III

Economic Impact Studies of the Arts as Effective Advocacy

by

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Studies of the economic impact of the arts primarily are used for arts advocacy efforts. Those who conduct them and those who use them agree that the principal purpose of such studies is to increase the effectiveness of arguments for the arts before representatives of the public and private sectors. Less familiar, however, is the process that is undertaken in the design and execution of these studies that enables them to be effective as advocacy tools. The studies themselves rarely reveal the decision-making context in which they were conducted that led to the selection of certain strategies of form and content to create the best possible advocacy product. In this chapter, a review of five studies identifies the process by which they work as tools of effective persuasion.

This examination of specific studies as tools of effective advocacy or communication is designed to accomplish two purposes. First, it acquaints those who are planning economic impact studies of the arts with options and alternatives available to them in the design and execution of these studies. By becoming more familiar with choices made in other studies, future sponsors and researchers will be able to plan and execute studies that are as effective as possible in securing support for the arts and avoid common pitfalls.

Second, this examination of specific studies and how they function from a communication perspective should encourage such studies to be seen as valuable and legitimate. Some criticize economic impact studies of the arts because they do not conform to rigorous standards of economic research. The data on which they are based, the methods used to collect the data, and the methods of analysis of the data often are cited as deficient. Admittedly, there are problems in these areas in some studies, but these flaws do not warrant their dismissal. From a communication perspective, these studies are significant and serve very valuable purposes.

Five economic impact studies of the arts were selected for examination in this chapter: (1) a study sponsored by the Metropolitan Arts Congress in Norfolk, Virginia, of the economic impact of the arts in the Tidewater region of Virginia; (2) a study of the economic impact of the arts in the state of Colorado commissioned by the Colorado Council on the Arts and Humanities; (3) the Texas Commission on the Arts’ study of the statewide impact of the arts; (4) a study of the economic impact of the arts in Minneapolis conducted by arts groups in that city and sponsored by the Metropolitan Arts Alliance and the National Endowment for the Arts (NEA); and (5) a similar economic impact study of the arts in Columbus, Ohio, sponsored by the NEA and the Greater Columbus Arts Council.

While limitations of time and finances preclude researching more than five studies for this chapter, those selected are roughly representative of economic impact studies of the arts. They were drawn from geographically diverse areas and represent studies in the West, South, East, and Midwest. An effort also was made to obtain a mix of studies dealing with both cities and states; the Texas and Colorado studies are statewide, while the Columbus and Minneapolis studies focus on the economic impact of the arts on specific cities. A metropolitan area was the focus in the Tidewater, Virginia, study, which deals with the economic impact of the arts on an area encompassing five cities. Multistate studies such as the study published by the New England Foundation on the Arts’ were not included because multistate perspectives on the arts’ economic impact are not common. Similarly, the New York metropolitan area study of arts impact, although certainly a significant one, was not included because it reviews a region that is not comparable to any other in this country or perhaps even in the world.

The studies also were selected for their capacity to provide insight into various options in their design and implementation. As will be detailed later, the Minneapolis and Columbus studies were undertaken by arts groups in the cities themselves under an agreement with the National Endowment for the Arts. They were part of a six-city study designed to serve as a demonstration of the possible value of economic impact studies of the arts. In contrast, the Tidewater, Virginia, study was completed by a research center at Old Dominion University and was commissioned by a regional arts organization seeking to build its credibility as an advocacy organization. Still different, the Texas study was commissioned by the Texas Commission on the Arts, conducted by a national accounting firm, and developed in part to create an arts data base. The Colorado study provides yet another element of diversity because it involves a clear connection between the arts and tourism; it examines arts impact in ski-resort towns that use the arts to develop a year-round season as well as in a rural town that benefits from the presence of summer vacation home owners. The diversity of the studies, then, in sponsorship, execution, focus, and geography provides information about a wide range of strategies and options for those undertaking such studies.

The studies examined here were researched through the published reports of the studies themselves as well as through telephone interviews with those who commissioned, conducted, or used the studies. Where such contact was possible, interviews were conducted in person. With few exceptions, the interviews were recorded; thus, the quotes by individuals involved in the studies are from tapes.
In this chapter, the five studies will be summarized and their effectiveness as advocacy tools will be discussed. The remainder of the chapter will detail four strategies of "identification" that emerged from the examination of these studies. Identification is a principal strategy used by study sponsors to form a basis for persuasion.

Overview of the Studies

The Economic Impact of the Arts in the State of Colorado

The Colorado economic impact study was commissioned by the Colorado Commission on Higher Education through the Colorado Council on the Arts and Humanities. The council's purpose in supporting the study was to create a document that could be used in advocacy efforts with both public officials and private-sector interests. The hope was that the study could be used to leverage additional financial support from these areas.

