The Rural Differential: A Literature Review at the Nexus of Arts & Culture, Creativity, Entrepreneurship, and Innovation

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About RUPRI

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

RUPRI provides unbiased analysis and information on the challenges, needs, and opportunities facing rural America. RUPRI’s aim is to spur public dialogue and help policy makers understand the rural impacts of public policies and programs. RUPRI’s reach is national and international, as one of the world’s preeminent sources of expertise and perspective on policies impacting rural places and people. Read more at rupri.org.
Foreword
Over the past three decades, the Rural Policy Research Institute (RUPRI) has addressed numerous public policy issues of importance to rural people and places. Health care, social policy, poverty, community and economic development, entrepreneurship, K-12 and higher education, transportation, telecommunications, housing, state and local government services, and regional innovation, among others, have received RUPRI attention. In all this work, our goal has been to delineate the unique rural differential—the manner in which the unique characteristics of rural people and places influence the outcomes and potential impacts of alternative policies and programs.

However, it is quite fair to ask why a nationally recognized public policy institute, which has never formally engaged arts and cultural policy considerations, would now venture into these waters. The answer to that question explains all that follows.

Over the years, our analytic approach has been increasingly influenced by our commitment to the development of an emerging conceptual foundation, which we have since come to call the Comprehensive Rural Wealth Framework. The framework is premised upon our belief that the unique rural community and economic development challenges of distance, capacity, and leadership are best addressed by cross-sectoral, cross-jurisdictional approaches, based upon all assets in place. This dynamic interaction of challenges and approaches assures greater appreciation of each sector’s importance and a greater collaborative commitment to an area’s common future.

This framework has also proven to be flexible enough to serve most of the policy issues RUPRI addresses. The Comprehensive Rural Wealth Framework evolved from several scholarly antecedents, including asset-based community development, community capitals, inclusive wealth, and green accounting, among others. Our gratitude for these earlier innovations, and the colleagues who developed them, cannot be overstated.

In 2014, Dr. Tom Johnson and several other senior RUPRI economists collaborated with Dr. John Pender, USDA Economic Research Service, to further delineate this approach and publish *Rural Wealth Creation*. This book later received the Lincoln Award from USDA Secretary Tom Vilsack. Since then, we have considered more purposively the importance of cultural wealth, and its unique rural impact, which can often be deeper, and quite different, than in its urban expression. In fact, we have since come to appreciate the growing centrality of cultural wealth to the future resilience and viability of most rural communities and regions.

Coming to this understanding led us to embark on a national collaboration with Art of the Rural, to create the Next Generation Rural Creative Placemaking Initiative, premised upon a Theory of Change that acknowledges that rural communities and regions must offer the economic, social, cultural, and environmental attributes necessary to attract “Next Generation” citizens to their places, including a diverse, dynamic culture, and a human ecosystem that offers opportunities for personal expression and active community engagement. This confluence of RUPRI’s interest in comprehensive rural wealth, rural creative place-making, and entrepreneurship and innovation led to the establishment of the RUPRI Rural Cultural Wealth Lab, chosen as one of four inaugural National Endowment for the Arts Research Labs. This Lab unites the knowledge and lived experiences of a diverse array of scholars and practitioners to explore the intersection of rural arts and culture, entrepreneurship and innovation, and the role of cultural wealth in the broader Comprehensive Rural Wealth Framework. This Lab is addressing some of
the most critical issues and opportunities facing rural people and places, by building innovative metrics to strengthen policymakers’ understanding of the relationships and assets that define rural community wealth, including those uniquely contributed by arts and culture.

The literature review summarized here is the first step in developing a research program and outreach plan. It is very important to note this review identifies a clear bias in the research literature toward the characteristics, contributions, and status of arts and culture in urban places. The review also identifies the consequences of the bias—an urban-centric definition of art and culture, measures of contributions of arts and culture that undervalue rural arts and culture, and policy prescriptions that focus on urban issues while ignoring the issues and opportunities in rural areas. The review summarizes what is known, not known, or hypothesized about rural arts and culture. It finds that the research on rural arts and culture that has been conducted is disproportionately from countries other than the US. Therefore, while those findings are interesting, we would argue they must be replicated here before adoption as the basis for US policy. However, all these findings also validate the prescient NEA commitment to rural arts and culture policy research, for which we are most grateful.

This literature review identifies a partial list of needed research in this field. The Lab team is developing a robust conceptual model that explicates the role of rural arts and culture in the comprehensive wealth of our nation that will inform the design of a research program. We are deeply grateful to the NEA, our RUPRI Lab Team—Kiley Arroyo, Savannah Barrett, Sam Cordes, Matt Fluharty, Teresa Kittridge, Tom Johnson, Jocelyn Richgels, and Emily Wornell—and our national Technical Working Group—Bruce Balfour, Linda Essig, Felicity Kelliher, Lori Pourier, Carlton Turner, and Tim Wojan.

Finally, I want to express the gratitude of all involved for the superb intellectual leadership of Dr. Tom Johnson. It matters greatly that one of our nation’s most eminent regional economists has framed this document and contributes to our ongoing research design.

Chuck Fluharty

President Emeritus, Rural Policy Research Institute
Abstract
This review of the scholarly and applied literature was undertaken with two goals: (1) to identify what is known about arts and culture, creativity, innovation, and entrepreneurship in rural areas, and how these concepts function differently in rural and urban areas, and (2) to identify issues that are NOT known about these concepts in rural settings and to help develop a robust research agenda for the future.

The research literature on arts and culture, innovation and entrepreneurship, wealth creation, and distribution is extensive, but research at the intersection of these fields is sparse, particularly in the US. The literature includes disconnected conceptualizations of the characteristics of arts and culture, creativity, and innovation, and of the dynamic processes involved in the production, consumption, and investment in culture and cultural products. There is clearly an opportunity to develop a more comprehensive, inclusive, and robust framework with which to understand rural arts and culture. This review confirms the view that the comprehensive wealth framework can serve as a synthesizing and inclusive framework.

This review is the first step in advancing our goals of better understanding the role and potential role of arts and culture in improving the quality of life of rural residents, and ensuring that rural people and places are contributing fully to the prosperity and sustainability of our nation.

