The size of the staff has increased, and more organizational resources needed to be devoted to the new tasks of developer, programmer and building manager. Nonetheless, the orchestra has been able to accomplish a feat that the Philadelphia Orchestra had been unable, on its own, to accomplish: raising funds for, developing and managing a new performance hall.

In Charlotte, the North Carolina Blumenthal Performing Arts Center was created anew, and a president brought in to run it, but it has not transformed the cultural policy community in the way that NJPAC did in Newark. Rather, it has fit into the existing infrastructure, in which the Arts and Science Council plays the leading role, with business leaders, working independently or through groups like Charlotte Center City Partners, shaping the city's downtown development and at least some aspects of its cultural life.

### **Four Cases Compared**

Several factors can help explain the different constellation of interests that mobilized to create these projects and different trajectories the cultural policy communities have followed in these cities. First, the contrasting economic and demographic conditions of the four cities create different structural preconditions in which policy changes occur. Philadelphia and Newark had suffered dramatic economic decline. Since the civil disturbances of 1967, Newark has been one of those pariah cities shunned by investors and by the middle class. Philadelphia had not fallen quite as far, either in hard economic terms or in symbolic terms, but it was, nonetheless, a poor and decaying city. In both these cities in the 1990s, the percentage of people living below the poverty line was much higher (in Newark, more than three times higher) than the percentage of college graduates (see Table III). New performing arts centres in these downtowns were seen as, on the one hand, far *riskier* enterprises, requiring considerable aid and confidence building from the public and philanthropic sectors. They were also far more *important* enterprises, as these declining cities had a lot (again, in both material and symbolic terms) riding on their ability to generate support for a highbrow arts project.

TABLE III Demographic indicators

	<i>Newark</i>	<i>Philadelphia</i>	<i>Seattle</i>	<i>Charlotte</i>
Population, 2000	273,546	1,517,550	563,374	540,828
Population change, 1980–2000 (%)	–17	–10.4	13.6	62.5
% Population white, 2000	14.2	42.5	67.9	55.1
% Population black, 2000	51.9	42.6	8.3	32.5
% Population Hispanic, 2000	29.5	8.5	5.3	7.4
% Population with college degree, 2000	9.0	17.9	47.2	36.4
% Population living in poverty, 1999	28.4	22.9	11.8	10.6

For Charlotte, the development of a cultural infrastructure was clearly a project of the business community. Leading downtown corporations understood that a downtown arts presence would benefit them in several ways. First, locating theatres and museums in the centre would prevent the city from hollowing out, like so many other American cities, thereby retaining vitality in the area in which their offices were located—and, no doubt, increasing the value of their considerable property holdings. Moreover, the expanding banks wanted to compete for the best college and business school graduates in the country, and believed they needed a local cultural life in order to do this. Culture, then, was a tool for sustaining growth—much like the presence of a major league sports franchise (the same business leaders who promoted the performing arts centre also spearheaded drives to land professional football and basketball teams). In Seattle, arts projects were brought downtown to prevent further decline, but they were never called upon to save the city. Seattle’s residents and businesses had shown no signs of fleeing the city and throughout the 1990s the region’s biggest problems involved managing growth rather than stemming decline.<sup>5</sup> Seattle’s well-educated, relatively well-off population, moreover, didn’t need arguments about the economic benefits of arts investments to back public funding campaigns; they largely valued the city’s cultural institutions for other reasons, and indeed have made that clear by backing bond referenda for the construction of the museum, Benaroya Hall, and more recently the renovation of the opera house.<sup>6</sup> Arts organizations that moved downtown were not taking huge risks; they did not need a new “culture as economic development” infrastructure to make their projects work.

Some of the alterations in the development and cultural policy communities have also been shaped by shifting corporate location patterns. In both Newark and Philadelphia, many of the major corporations that had formed the backbone of business association and art boards had moved, merged or gone bankrupt. Philadelphia lost more than half of its 13 Fortune 500 headquarters between 1950 and 1980 (Hodos, 2002) and its last locally-owned bank, CoreStates, merged with Charlotte-based First Union in the late 1990s. Organizations that had once been built on the resources of corporate CEOs now had to content themselves with boards comprised of regional vice presidents (Lemann, 2000). The decline of the older generation of business elites has not necessarily resulted in a withering away of cultural institutional support; rather, the most competent of the cultural institutions have looked to new elites, and the boards of the Art Museum and most notably the Orchestra are filled with “new money” and “new industry” representatives. However, new elites may also want to create their own civic vehicles, and the “culture as development” infrastructure in part represents this effort.