The study was conducted by the Institute for Urban and Public Policy Research, a part of the University of Colorado at Denver's Graduate School of Public Affairs. It cost $50,000 and was underwritten by a special grant program of the Colorado Commission on Higher Education that encouraged research by institutions of higher education that could be applied to statewide issues. The study was begun in 1982 and was published in 1983.

The work has three distinct segments. The first is an inventory of arts organizations in the state. The inventory was developed through a list of arts organizations the council had created based on grant applications and inquiries. The list was supplemented through "informants" in Colorado counties who identified additional arts organizations not on the council's list. The final accounting identified 505 arts organizations in the state, up from the 290 the council had on its original list.

The second part of the report provides an overview of the arts industry in Colorado and its aggregate economic impact on the state. This information, compiled through questionnaires sent to each arts organization in the state, requested information on the types of programs it sponsored, its expenditures, the number of people it employed, and the like. Twenty-eight percent of the groups surveyed responded to the request for information. Those responding represented the majority of the large organizations; many of the small groups did not reply. The researchers adjusted for this modest response by creating a weighting scheme that allowed them to estimate the features of the groups that did not respond, particularly their spending patterns.

Once the financial data on the surveys were collected and data for those who did not respond were estimated, the economic impact of the arts was computed. This computation, as reported in the study, included direct expenditures in the state reported by the organizations, as well as in-kind contributions that were treated as direct expenditures. Once this direct, in-state figure was determined, it was adjusted using a multiplier of 2.55. This multiplier, developed by Colorado State University for a study concerned with the revenues generated by sports hunting and fishing activities in the state, was considered suitable because it was recent, derived from a related activity, carefully developed, and statewide in its approach.

The third segment of the report is concerned with case studies of the impact of the arts in five communities—Aspen, Creede, Telluride, Denver, and Colorado Springs. The study details the history of the development of the arts in Aspen and reviews the economic impact of a selected group of major arts organizations in the town. Special attention is paid to the Aspen Music Festival, where the researchers conducted detailed studies of the audience and the spending patterns of the festival's students. In addition, the case study reviews the development of the Wheeler Opera House, a newly renovated performing arts hall in the town.

The second case study reviews the Repertory Theatre in Creede, Colorado, a town of 600 permanent residents. After detailing the development of the theatre in the former mining town, the report lays out the budget for this $290,000 operation that serves an audience of 14,000. It details audience-survey data that were collected to compute economic impact figures and reports that the presence of the performing arts is a major reason cited by many of those surveyed for visiting the area.

The Telluride case study reviews the history of the development of the arts in the small town, which was nearly a ghost town until its revival in the 1970s. The town is especially notable for playing host to a variety of arts festivals, and the study focuses much of its attention on their economic impact. The case study ends with a discussion of the profound impact the arts have on the tourism business of the town and of how the town is working to institutionalize and manage the festivals it sponsors.

The Denver case study is essentially limited to a review of the arts activities that take place in Denver's performing arts complex, the Denver Arts Complex. The audiences of organizations that sponsor activities there were surveyed, and a brief history is
provided for each organization. Special attention is paid to the
effect of the performing arts center on businesses in its perimeter,
including shops, hotels, and restaurants.

The Colorado study also reviews the impact of the Pikes Peak
Center, a performing arts center in Colorado Springs. The center’s
audiences were surveyed, and surrounding businesses were asked
to report receipts so that the impact of the center on these busi-
nesses could be measured. In addition to reporting the results of
these surveys, the study provides a detailed account of the de-
velopment of the center and a discussion of the attitudes of citi-
zens toward the further enlivening of the Colorado Springs down-
town through cultural development.

The study concludes with a list of recommended actions to be
taken to sustain and expand the role of the arts in economic
development. These are divided into recommendations to increase
the recognition of the role of the arts, to encourage tourism based
on the arts, and to use the arts to animate cities. A selected
bibliography dealing with the arts and economic impact appears
at the end of the study.

Report on the Economic Impact of the Arts in Texas

The Texas Commission on the Arts’ economic impact study is
one of the most inclusive studies of its kind in that it defines the
arts universe as including the commercial as well as the nonpro-
fit arts. Thus, it reviews motion picture and television production
activity as well as advertising and service and supply houses that
deal with the arts.

