





West Virginia
A VISION SHARED

Culture, Creativity, and Innovation

West Virginia in the New Economy - INTRODUCTION EXCERPT -

COVER ART:
"The Diamond of Appalachia,"
acrylic painting on wood by
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FOR
A Vision Shared: Creative Class Work Group
& The Industry of Culture Initiative

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Culture, Creativity, and Innovation: West Virginia in the New Economy

- a. The New Economy is defined as that sector which creates, manages, grows, and monetizes intellectual property.
- b. Driven by information-oriented industries and jobs in healthcare, bio-tech, biometrics, technology, academia, and the creative arts, this segment of the national economy represents 31% of workers, yet 48% of wages.
- c. Thirty-eight million workers in this knowledge-driven segment make twice the average salary, and their numbers are growing rapidly – far more rapidly than “old” economy industries such as manufacturing. However, even within old economy industries, high-tech “creative” roles are becoming a requirement for existence.
- d. In the context of global market trends and a thriving information-based economy, West Virginia’s traditional economic emphasis on extractive industry and manufacturing is waning in relevance as a growth strategy. It is inherently more difficult to compete for a share of a shrinking pie vs. defining a successful slice of a growing pie.
- e. New economy workers, often referred to as the “Creative Class,” are highly mobile and tend to cluster in areas that have high levels of talent/educational levels, tolerance/diversity and technology access and usage; because many can live and work anywhere they want, they focus on “quality of place” to determine their preferred location.
 - This paper illuminates West Virginia’s many “quality of place” strengths, suggests positive direction for growth, discusses new opportunities provided by the New Economy and threats faced by not embracing relevant change. It champions the strategic partnership between economic/business development and arts/culture and addresses sensitive cultural factors that can advance or impede change.
 - This paper does not attempt to answer every question, but provides a framework for dialogue and a recommended roadmap for empowering local communities to answer key questions themselves and begin a critical planning process for change.
 - Change is not an end in itself, but a means to advance larger, progressive goals: higher incomes, new economic freedom, greater dignity and more autonomy for working people, and stronger communities.

Richard Florida, author *The Rise of the Creative Class*,

interview in *The Washingtonian*, August 2006

“In our Gallup surveys on what makes a [place] great, safety and education are frequently mentioned. But more surprising were two factors: the physical beauty, or aesthetics, and its openness to different kinds of people.”

The Brookings Institution Center on Urban & Metropolitan Policy,

“Human capital - not land, buildings, or machinery - is the economy’s most important asset.”

Signs from Census 2000,” January 2004

“Labor Supply Pressures and the ‘Brain Drain’

David M. Fryson, Charleston Gazette contributing columnist, November 20, 2006

“We should remember that the voices that have the potential to improve our condition will probably not be popular, comfortable, or convenient.”

new
economy

The “creative” or “new” economy – that sector which creates, manages, and grows intellectual property – has taken hold. Driven by information-oriented industries and jobs in healthcare, bio-tech, biometrics, technology, academia, and the creative arts, this segment of the national economy represents 31% of workers, yet 48% of wages. Thirty-eight million workers in this knowledge-driven segment make twice the average salary, and their numbers are growing rapidly – far more rapidly than the numbers in “old” economy industries such as manufacturing. In the context of global market trends and a thriving information-based economy, West Virginia’s traditional economic emphasis on extractive industry and manufacturing is waning in relevance as a growth strategy.

A great deal of research and debate has evolved over the past five years on the intimate connection between the “creative class” (those who work in industries primarily in the business of creating and monetizing new intellectual property), the “quality of place” they seek to live and work, and the growth of the new economy sector. For that reason, two of West Virginia’s new economy initiatives are coming together to share resources and commentary on how our state can evaluate our position in a world increasingly driven by knowledge-based dynamics, creativity, technology and intellectual human capital. We will attempt to illuminate West Virginia’s many “quality of place” strengths which have often been overshadowed by its real and perceived weaknesses, and to provide a positive, supportive direction for meaningful change, while also being direct about the threats we face by not embracing the new economy.

A Vision Shared is a comprehensive economic development initiative that builds on West Virginia’s strengths and seeks solutions to challenging issues. It identifies initiatives that need to be strengthened and establishes performance measures to gauge success in creating a new West Virginia economy. A Vision Shared’s long-range process takes a holistic approach to economic diversity, encompassing all elements that potentially could affect our success (e.g., health care, education, tax reform, and infrastructure). The four key focus areas are 1) intellectual infrastructure, 2) new economy, 3) results-based government, and 4) “building bridges” (connecting people) and empowering citizens. The volunteer work group within A Vision Shared supporting and advising this paper is the Creative Class work group within the New Economy focus area. Members of this group represent backgrounds in business, community development, non-profit development, law, communications, technology, and the arts.

Like A Vision Shared, the **Industry of Culture (IOC)** is a volunteer-based initiative made up of professional people committed to improving West Virginia’s economy, but with a special focus on maximizing the economic impact of the arts and improving the ability of artists and other creative people to make a living with their work. Advocacy, tourism, marketing, education, technology, entrepreneurship, and community are all key areas of interest for this group. The management team consists of top leadership in state government and private business, as well as arts entrepreneurs and appointees to commissions in arts and culture.

By engaging in this shared project, both initiatives intend to demonstrate their continued commitment to bringing their full resources and experience to the conversation. We can make West Virginia a better place to make a living – and to make a life – by focusing on the key forces that attract new economy workers and organizations. Simultaneously, there will be a proactive effort to emphasize those aspects of our traditions in the arts and arts education that support the economy and culture framing West Virginia’s evolution.

Leadership is a critical component of this work. Volunteers from both IOC and A Vision Shared must maintain high standards for reviewing information and establishing their best recommendations. Those who receive the strategic advice and are charged with implementation – public, private, state, and local – must be willing to consider seriously the consequences of not making change, however uncomfortable or unpopular in the short-term that change may be. Rather than finding the new economy a threat to our way of life in West Virginia, we may very well find a successful transition is what will allow us to keep the best of who we are.

It is important to note the unique nature of this initiative in that it:

- Calls out the integrated nature of several new economy success pillars (e.g., talent development, tolerance/diversity, and technology) and how they work together for growth. For this reason, A Vision Shared's Creative Class team and the IOC acknowledge the contributions of other Vision Shared volunteer working groups in the Intellectual Infrastructure, New Economy, Results-Based Government and Building Bridges and Empowering Citizens categories.
- Champions the critical relationship between what traditionally have been considered different spheres of influence – the arts and culture vs. economic and business development.
- Addresses sensitive cultural factors that can advance or impede change.
- Does not attempt to answer every question, but provides a framework for dialogue and a recommended roadmap for empowering local communities to answer key questions themselves and begin a critical planning process for change.

The true objective of policy efforts in the new economy is to help West Virginia be well-positioned to experience strong growth, particularly in per capita incomes. These changes are not ends in themselves, but means to advance larger, progressive goals: higher incomes, new economic freedom, greater dignity and more autonomy for working people, and stronger communities.