In contrast to these older industrial cities, Charlotte's growth has been relatively recent, and has occurred largely through the growth of locally-based financial services and energy companies. The same corporate leaders who built up their Charlotte-based businesses also spearheaded the creation of the city's cultural institutions, from the Arts and Science Council to the performing arts organizations. In addition, these leaders had a commitment to the city's centre, where their corporate headquarters are located and they backed a series of measures—the performing arts centre, a science museum, a new convention centre and a basketball arena—that all served the purposes of shoring up central city real estate values, while making the city a more attractive place in which to live and do business. Charlotte's business elite comprises a small, cohesive, confident group with a strong commitment to the city's core, and to supporting cultural institutions that serve its goals. This business community was capable of building a performing arts centre without creating any new organizations or networks to help with the task.

Although Seattle is seen by outsiders as a dot-com capital dominated by newly minted millionaires, in fact, its civic life has been led by longer-standing elites who form the core of arts boards and donors. The city's economy had long been based on natural resources and aerospace production (via Boeing and its many suppliers), and it still relies on these older corporations and banks with strong local roots to support its arts programmes. Interestingly, several of the largest arts supporters—Boeing and Microsoft—are actually located in nearby suburbs, but their support of Seattle-based institutions suggests that they see themselves as stakeholders in the city to a far greater degree than suburban financial service and pharmaceutical firms in the Newark and Philadelphia regions do.<sup>7</sup>

In both Charlotte and Seattle, little new “culture as development” infrastructure needed to be created because of the presence of effective united arts funds that already imbedded the cultural community into the larger business and civic arena. There are estimated to be about 70 such funds in American cities and regions (Americans for the Arts 2003), although not all are as effective, either at raising money or as acting as an institutional anchor for the arts community, as those found in Charlotte and Seattle. In these two cities, these funds have become dominant institutions in several respects. First, they are a major source of arts funds (and principal source of difficult to obtain operating funds) in their cities, giving them an agenda-setting role in their cities' cultural communities. They also create a bridge between the cultural and business worlds; business representatives dominate their boards and are responsible, either through direct corporate contributions or facilitation of workplace drives, for raising their funds. However, they tend to be staffed by people who identify with the cultural community, on whose behalf they can be effective advocates. Although such organizations are always marked by the tension of maintaining links in two, often disparate worlds, at their most effective they are able to give the arts community a more prominent place within the political and economic arenas of their cities. (Of course most major US arts organizations are connected in some way to the city's business elite through their governing boards, but because these connections are at the institutional level they don't lead to such cohesive, community-wide consensus building.) It's possible that such institutions, assuming they are successful, can play a facilitating role that allows cultural leaders and business elites to identify and rally behind projects that suit their mutual interests. Indeed, in Charlotte, the Arts and Science Council has, periodically, engaged in lengthy cultural planning processes, and these plans, overseen by business and cultural representatives, become the basis for the campaigns to raise funds for new initiatives in the future. With this cooperative mechanism in place, there is little need to create new organizations that bring disparate interests together.

Each city's narrative is unique, but "culture as development" has become such a prevalent strategy that variations on these stories can be found in cities throughout the United States. Since 1990, dozens of cities have opened new performing arts centres. Most are in central cities; most combine public and private financing, and were developed by coalitions of arts advocates, business leaders and public officials hoping to revitalize the city by upgrading the cultural infrastructure.<sup>8</sup> This movement has been most pronounced in the growing "sunbelt" cities of the South and Southwest, but even older cities, following the model of Newark and Philadelphia, are building and renovating cultural facilities in the hope of staunching economic decline.

## CONCLUSION

In the four cities described in this paper, influential leaders mobilized people and resources to build new performing arts centres, in part to address the housing needs of arts organizations and, in part, to address central city planning and development needs. The adoption of such "culture as development" policies grows out of the ambitions of city boosters, who are eager to attract tourists and improve their cities' images through association with highbrow arts projects. They also meet the needs of arts administrators, who welcome the infusion of capital and see advantages in linking their missions to those of city marketers. These shared goals and interests are manifested in the emergence of new alliances and organizational structures that unite business promotion, place marketing and cultural support. The particular mix of variables differs from city to city. Public officials (and public funds) were more important initiators in Philadelphia and Newark, cities that had lost much of their corporate leadership. In Seattle and Charlotte, private organizations (in Seattle, the Symphony itself; in Charlotte, the representatives of major corporations) took leadership roles. These differences can largely be understood as products of the political and economic characteristics of each city.

A final question to consider is whether "culture as development" is a winning strategy for cities or for their arts institutions. In these four cities, performing arts centres appear to be successful along a number of dimensions. Although it's too early to judge the success of the Kimmel Center,<sup>9</sup> all the others have managed to remain fiscally stable, a sign that they are able to sell tickets and attract philanthropic support. Seattle's symphony has gone from sponsoring 90 performances a year in their old space to nearly 220 a year at Benaroya Hall. The New Jersey Symphony Orchestra, which plays at NJPAC, has been able to secure increased state funding and to quadruple its annual subscriptions (Corcoran, 2002). Moreover, popular wisdom credits these projects with creating positive externalities. The Newark downtown real estate market experienced a sustained boom after NJPAC opened (Strom, 1999), and the areas immediately around the new halls in Seattle, Charlotte and Philadelphia have experienced some increase in retail and restaurant activity. It is nearly impossible to tell whether these new arts centres are directly responsible for this up-surge in activity. But, especially for cities like Newark and Philadelphia, whose efforts at revitalization are often stymied by their poor reputations, if enough people believe that their downtown are better places to visit because of their concert halls it becomes true.