The Texas study was initiated by the Texas Commission on
the Arts to accomplish two goals: (1) to establish an electronic
data base to be used by the commission in its planning process;
and (2) to develop a credible document on the role of the arts in
the state’s economy that could be used for advocacy purposes by
the commission and other arts interests in the state. The com-
mision selected the firm of Peat, Marwick, Mitchell & Company to
conduct the study; the firm worked on the project in 1963-1984,
releasing its report in 1984. The total cash cost of the study was
$125,000; however, considerable in-kind services were contributed
to the study.

The first segment of the study (not reported in detail in the report)
is an inventory of arts activity in the state. The researchers
used existing files of the Texas Commission on the Arts to locate
an initial list of arts groups. They also talked with members and
staff of the commission to determine where they might look for
additional arts organizations and businesses. The researchers
then used the files of the Texas controller of public accounts to
locate for-profit organizations related to the arts and worked with
organizations such as the Texas Film Commission to collect data
on more specific elements of arts industries. The research firm
also used its regional offices to locate unknown arts groups and
discover arts-related industries in the state. A coordinator was
appointed in each of the firm’s regional offices in the state to
review the list of arts-related businesses and arts organizations
and add to it if local arts organizations were missing from the list.

Once the arts organizations and arts activities were identified,
each was sent a survey crafted to the type of activity in which it
was involved. The four surveys prepared and distributed were:
a survey of arts and arts-related organizations; a survey of convention
and visitors’ bureaus, which included estimates of the economic
impact of filming on specific areas; a survey of financial data related
to film production proper; and a survey of art-education activities
in the state. Seventeen percent of those who received the surveys
responded to them.

The study’s sponsors were committed to identifying arts activity
in the rural as well as the urban areas of the state. The researchers
thus traveled to east and west Texas and interviewed key individu-
als there regarding arts activities. They used this information to
supplement the data received in the surveys. The contacts made in
these areas greatly expanded the list of organizations included in
the study.

In addition to the surveys that were used for data collection from
arts organizations and industries, the researchers conducted four
audience surveys: (1) Houston Museum of Fine Arts during an
exhibition from the Shanghai Museum in China; (2) Dallas Museum
of Fine Arts during an exhibition, “The Shogun Age”; (3) a perfor-
mance of Madame Butterfly presented by the Texas Opera Theatre
in Lufkin; and (4) a performance of Pomp Boys and Dinettes at the
Paramount Theatre in Austin.

In order to arrive at economic impact figures for these organi-
izations and activities, the researchers used Texas Department of
Water Resources input/output models as a source for the multi-
plier. Unlike other studies in Texas, regional multipliers were
used rather than a composite multiplier for the entire state. Re-
flecting this regional focus, arts impact is reported by Standard
Metropolitan Statistical Areas, planning regions, and nonurban
areas. The result is the clear identification of nine different arts
impact situations in the state.

Finally, the study reports on three case studies of newly com-
pleted or recently announced art museums and an arts district—the
Dallas Arts District, the Laguna Gloria Art Museum in Austin,
and the Art Museum of the Fecos in Marfa. The case studies of these
museums focus largely on the substantial increase in property
values surrounding these museum projects and their influence on development.

The Arts in Tidewater

In 1977, the Metropolitan Arts Congress, a regional arts service organization, commissioned Roger Richman of the Center for Urban and Regional Research at Old Dominion University to conduct a study of the economic aspects of the arts in the Tidewater region of Virginia. The study was completed in December 1977, and provided an overview of the status of the arts in Tidewater, Virginia, in terms of their economic impact, their offerings and operation, and their financial characteristics. The study was completed at a cash cost of $10,000 with the assistance of numerous volunteers.

The 44 arts-related organizations included in the study were selected as a judgmental sample of organizations involved in the arts in Tidewater. The study was not designed to be comprehensive in nature, and no attempt was made to inventory all arts organizations in the study area. Although the interviews used for data collection focused extensively on arts organizations, also interviewed were representatives of the five cities' governments; members of four city arts commissions; and administrators of performance halls, private galleries, a dinner theatre, and a music school. A mail survey of 30 artists also was conducted.

The first section of the report details the economic impact of the arts in the area. The section begins with a careful explanation of the process of determining economic impact and then details the arts' direct impact, multiplier effects, the spending of arts patrons on ancillary services, and the contribution the arts can make to regional competitiveness in the attraction of businesses.

Section two of the study is a profile of the arts organizations surveyed. One segment details the number and types of performances sponsored by area organizations, while another profiles the governance staff and facilities for these organizations. In addition, the section reports on attitudes held by arts administrators about their present facilities, whether they meet their needs, and what plans they have for the future.