Key Findings
- Current research in arts and culture, creativity, and innovation has a significant metropolitan bias.
- Natural amenities are an important factor in the development of a vibrant arts and culture sector in rural areas.
- Natural and cultural heritage have a strong influence on the arts and other cultural products of many rural regions.
- In some rural regions, the arts and other cultural products create sense of place and social cohesion.
- Clusters of artists in rural areas lead to a creative milieu that in turn attracts creative manufacturing firms.
- Social networks, especially informal networks, are important to rural art and culture enterprises.
- Research on the effect of rural arts and culture on the vitality of rural communities and the quality of life of rural residents is lacking and needed.
1. **Introduction**

The Rural Cultural Wealth Lab was established to explore the existing and potential roles of arts and culture in rural America. The Lab functions at the intersection of three broad areas: (1) creativity, innovation, and entrepreneurship, (2) rural arts and culture, and (3) rural wealth creation and distribution. The rural wealth creation and distribution framework, which is the foundation of RUPRI’s policy analysis, is the organizing framework for this confluence of knowledge systems (Rural Policy Research Institute 2017).

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

This review of the scholarly and applied literature is undertaken to identify what is known about arts and culture, creativity, innovation, and entrepreneurship in rural areas, and how these concepts function differently in rural and urban areas. More importantly, it is undertaken to identify the most critical issues that are NOT known about these concepts in rural settings. This literature review will serve as the foundation for one of the Rural Cultural Wealth Lab’s most important products: a robust research agenda for the future.

The research literature on these individual concepts—arts and culture, innovation and entrepreneurship, wealth creation and distribution—is extensive. Cultural research is found in many disciplines, including anthropology, sociology, cultural geography, political science, economics, history, cinema studies, and literary studies (Bowles 2008). There is also a significant amount of literature at the intersection of these disciplines. Much of the literature on these topics in the US is focused on urban settings; rural-oriented literature is largely based on research in other countries.

The spatial context (urban, small town, rural, remote, etc.) and the relative dearth of relevant rural research cannot be overemphasized. Why? Because “culture” is largely place-based. It is related to the local history, climate and physical environment, knowledge, and economic and political institutions. And the literature is not static—it is constantly growing and shifting. Consequently, some of the literature is more relevant to our goals than others. This document summarizes the findings from our review, focusing on the literature that informs our goals of advancing the conceptual and empirical understanding of rural cultural wealth.

We begin by elaborating on the relationship between comprehensive wealth and arts and culture, including a brief explanation as to how culture can be valued and conceptualized. In the second section, we share the results of our literature review, organized around the following six themes:

1. The rural-urban lens;
2. Direct contributions of arts and cultural activities to income, employment, and the local tax base;
3. Financial support for the arts by residents, businesses, philanthropies, and governments;
4. Development of a creative and innovative economy, including the attraction, retention, and expansion of art and cultural industries and the development of entrepreneurship skills among artists;
5. Development of social innovation and entrepreneurship; and
6. The role of arts and culture in creating a sense of place, community cohesion, and overall quality of life.

In the final section, we summarize what is known and what is yet unknown about these six themes and related issues.

In undertaking this literature review, it became clear that the same term may have varied definitions depending upon one’s discipline or conceptual frame. Consequently, we have also compiled a list of key terms and a sampling of their definitions found in the literature. These terms are available on the Rural Cultural Wealth Lab webpage. Similarly, a variety of interesting and relevant conceptual models surfaced while undertaking this literature review. A brief description of each of these models is also on the Rural Cultural Wealth Lab webpage.

1.1. Research method employed in this review
The combined volume of published research on the component areas of interest to the Rural Cultural Wealth Lab—arts and culture, creativity, innovation and economic development—is very large, but at the intersection of these areas the literature is sparse, especially when focused on rural regions. For this review we conducted a broad scan using a variety of Boolean searches. Additional articles were identified based on citations in reviewed articles. Almost 500 articles were identified as potentially relevant based on their titles, and over 270 articles were thoroughly reviewed (see reference list). The review focused on refereed journal articles, but some unrefereed articles were included if they reported relevant research results or described conceptualization of the issues addressed in this review.

Potential articles were identified using Google Scholar, MERLIN (My Electronic Resource Library Information Network), and the citation lists in reviewed articles. Since Google Scholar search results include lists of all known articles that have cited the identified articles, it is possible to identify recently published articles as well. In addition to the Boolean searches, we scanned recent issues of several journals such as the *Journal of Rural Studies*, the *Journal of Regional Analysis and Policy*, Artivate, *Culture and Development*, and Community Development for relevant articles.

We developed and used a review template that focused on several dimensions, including key terms/concepts/definitions; rural versus urban focus; evidence of economic contribution of arts and culture; discussion of support for arts and culture; role of arts and culture in fostering community engagement; role of arts and culture in fostering innovation and entrepreneurship; role of arts and culture in fostering a sense of place; the role of place in arts and culture; the relationships between cultural capital and other capitals (built, natural, human, intellectual, political, and social); and the relationships between arts and culture and demographics. The template also identified methods and indicators employed in the research.

1.2. Arts and culture and the comprehensive rural wealth framework
A key objective of this literature review was to use the comprehensive rural wealth creation and distribution framework to help understand and value arts and culture in rural areas, and to produce testable hypotheses. The comprehensive rural wealth framework is based on the premise that the current and future well-being of people depends on the stock of tangible and intangible assets (including human, natural, social, cultural, and other types of capital) that are collectively accumulated and sustained.
The traditional emphasis in policy making and planning is on economic well-being, narrowly defined around income, Gross Domestic Product (GDP), etc. However, other determinants of well-being, such as social and natural capital, have gained increased attention in recent years. The community capitals framework (Emery and Flora 2006) and the asset-based community development (ABCD) framework (McKnight and Kretzmann 1993, 1996) extend the list of capitals that contribute to well-being. Included in this growing list is cultural capital.

Culture’s contribution to well-being and comprehensive wealth depends on the benefits that flow from cultural capital. There is wide agreement in the literature that the benefits of arts and culture can be both intrinsic and instrumental. The comprehensive wealth framework distinguishes and accommodates both classes of benefits.

Theorists have also linked comprehensive wealth to sustainability (Arrow et al. 2012; Nordhaus 1995; Stiglitz 2009). According to these theories, culture and cultural capital become central considerations in the quest for sustainability. Yencken and Wilkinson (2001) write, “Sustainability, as it has become formally adopted around the world, has not one but three pillars: ecological sustainability, social sustainability and economic sustainability. Some would argue that there should be four pillars and that cultural sustainability should always be included” (p. 9). Again, this interest in cultural sustainability is consistent with the comprehensive wealth framework.

1.3. The value of culture

There is an unresolved debate in the literature regarding the desirability of valuing culture and whether it can be valued in economic terms. Most authors accept that culture has both intrinsic and instrumental value, although there remains disagreement regarding the measurability of each. While the intrinsic value and impacts of culture have long been the focus of cultural research, the interest in (and controversy around) its instrumental impacts is a more recent focus.