This doesn't mean, however, that "culture as development" has no downside. Many in the arts community are not eager to reduce the value of their contribution to its economic impact. They worry that using economic arguments to gain cultural funding could lead to neglect of less commercial, more cutting edge art forms (Goldberger, 1995). In practical terms, the costs

of building large, splashy, centrally located new facilities are huge and in all four cities some arts advocates have expressed concern in interviews that these massive capital campaigns will divert resources from other cultural projects. Sometimes a portion of these costs are passed along to resident groups in the form of higher rents, which forces them to increase ticket prices, thus making their performances less accessible (Dobrin, 2000). Economic development advocates can point out the opportunity costs of the public investment in these projects—one could easily argue that the large sums invested in concert halls in Newark and Philadelphia could have produced larger impacts if invested in some other kind of community development activity (Strom, 1999). Certainly, other sorts of investments would be more likely to reach to bulk of the population in these cities, where most residents will never attend a concert in the new halls. Nonetheless, “culture as development” brings some real benefits, at least in the American case. In the USA, public support for the arts has never been robust; likewise, there is a longstanding suspicion of, and bias against, central cities (Beauregard, 1993). Together, however, urban promoters and cultural advocates have created an alliance that can be mutually beneficial. The association with prestigious cultural projects helps cities overcome their reputations as centres of crime and poverty, while the partnership with urban officials helps the arts community overcome the charge that their efforts primarily serve a privileged elite.

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### *Notes*

- <sup>1</sup> The “Arts, Entertainment and Recreation” in the US Economic Census includes performing arts institutions, museums and historical sites as well as spectator sport, amusement, gambling and recreation enterprises. Cultural employment thus represents just a portion of the jobs reported in this sector. On the other hand, as cultural economists have pointed out, many people who work in the arts are not employed by cultural institutions, so they may be undercounted by the census.
- <sup>2</sup> The organizational field is in essence the sociologist’s equivalent to the political scientist’s policy community. The latter concept is narrower, concerned primarily with interactions that are intended to shape policy, whereas the former is equally interested in all relationships.
- <sup>3</sup> Art museums have also been the focus of urban development plans, and have been prominent actors in “culture as development” networks. Performing arts centres, however, have been more popular among those looking to revive downtowns. This may, in part, be because one of the goals of such projects is to create activity outside of business hours. Also, it can take decades to fill a museum with a decent art collection, whereas a performing arts center can be filled with performers the day it opens.
- <sup>4</sup> Much of the material in these case studies is drawn from interviews conducted by the author with business, political and cultural leaders in Newark, Philadelphia, Charlotte and Seattle beginning in 1999.
- <sup>5</sup> Even the signs of decline were somewhat more benign in Seattle than in Philadelphia and Newark. First and Second Avenues (where the Seattle Art Museum and Benaroya Hall now sit) had been the epicentre of Seattle’s small red-light district, and indeed several “adult” theaters still thrive, but they appear clean and well-maintained, and behave as good neighbors. Reportedly when SAM held a national meeting of art museum directors, the marquee of the Lusty Lady, an X-rated theater directly across from the museum, read: “Welcome Art Museum Directors!”
- <sup>6</sup> In fact, the countywide referendum to fund Benaroya Hall was defeated, although it won a majority of votes within the city of Seattle. City Council later allocated \$40 million to the project in “councilmanic



- bonds,” which don’t require voter approval, arguing that the voters of Seattle had made their preference clear. This generated some minor controversy. Generally, Seattle observers note, bond issues for cultural projects do well; if they are defeated it is often because they are on the ballot at the same time as other, more controversial measures, in which case they are usually approved in the next election.
- <sup>7</sup> Today, the biggest threat to the city’s civic institutions comes not from the dot-com crisis, but from Boeing’s decision to move its headquarters to Chicago, a financial and psychological slap in the face to the city. Boeing, which still has huge operations in the area, has assured the city’s leaders that it will continue to maintain its level of philanthropic and board support even from Chicago, but this is unlikely to be the case in the long run.
- <sup>8</sup> For a listing of projects, see Strom (2002). For more information on selected cities, see: Whitt (1988, Louisville); Mason (1997, Houston); Cantrell (1999, Kansas City); Chism (2002, Dallas).
- <sup>9</sup> As the Kimmel begins its second year, it has had some successes and some problems (Dobrin, 2002).

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