In terms of the instrumental dimension, the majority of conceptual and empirical papers relate arts and culture to the economic performance of regions, focusing on the direct economic contributions to employment, income, and GDP (Throsby 2001 and 2010, Balfour et al. 2016, and Markusen 2007a are just a few examples). Of these studies, a clear majority focus on the relationship between tourism and arts and culture. See Beyers (2007), Dozhdeva (2014), and Selada et al. (2012) as examples.

The value of culture, both the accumulated stock of culture and the flow of benefits generated by this stock, are critical concepts in thinking about cultural capital and its role in comprehensive rural wealth creation. These concepts are important regardless of whether the view is through the intrinsic or instrumental lens.

2. Findings from the literature

A majority of the research literature on rural arts and culture vis-à-vis innovation and entrepreneurship is reflected in case studies. Case studies are a logical response to the paucity of useful secondary data.
and the high cost of producing quantitative primary data. Case studies are also an important step in the development and refinement of conceptual frameworks and models. Several statistical analyses relevant to rural and small city arts and culture were also identified. In this section, we review the relevant case studies and statistical analyses to discover what is known or hypothesized about (1) differences between rural and urban arts and culture, (2) the economic contribution of arts and culture to rural economies, (3) support for the arts in rural areas, (4) development of creative and innovative rural economies, (5) development of social innovation and entrepreneurship in rural communities, and (6) inspiring a sense of place and community cohesion.

2.1. The rural-urban lens

The classic case for rural arts and culture was made by Robert E. Gard (Gard et al. 1966) in the foreword to The Arts in the Small Community: A National Plan. The report was a guide for small community arts councils, funded by the National Endowment for the Arts (NEA). Gard urged small communities to “start by acceptance, not negation—acceptance that the arts are important everywhere, and that they can exist and flourish in small places as well as in large; with money, or without, according to the will of the people” (p. 4).

Fifty years later, Gard’s challenge has not been fully addressed, especially in the area of research. A decidedly ‘metropolitan bias’ in arts and culture, creativity, and innovation research has been noted by several researchers (Petrov 2007; Wojan et al. 2007b; Sorensen 2008; Carter et al. 2008; Bell and Jayne 2010; van Heur 2010; Duxbury et al. 2011; Selada et al. 2012; Dozhdeva 2014; Gibson 2014). For example, Selada et al. (2012) state that research on arts and culture “tends to focus mainly on big cities and metropolises, not recognizing the potential of smaller towns to modify their trajectories of development through specific approaches” (p. 43). This bias has its basis in the idea that culture is produced and consumed largely in locations with concentrations of people.

The problem with this bias is that, lacking rural-specific research findings, small cities and rural communities base their arts and culture policies on principles developed for large metropolitan regions. But there is growing empirical evidence that the role of arts and culture may be quite different in rural places and that policy prescriptions designed for urban situations may be inappropriate or ineffective in rural places.

Among studies that have considered rural-urban differences, a common view is that traditional cultural practices are especially important in rural areas. For example, Gadwa Nicodemus (2014) identified two rural assets that are important to placemaking in rural areas—rural landscapes and unique cultural practices such as “craft artisanship, and language, dance, and culinary traditions” (p. 2).

The National Endowment for the Arts (Nichols et al. 2017; Wojan and Nichols 2018) has recently mined a new data source, the Rural Establishment Innovation Survey (REIS), to explore the differences in innovation in performing arts organizations. The results of the project are also summarized in a series of research briefs (NEA 2017a, 2017b, 2017c). The analysis revealed several statistically significant differences between rural and urban establishments. The researchers found, for example, that nature parks account for a much larger portion of rural arts organizations than of urban arts organizations, and that performing arts organizations are more common in rural counties with higher levels of natural amenities. Interestingly, while rural non-arts performing enterprises are significantly less likely to be substantive innovators than their urban counterparts, performing arts organizations are equally
innovative in rural and urban settings. The researchers also found that rural performing arts organizations attract non-local audiences at higher rates than their urban counterparts, and a higher proportion of rural arts establishments reported that they provide “a lot” of civic leadership to their communities. Finally, this research found a positive correlation between the number of performing arts organizations and the proportion of businesses classified as substantive innovators and/or design-integrated establishments in rural counties.

2.2. Economic contribution of the arts and culture sector to the local economy

The most common theme in the arts and culture literature is the role that arts and culture play in the local economy. These studies typically combine arts and culture-based employment and market transactions and compare these with the full economy to estimate the proportion of the economy that was contributed by the arts and culture sector. Indirect effects are also estimated in some cases. Dunphy (2009) lists a number of studies that estimate or describe the economic contributions of the arts and culture in rural Australia, including those of Hatton² (2007) and others (Dunphy 2009, p. 4).

Many economic contribution (economic impact) studies focus on arts and culture tourism. Examples include Collins (2004), Evans (2005), Michigan Department of History, Arts and Libraries (2005), the Organization for Economic Cooperation and Development (2009), and Shephard (2017). The Organization for Economic Cooperation and Development (2009) studied the role of tourism in rural economic development in 13 member states. BOP and Experian (2006) found that faster growing rural economies in the United Kingdom (UK) depended more on creative and cultural sector employment than slower growing rural economies. Collins (2004) describes the direct contribution of traditional crafts to the UK economy, but also points out the role that the sector plays “in conserving the historic elements within the built and natural environment. They keep alive traditional skills” (p. 6).

Markusen (2007a, 2007b) used case studies to demonstrate the success that some communities have had with investments in arts- and culture-based development strategies. Her case studies include an artists’ center in New York Mills, Minnesota, an artists’ living and working space in Fergus Falls, Minnesota, and a performing arts center in Lanesboro, Minnesota.

The First Peoples Fund (2013) explored the potential role of arts as an economic driver for tribal communities in the US. A survey conducted in 2011 demonstrated the degree to which the targeted financial and other assistance provided by the First Peoples Fund has increased the success of native artists. The survey also identified the critical conditions for success, including access to markets, increased business knowledge, access to informal social networks, access to financial capital, and access to supplies and space (p. 11).

Dozhdeva (2014) studied the nature of culture- and creativity-based development strategies in several small cities in Europe. Based on field research, Dozhdeva concluded that amenity-based development was key for small cities and presumably for rural regions. This conclusion is consistent with the findings of Rosenfeld (2004), McGranahan and Wojan (2007a), McGranahan et al. (2009), and White (2010). The role of amenities in rural places is important for our understanding of the ‘rural differential’ in arts and culture. For example, do rural amenities shape, attract, or produce particular types of artists? How do amenity-rich rural communities develop differently than amenity-poor rural communities?

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² Dunphy cites Campbell 2007. Campbell’s report was not available but is summarized by Hatton (2007).
Markusen (2007b) reported findings from several qualitative studies of small communities in Minnesota. She lists several unique contributions of arts and cultural activities that go beyond narrow economic benefits, including “broadening horizons, addressing difficult community issues through artistic expression, offering the artistically inclined an outlet for their talents and desires, integrating newcomers with existing community members, and adding humor and camaraderie to community life” (p. 16).

Researchers have also found that the arts and culture sector contributes to the broader economy by making communities more resilient (Daskon 2010; Anwar-McHenry 2011b). Wojan (2014) found that non-metropolitan counties in the US were more resilient if they had a larger creative class employment, but the resilience was typically related to the counties’ proximity to metropolitan counties or centers of higher education than to the presence of natural amenities. McCarthy et al. (2004) include a thorough critique of empirical analyses of the instrumental benefits of the arts and culture, a majority of which measure economic impacts.

2.3. Support for the arts in rural areas

Financial support for the arts is a combination of market-based transactions, philanthropic support, and public-sector financing (municipal, regional, state, and national).

Market-based support for arts in rural areas is frequently unstable and inadequate to provide rural artists with adequate income to allow them to participate full-time. For example, Rendon and Markusen (2009) reported on the obstacles that the Ojibwe tribes of Minnesota face when participating in the arts and culture market. Based on interviews with Ojibwe artists and ‘gate keepers,’ Rendon and Markusen concluded that they were more likely to be self-employed, and that many must have part-time jobs in other sectors even though they were located far from employment centers.

The priorities, spatial distribution, and stability over time of public and philanthropic funding determine the viability of the arts in many locations, and ultimately the well-being of residents. In the US, public funding at the national level comes primarily from the NEA. Of particular importance to rural and tribal arts is the Our Town program (Chu and Schupbach 2014). A major source of philanthropic funding has also come from ArtPlace America (Bennett 2014; Hattem 2014).

Gadwa Nicodemus (2013) argues that the creative placemaking program has been successful at “expanding the scope of policy and diversifying stakeholders” (p. 7). She reviewed a random sample of 30 creative placemaking projects funded by the NEA or ArtPlace America. She found a wide variety of projects—infrastructure development, engagement projects, artist spaces, and planning efforts. The review also revealed a wide variety of objectives (outcomes). Most projects were focused on economic development, but some were focused on community revitalization.

2.4. Development of creative and innovative rural economies

Much of the literature linking arts and culture to an overall creative and innovative economy is conceptual or hypothetical (Basso et al. 2008). Empirical research rarely focuses on the particularities of the relationship between arts and culture, overall creativity, and entrepreneurship-led economic development. The most thorough treatment of empirical relationships between entrepreneurial context, location of creative class workers, innovation, and economic growth in rural areas is the work of McGranahan and Wojan (2007a, 2007b), Wojan and McGranahan (2007), Wojan et al. (2007a), and McGranahan et al. (2011).
Wojan et al. (2007b) used regression analysis to identify and quantify the role of various local factors in attracting artists to so-called artistic havens. They identified established artistic havens in 1990 and those that became artistic havens by 2000, based on unusually high concentrations of artists. They found that population aged 62 years and older was significantly and positively correlated with the art-occupation share of employment. They found that while natural amenities and the importance of a local wine industry were significant predictors for established artistic havens, they did not predict emerging havens. College enrollment was a significant and positive predictor in emerging havens but not in established havens. Similarly, various tourism-related characteristics increased the likelihood that a county would become a haven. Ethnic diversity was not a significant factor in either group.

Wojan et al. (2007a) developed an economic development model that hypothesized an overlooked role of arts employment in communities in what they refer to as an “artistic milieu.” They used a two-step procedure. In the first step they identified the existence of an artistic milieu, and in the second step, measured the effect of this milieu on economic dynamism. They compared the effects of artistic milieu (large clusters of creative workers) in metropolitan and non-metropolitan counties and used spatial econometrics to detect and measure intercounty spillover effects. They found that a larger creative class led to significant growth in population, employment, and businesses in US counties. The artistic milieu was particularly important in non-metropolitan counties, adding additional economic dynamism to the usual effect of the creative class and the special role of amenities in rural places. This model and subsequent analysis is very consistent with the comprehensive rural wealth framework.

In another paper, Wojan and McGranahan (2007) used a modification to Florida’s (2002) creative class as an indicator of creative capital to identify the relationship between creative capital and manufacturing location. Wojan and McGranahan hypothesized that concentrations of creative capital would attract certain types of manufacturing establishments to non-metropolitan counties despite the lack of strong agglomeration advantages. They found strong evidence to support the hypothesis: “In all, the results are striking evidence for the association between creative capital and manufacturing entrepreneurship, where that entrepreneurship is measured by new plant formation and advanced technology use” (p. 143). Since creative capital is attracted to high-amenity rural locations, it follows that high-amenity rural locations will be attractive to certain types of manufacturing.

In their 2011 paper, McGranahan et al. tested their ‘trifecta’ theory. They estimate regression equations for three indicators of economic growth for the 1990-2000 time frame: business starts per non-farm job, change in number of enterprises per non-farm job, and proportionate change in jobs. These three dependent variables are explained with proxies for entrepreneurial context (self-employment, and the ratio of private, non-farm establishments to private, non-farm jobs), creative class (using McGranahan and Wojan’s [2007a] refinement of Florida’s [2002] creative class measure), and a natural amenity index. Spatial econometrics were then used to test the hypotheses suggested by their model. Their key conclusions are as follows:

1) Creative class, entrepreneurial context, and their interaction terms were all positively related to growth for all three dependent measures;
2) The strongest interaction coefficients were in the establishments equations, suggesting that the formation of successful new enterprises was a principal means through which the creative class/entrepreneurial synergy led to growth;
3) Migration was a primary driver of rural growth in the 1990s; and
4) Greater concentrations in farming, lower density, and lower employment rates were all associated with greater rates of start-ups, but little or no gains in jobs.

In a study somewhat modeled on the analyses by Wojan and McGranahan (2007) and McGranahan et al. (2011), Argent et al. (2013) found quite different results. They concluded that “Overall, the results of the multiple regression analysis indicate that creative workers tend not to have a substantial direct stimulatory effect on rural economies” (p. 97). However, the models they estimated were different from those of Wojan and McGranahan (2007) and McGranahan et al. (2011) in key respects and were arguably not well specified.

Most recently, Wojan and Nichols (2018) reported the results of an analysis using a new and novel data source, the 2014 Rural Establishment Innovation Survey (REIS), which generated unique data on the role of innovation and design orientation of rural businesses. The study looked for correlations between arts in the community, the degree to which design was integrated into the production processes of firms, and the economic performance of the region. The researchers found tantalizing support for the hypothesis that “the local arts scene is positively associated with design orientation.” They also found an association between locations with more design-oriented firms and higher rates of job growth and wage increases. More research is needed to confirm causality and to better understand the underlying processes involved.

Many of the community characteristics that contribute to creativity, innovation, and wealth are either a type of community capital (cultural, social, built, or natural capital), or a flow of benefits from previous investments in community assets. The empirical entrepreneurship literature supports the hypothesis that local assets play a role in the success of entrepreneurial ventures, especially in rural communities. Chatman et al. (2008) interviewed entrepreneurs in several small communities and found that they attributed their success to “the strength of local business networks, existence of high-speed Internet access, patronage by local consumers, and fair treatment by members of the community” (p. 74).

Especially important are formal networks among rural entrepreneurs. Based on a review of the literature, Essig (2016) observes that entrepreneurs joined formal business networks to share resources and information, and to influence legislation that affects their businesses (Miller, Besser, and Malshe 2007, p. 637). Essig cites MacGregor (2004), Pittaway et al. (2004), and Nijkamp (2003) as additional evidence that formal networks are particularly important for businesses according to Essig “outside of urban centers where density naturally leads to informal networking...Watson (2012) finds, like others, that having multiple formal and informal networks is associated with business sustainability, but only formal networks are associated with growth” (p. 5).

Kelliher et al. (2018) studied the role of trust in formal networks of micro-firms in rural communities in Ireland, Canada, and the US. They found that trust was an evolving asset and essential to the sustainability of formal networks. Bridging capital between members of the local network and outside resources was especially valuable to network members in small communities.

2.5. Development of social innovation in rural communities
The review discovered very few empirical analyses of the role of arts and culture in developing social innovation in rural communities. Examples of research of this type at the urban and national levels include studies by Stern and Seifert (2014) and List et al. (2016).
Petrov (2007) studied remote communities in Canada, and concluded the following:

The creative class’s place and role in regional development in non-metropolitan areas is likely to be different from the metropolis, but, arguably, not less vital. The creative class in the periphery does not contribute to the economic growth merely by knowledge-production and high-end consumption, but by delivering new ideas and rebuilding institutional frameworks of economic development (p. 454).

In its recent report on rural arts, the NEA (2017a) reported that “while 36 percent of rural arts/cultural organizations say they provide ‘a lot’ of civic leadership to their communities, only 24 percent of urban arts/cultural organizations provide that self-reported level of community support” (p. 2). Research is needed to see if and how this civic leadership leads to greater social innovation in rural communities.

2.6. Inspiring a sense of place and community cohesion

There are numerous examples in the literature of the strong association between the distinctive arts and culture of places and the sense of place and community cohesion.

Mayes (2010) reports the results of a case study described as, “an ethnographic study of community change and place identity” (p. 11) in the Shire of Ravensthorpe, Western Australia (population 1,951 in 2006). Mayes visited the community several times over a two-year period, attending local festivals and conducting interviews. The study focused on the production of local postcards by community residents. Community members have collaborated to develop this small scale creative industry in order to promote their community, raise funds for community products, and support each other. Mayes concludes that “[t]he postcard production in Ravensthorpe Shire draws on a considerable store of accumulated social and symbolic capital” (p. 19). In addition,

Creativity, as defined above and in the eyes of the postcard producers interviewed, is in the service of ‘community’, so that creativity has a clear social role in the production of a sense of community and the construction of both physical places and social spaces in which to meet, share ideas and negotiate individual and community identities (p.10).

Anwar-McHenry (2011a) reports the results of one of the few statistical analyses looking at the potential role of the arts and culture in inspiring a sense of place and community cohesion in rural communities. She surveyed a rural community in Western Australia, collecting various types of demographic data and scores (on a 0 to 10 Likert scale) indicating the personal value that respondents placed on the arts, the perceived value of the arts to the community, self-rated life satisfaction, and community satisfaction (direct cognitive well-being). Anwar-McHenry then used simple regression analysis to measure the relationship between community satisfaction and other indicators and demographic variables (such as gender, age, and region type—i.e., agricultural, coastal, or mining/pastoral). None of the demographic variables were significant nor was the personal value placed on the arts. However, community satisfaction was positively related to value of the arts to the community and self-rated life satisfaction.

In an earlier study, Anwar-McHenry (2009a) concluded that participation in local sports has many of the same benefits for communities that are typically discussed in relation to participation in the arts. She
argues that sports are an important part of rural culture, asserting that “sport is such a central part of rural life” (p. 65)3.

Theodori et al. (2015) analyzed 191 responses (a 9 percent response rate) to a survey of residents of several rural communities in Texas. The responses were organized into indicators of the respondents’ perceptions of their communities’ arts capacity; satisfaction with the arts activities; attachment to, and satisfaction with, their communities; level of participation in their communities’ arts activities; and participation in community-development activities. The study concluded that satisfaction with arts and culture opportunities was correlated with respondents’ level of participation in arts activities, and higher levels of arts participation was correlated with higher rates of participation in community-development activities.

Markusen and Gadwa (2010) describe several case studies of successful creative placemaking. Many of these were done in urban areas, but the paper does include three small city and rural examples. The researchers describe how by combining some underutilized assets, local leadership, and some social innovation, a small town developed a successful art scene based on its unique multicultural history and “culinary, literary, performing, and visual arts, and environmental sustainability” (p. 35). Paducah, Kentucky, transformed a decaying part of the city into an artist’s live/work district with its Artists Relocation Program. Again, underutilized buildings, leadership, some risk-taking, and community commitment made this project a success. Finally, the Fond du Lac Reservation in Minnesota has devoted a small portion of their casino-funded budget to the purchase of Ojibwe visual art that they display in their Min No Aya Win Human Services Center. Their hope is that “surrounded by artwork that expresses traditional and contemporary Ojibwe themes, tribal members are more apt to seek health care and to heal faster, and staff morale improves as well” (p. 44). In a subsequent article, Gadwa Nicodemos (2014) describes how four rural communities leveraged their natural capital and cultural and agricultural heritage to create a sense of place.

In many rural places the role of natural capital seems especially important in the local culture and sense of place. A recent article and documentary (Scifri 2018) describes the research of Dr. Karletta Chief, assistant professor and extension specialist at the University of Arizona, following the accidental release of contaminated water into a river in the Navajo Nation. The article notes the following:

The Navajo people, or the “Diné” people, have a deep connection to the environment. They see water as a sacred entity....Her team surveyed Navajo households along the San Juan River and found that the people use the river in over 400 spiritual, cultural, and agricultural ways—hunting, farming, making baskets out of the riparian reeds, taking sweat baths, and swiping clay on their face for prayers and sunscreen. Members will even put the water in their mouth for prayers, she explains.

The article indicates that standard measures of economic and environmental impacts vastly underestimate the value of natural capital in cases like this.

A particularly important issue in rural cohesion is diversity. The concept of cultural diversity is complex, offering both hope and caution, unity and exploitation. At its best, “rural arts activities are described as

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3 In a number of countries, cultural and sports policy are administered in the same department or ministry. Examples include Greece, Israel, South Korea, Japan, and United Kingdom.
holistic, drawing in people from many walks of life, and associated with individual and collective capacity building, empowerment, collaboration, expanded networking opportunities, and transformation" 
(Duxbury et al. 2011, p. 113).

An interesting thread in the literature involves the role of cultural institutions as anchor institutions. Clopton and Finch (2011, p. 70) explain that

Social anchor theory (SAT) states that, within any given community context, there are social institutions that serve to anchor social networks, thereby contextualizing the community and its networks....Anchors must enhance or construct a sense of community, trust, or reciprocation within social networks.

SAT specifically focuses on the networks and sense of belonging that certain institutions create in a local population. The concept has been applied more broadly to support investments in various types of infrastructure and programs, including cultural infrastructure and arts and culture programs (Walker et al. 2015; Norton and Dowdall 2016).

Fleming (2009) described a case where cultural inclusion was less than ideal: "Artists volunteer their time in local schools and social service organizations, help run a foundation that supports local blues musicians, and regularly donate work to charity fundraisers" (p. 70); however, there is a low level of minority participation in arts activities, believed to be due to the fact that the artists don't know who to ask about how to [become known] and aren't comfortable asking people of another culture about it" (p. 74).

3. Synthesis and Conclusions
The research literature on cultural economies, creative economies, and similar concepts is very large. Numerous authors have conceptualized the relationships between the arts and culture sector and other phenomena. But from the perspective of rural social scientists and rural policy makers, the research often fails in any of several ways.

The literature reveals a preponderance of conceptual discussions, few of which tested the hypotheses generated by the conceptual models. Conceptual models are necessary first steps in understanding real-world phenomena and answering questions posed by policy makers and practitioners. But untested conceptual models may be wrong, and even when they are empirically supported, they cannot answer questions related to magnitude and timing of changes.

As noted above, the research has primarily been concerned with urban issues. In some cases, the articles are very general, ignoring differences across space. Other articles seem to assume that arts and culture are urban phenomena, with little or no presence in rural areas.

The research often defines arts and culture narrowly. Data limitations, for example, mean that amateur and informal activities are left out. In other cases, the definition of sectoral components includes industries and workers with little connection to the arts and culture sector.

3.1. The rural-urban lens
This review confirms that there is an imbalance in the research on the nexus of art, culture, innovation, entrepreneurship, and wealth creation in favor of urban areas. There are several consequences of this imbalance. First there is a bias among policy makers, and in the public eye, that arts and culture are
urban phenomena and rural areas are essentially bereft of cultural assets and opportunities. Second, the lack of research on rural arts and culture leaves those interested in developing policy for rural people and places with only urban models, examples, and prescriptions. It is likely that applications of urban models and prescriptions to rural areas will lead to disappointment and possibly worse. Petrov (2007), assessing the applicability of the creative class theory, concludes that “[t]he ‘traditional’ creative class thesis in its urban-elitist interpretation draped into North American metropolitan culturalism (as presented by Florida) may have limited use for peripheries” (p. 454). As noted above, Petrov concludes that the creative class has a vital role to play in non-metropolitan areas.

The conclusion based on this literature review is that research on rural arts and culture, including conceptualization, case studies, data development, and both qualitative and quantitative analysis, is sorely lacking, but needed and justified.

Rural culture has counterparts to urban culture. Some aspects of rural culture are essentially lower density and smaller scale versions of urban culture. Others are distinctively different. Table 1 summarizes some of the hypothesized and empirically verified differences between urban and rural contexts of particular importance to our understanding of the roles that the arts and culture play in comprehensive wealth creation and distribution.

Table 1: Hypothesized differences between urban and rural arts and culture contexts and characteristics

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Urban</th>
<th>Rural</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relationship between place and culture</td>
<td>Culture creates place (e.g., architecture)</td>
<td>Place creates culture (e.g., geography, agriculture and forestry)</td>
<td>Oberlin and Gieryn 2015</td>
</tr>
<tr>
<td>Cultural infrastructure</td>
<td>Architecture, historical districts</td>
<td>Natural features, cultural heritage, nature parks</td>
<td>McGranahan et al. 2011; Csurgó &amp; Megyesi 2016; OECD 2009; NEA 2017a</td>
</tr>
<tr>
<td>Investment in cultural infrastructure</td>
<td>Conservation of heritage assets</td>
<td>Tourism facilities, conservation of natural and heritage assets, Investment in assets complementary to nature</td>
<td>Duxbury et al. 2008, LaPan &amp; Barbieri 2014</td>
</tr>
<tr>
<td>Vintage architecture</td>
<td>Less</td>
<td>More</td>
<td>Markusen &amp; Gadwa 2010</td>
</tr>
<tr>
<td>Economic advantages</td>
<td>Agglomeration economies</td>
<td>Strategic differentiation</td>
<td>Selada, et al. 2010; Heur 2010</td>
</tr>
<tr>
<td>Amenities</td>
<td>Urban, built amenities</td>
<td>Natural amenities, quality of life, aboriginal artistic concentrations, indigenous cultural systems, less pollution, less congestion and crime, walkability</td>
<td>Balfour et al. 2016; McGranahan and Wojan 2007a; McGranahan et al. 2009; Dozhdeva 2014</td>
</tr>
<tr>
<td>Tourism</td>
<td>Cultural, heritage, or art tourism</td>
<td>Cultural, heritage, ecotourism, natural tourism</td>
<td>OECD 2009</td>
</tr>
<tr>
<td>Tourism</td>
<td>Mass tourism</td>
<td>Niche tourism</td>
<td>OECD 2009</td>
</tr>
<tr>
<td>Characteristics</td>
<td>Urban</td>
<td>Rural</td>
<td>Sources</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>-----------------------------------</td>
<td>-----------------------------------</td>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Social capital</td>
<td>Weak social bonding</td>
<td>Strong social bonding</td>
<td>Petrov 2007</td>
</tr>
<tr>
<td>Local social linkages</td>
<td>More</td>
<td>Less</td>
<td>Bell &amp; Jayne 2010</td>
</tr>
<tr>
<td>Social networks</td>
<td>Global</td>
<td>Local</td>
<td>van Heur 2010</td>
</tr>
<tr>
<td>Civic leadership from arts orgs.</td>
<td>Less</td>
<td>More</td>
<td>Nichols et al. 2017; NEA 2017a</td>
</tr>
<tr>
<td>Cultural diversity</td>
<td>More diverse</td>
<td>Less diverse</td>
<td>Throsby 2010; Markusen &amp; Gadwa 2010; Ottaviano &amp; Peri 2006; Baycan-Levent 2010; Wojan et al. 2007b; Gibson et al. 2010</td>
</tr>
<tr>
<td>Cost of living</td>
<td>Higher</td>
<td>Lower prices of land and housing</td>
<td>Balfour et al. 2016; Dozhdeva 2014</td>
</tr>
<tr>
<td>Cost of studio space</td>
<td>High</td>
<td>Low</td>
<td>Markusen &amp; Gadwa 2010</td>
</tr>
<tr>
<td>Business venues</td>
<td>Largely away from home</td>
<td>High proportion work in home</td>
<td>Bell &amp; Jayne 2010</td>
</tr>
<tr>
<td>Part-time employment</td>
<td>Less need, more opportunities</td>
<td>More need, less opportunities</td>
<td>Bennett 2010; Rendon &amp; Markusen 2009</td>
</tr>
<tr>
<td>Importance of broadband</td>
<td>Important</td>
<td>Less important</td>
<td>Bell &amp; Jayne 2010</td>
</tr>
<tr>
<td>Data</td>
<td>Archival data generally available</td>
<td>Archival data often not digitized</td>
<td>Bowles 2008</td>
</tr>
</tbody>
</table>

It is important to keep in mind that most of the hypothesized rural-urban differences listed in Table 1 have not been confirmed in a US context, since much of the empirical research reviewed has been done in other countries. Much of the US research has involved case studies, and the findings have not been generalized.

3.2. Economic contribution of the arts and culture sector to rural economies

The limited number of studies that have focused on rural people and places suggest that rural cultural and creative economies are quite different from their urban counterparts. The rural sector, as it is measured by these studies, is smaller, less diverse, and less networked. Because of the thinness of markets for cultural work in rural communities, rural culture workers are more often part-time, and
must combine their cultural work with other employment. Tourism and heritage-related activities are more prominent in rural areas.

3.3. Support for the arts
Support for the arts and related activities is not well understood. Support for the arts can be direct or indirect, formal or informal. Direct support from public, private, and philanthropic sources is relatively easy to document. Indirect and informal support comes in quite different forms in rural areas, which makes it difficult to accurately compare the level and sources of support. For example, one could argue that natural and ecological resources make up a larger share of cultural infrastructure in rural areas dependent on rural, eco-, and agro-tourism. Support for these resources, then, should be considered support for the arts and culture in rural places. A more important question is this: given the different forms that culture takes in rural areas, does funding that originates in urban places (governments and philanthropies) accurately reflect the benefits accruing to rural people or is it biased toward urban-centric forms of art and culture?

3.4. Development of a creative and innovative economy
The review revealed a large literature on creative economies, especially conceptual perspectives. Some models envision creative people as a relatively fixed resource, who are attracted to certain places because of the characteristics of those places, including cultural opportunities. These models then predict that employers will locate in those places to exploit the creative workforce. Other models envision employers clustering in particular locations to exploit economies of scale, and creative workers relocating to exploit the resulting jobs and rising cultural opportunities. Still other conceptual models envision both processes operating at the same time, leading to a virtuous cycle of economic prosperity and rising cultural opportunities. The small amount of empirical analysis that has been undertaken both supports and contradicts these models, especially in rural areas. Employers do cluster and these clusters do attract employees. Employees are also attracted to high amenity places. But often the prosperity anticipated is concentrated rather than distributed among residents. Furthermore, without proactive efforts the cultural benefits are not ensured.

The little empirical research on rural arts and culture, and their impact on the economies of rural communities and small cities, supports the hypothesis that arts- and culture-based strategies can be a basis of broad-based economic development. But a critical factor in many rural areas is the existence of natural, rather than built, amenities.

Other conceptual models go one step further and view the creative class as a resource that can be endogenously enhanced, rather than as a fixed resource. These models also hypothesize that the local cultural assets can be endogenously enhanced through creative placemaking (Sacco and Ferilli 2006). These latter models may be particularly appropriate for rural communities, where agglomeration economies, built cultural infrastructure, and traditional cultural funding support are not available.

3.5. Development of social innovation and entrepreneurship
We found little empirical evidence for the role of the arts and culture in supporting and encouraging social innovation and entrepreneurship, particularly in rural communities. Several researchers have explored the benefits of participation in local arts and cultural activities (List et al. 2016; Theodori et al. 2015; Stern and Seifert 2014). They found some evidence that those involved in these activities were
more likely to be involved in community-development activities. What is not known is how this involvement led to changes in the community and whether artistic creativity leads to social innovation.

3.6. Inspiring a sense of place and community cohesion.
The literature is not conclusive on this issue. Many theorists have hypothesized a relationship between the existence of robust arts and culture sectors in rural areas, and a healthy sense of place and greater community cohesion (Anwar-McHenry 2009a, 2011a, 2012; Azmat et al. 2015; Balfour, et al. 2016; Dozhdeva 2014; Mayes 2010; van Heur 2010). The empirical evidence, however, is meager (Anwar-McHenry 2011a; Azmat et al. 2015; Gibson and Connell 2004; Fleming 2009; Petrov 2007). Much of the evidence is anecdotal and does not establish whether arts and culture enhance sense of place and community cohesion, or if the causality is reversed, or perhaps bi-directional. This conundrum must be explored empirically to establish the relationships among these variables.

3.7. What we know and do not know about rural arts and culture
In this section we distill from the research literature what we know and do not know about the role, and potential role, of arts and culture in the quality of life of rural people. In some cases, there are things we know, or do not know, based on research in rural communities, but more often our insights and suggestions are based on urban research that has not been replicated in rural areas.

The rural wealth creation and distribution framework provides an ideal basis for describing, measuring, and better understanding the role of arts and culture in nurturing creativity and innovation in rural communities. The framework perceives cultural capital as the accumulated customs, beliefs, norms, and aesthetics sometimes embodied in tangible objects, but often intangible. This capital is the sum of public and private investments that provide residents with a flow of monetary and non-monetized benefits in the future. Among the benefits of culture are the capacities for resilience and development in response to change and uncertainty. Cultural capital is closely related to, and complementary with, social, human, and intellectual capital in that each affects the interpersonal and intergenerational transmission and appreciation of culture.

Some of the most plausible conceptual models suggest that cultural capital plays a special role in the wealth creation process. These models see cultural capital as one of the assets of people and places that produce a broad array of intrinsic benefits and an even broader array of indirect or instrumental benefits. Well-being and quality of life are as dependent on cultural wealth as they are on financial wealth. But culture plays another, special role. Planning for, investment in, and conservation of built, human, natural, and other capitals requires sound collective action, and the existence of robust cultural capital is likely to create a solid foundation for such action and sound governance. Cultural capital is a substitute for other capitals in some circumstance, but it is also a strong complement in other circumstances. The comprehensive rural wealth framework recognizes the contributions of all forms of capital to well-being and accommodates both the substitution and complementary relationships among them.

This review confirms our relative lack of understanding of rural arts and culture when compared to our understanding of urban arts and culture. It is important to point out that learning more about rural culture is important, not only to those concerned with the prosperity and sustainability of rural people and places but also to urban residents. An improved understanding of arts and culture in rural areas will help shed light on urban arts and culture. In addition, the prosperity and sustainability of urban
communities depends critically on the performance of rural societies that provide or protect many of the essentials for sustainability and development—food, energy, water, and important parts of culture itself.

The needed research is not limited to topics focused on rural issues. Holden (2006) offers a list of research principles that apply equally to rural, urban, and general research. These include clarity of purpose—what, why, and who should the research address; cost-effectiveness; research questions identified by those who will use the results; feedback to the sector; attention to the capacity of the sector to act on the research; more focus on the general public in the research; and more investigation of intrinsic value.

The debate over the measurability of culture and cultural goods and services has implications for cultural policy. Girard (1973) puts it this way:

> If cultural development is to take its rightful place in relation to social and economic development, we must also make cultural policy rational and objective. And cultural life is so deeply impregnated with intangible values, programs are still lacking in clear and consistent aims, that this can only be done by the use of facts and figures obtained through recourse to the social sciences (p. 124).

### 3.7.1. We know

- The available data on arts and culture are not adequate to do the necessary policy making and local planning (Baeker 2017).
- Natural capital and heritage cultural capital are likely to be much more important in the process of arts and culture-based economic development in rural areas than in urban areas (McGranahan et al. 2011).
- Small cities and rural communities are unable to capture the agglomeration benefits available to large cities (van Heur 2010).
- Creative activities in rural areas face challenges related to distance, thin markets, and lack of public services (Rosenfeld 2004; BOP & Experian 2007).
- The main strengths of small cities and rural areas are their social cohesion and individualism (van Heur 2010).
- Rural communities with vibrant arts and culture sectors are often more resilient in the face of various types of challenges (Anwar-McHenry 2011b; Wojan 2014).
- In rural counties with performing arts companies, population growth is greater than the average for rural counties nationwide (NEA 2017b).
- Residents of rural counties that host performing arts organizations are better educated and earn higher incomes than is typical of rural populations (NEA 2017b).
- Rural America experienced a net decline of 90 performing arts companies between 2004 and 2014 (NEA 2017b).
- Creative people are attracted to small cities and rural communities for different reasons than what attracts them to large cities (Dozhdeva 2014; McGranahan et al. 2009; Rosenfeld 2004).

### 3.7.2. We do not know

- How can we combine the arts with other rural advantages to promote beneficial rural transformation (Balfour et al. 2016, p. 3)?
● Is the sense of place and community in rural places strengthened by regular interactions in public spaces (Balfour et al. 2016)?
● Is the sense of place and community in rural places weakened by urbanization, long-distance commuting to work, globalization, and information and communication technology (Balfour et al. 2017)?
● Has the sense of place in rural areas been weakened by out-migration?
● How does the sense of place differ between urban and rural places?
● Can we measure the link between cultural participation and neighborhood change (Stern and Seifert 2008)?
● What types of data are needed to assess the relative effectiveness of culture in promoting community revitalization (Stern and Seifert 2008)?
● What are the temporal relationships between cultural engagement, civic vitality, and community regeneration (Stern and Seifert 2008, p. 5)?
● How are the arts and culture financed in rural areas?
● How do the roles of formal and informal activities differ in rural and urban areas?
● What unique characteristics of small cities and rural communities do creative people find most attractive (Dozhdeva 2014; McGranahan et al. 2011)?
● What meaningful indicators can we identify and collect to conduct basic and applied research on rural arts and culture?
● How can rural cultural and heritage tourism be managed to avoid damaging the cultural and heritage capital of the region?
● What is the relationship between retirement communities and artistic havens—demand for art, attraction to the same amenities, or rising interest in art among retirees (Wojan et al. 2007b)?

4. Concluding comments
This review of the research literature, which included considerations of (1) creativity, innovation, and entrepreneurship; (2) rural arts and culture; and (3) rural wealth creation and distribution, has documented the rich diversity and intellectual richness of the literature. At the same time, it has exposed a lack of attention to arts and culture in rural areas, especially in the US. The literature includes a variety of conceptualizations of the characteristics of arts and culture, creativity, and innovation, and of the dynamic processes involved in the production, consumption, investment, and adaptation of culture and cultural products. But this variety also points to opportunities to develop a more comprehensive, inclusive, and robust framework.

The comprehensive wealth framework offers the possibility of such an inclusive framework. The comprehensive wealth framework identifies cultural capital as one of the forms of societal wealth. From this stock of capital flows the intrinsic (or constitutive) benefits that attract people to the many types of cultural production, consumption, and participation. The framework argues that each type of capital is essential to sustainability. At times, cultural capital is a substitute for other types of capital, but more often it complements other types of capital. This complementarity, often termed its instrumental value, is hypothesized to make other types of capital more productive and valuable, without diminishing the value or importance of cultural capital’s intrinsic value. The comprehensive wealth framework recognizes the role of communal production and consumption of cultural goods, services, and activities. The framework recognizes the role of place in wealth, including cultural wealth. Like natural capital,
cultural capital helps to define “place.” In rural areas, culture and nature complement each other and co-evolve. Like other types of capital, cultural capital may be harmed by overuse or by neglect. Finally, the comprehensive wealth framework takes a bottom-up perspective—it recognizes the right of individuals, and communities, to express their own values rather than accepting expert or universal standards of quality and value. These features of the comprehensive wealth framework address some of the unresolved issues and controversies described in this review.

This review is the first step in advancing our goals of better understanding the role and potential role of arts and culture in improving the quality of life of rural residents, and ensuring that rural people and places are contributing fully to the prosperity and sustainability of our nation.
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