The third section of the report provides a detailed breakdown of the financial structure of the area's nonprofit arts institutions. It compares income to expenditures on an item-by-item basis, details the sources of earned and unearned income, examines expenditure patterns, and reviews earned income in terms of arts discipline. The section also documents the earnings gap experienced by all discipline areas, provides trend data on the earnings gap, and details municipal support for the arts.

An important appendix of the study is a report on an audience survey at the Virginia Beach Art Center's Boardwalk Art Show, an outdoor art exhibition that annually attracts over 100,000 persons. The survey was designed to elicit a profile of the art show's audience and determine its economic impact on the area. Those surveyed were asked where they lived, on what they spent money, whether they came to browse or buy, and a variety of other questions. While this section does not provide an aggregate figure of the economic impact of the show, it represents an initial probe into the character of an outdoor arts festival and the audience spending patterns that accompany it.

Economic Impact of Arts and Cultural Institutions

The six-city study of arts and cultural institutions was facilitated by David Cwi with the sponsorship of the National Endowment for the Arts, but it was conducted independently by organizations in each of the cities. Cwi provided technical assistance to the city-based sponsors and helped them interpret their findings; for this purpose, an economic impact model developed by Isac, used was adapted by Lyall. For the purpose of this chapter, only two studies in the report—those dealing with Minneapolis/St. Paul, Minnesota, and Columbus, Ohio—were reviewed.

Advisory groups to the project sought cities that were diverse geographically and that demonstrated a potential to use the information generated in the studies effectively. The cities were selected as a result of an announcement seeking cities interested in participating. Organizations in 70 cities expressed an interest in becoming part of the study; after discussions of the effort required for the study (although a majority of the costs for each study were assumed by the research project, participating cities had to provide some staffing for the study), the list of cities was reduced to 20. After extensive review, discussion, and negotiation, an advisory committee composed of representatives of various cities selected six cities to participate. Those selected were Minneapolis/St. Paul, studied under the auspices of the Metropolitan Arts Alliance; and Columbus, Ohio, where the study was sponsored by the Greater Columbus Arts Council. The other cities were St. Louis, Missouri; Salt Lake City, Utah; San Antonio, Texas; and Springfield, Illinois.

Once the cities were selected, coordinators from sponsoring institutions were appointed to serve as the primary on-site directors of the study. These coordinators were taught in workshops at Johns Hopkins University in Baltimore to understand data-collection procedures and the use of the Lyall model. The procedures taught were especially stringent because the goal of the
city-based sponsors and the National Endowment for the Arts was to secure as accurate a measure as possible of the relative importance of various arts institutions in the cities’ economies. Such procedures were simplified, in part, through the limitation of the scope of the study to six institutions in Columbus and ten in Minneapolis/St. Paul. Data collected included information on arts institutions’ local spending for goods, services, and salaries; spending patterns and demographics; attendance and staffing profiles of arts organizations; the nature of the community in which the institutions were located; and government data such as governmental expenditures and tax rates.

The data collected from the cities were processed through formulae and weightings devised by Lyall for the Baltimore study to arrive at a figure for economic impact. The report for each city breaks down the impact into a number of factors: direct estimated economic effects of the examined institutions; estimated audiences and spending by examined institutions; audience spending by place of residence; audience attendance by institution; and estimated secondary effects. In addition, the study provides a number of background statistics on each city, including a demographic profile, a review of selected arts-related businesses such as bookstores and record stores, and estimated costs and revenues to local government related to the examined institutions. In addition, the study contains a brief historic overview of the development of the arts in each of the cities.

**Effectiveness of the Studies**

Arts administrators and other arts advocates in the areas in which the five studies were used testified to their belief that the studies enabled them to be more effective in their efforts to secure support for the arts. John Paul Hanbury of the Metropolitan Arts Congress in Tidewater, Virginia, for example, claimed that it was “Tidewater was the prime target for the study, it was designed to help local arts funding efforts and did so.”

In Columbus, the former executive director of the Arts Council, Tim Sublett, reported that its study was used successfully to increase “the ammunition arts advocates had to lobby with.” Former Columbus City Council President Mari Portman noted that many of the successful results of the advocacy effort involved development of more productive relationships between the private sector and the arts. As Portman explained, the study “helped the private sector realize that it should support the arts out of self-interest,” particularly since it helped “answer questions about the relationship of the arts to job creation and return on investment in the arts.” Sublett noted that the study specifically “served as the centerpiece of the successful effort to obtain a permanent hotel/motel tax allocation” and “became an excuse to open a dialogue between the arts and tourism interests.” Yet another effect of the study was that it generated “a great deal of public relations and good press” for the arts.

Similar effects for the Colorado study were reported by Ellen Soliod, executive director of the Colorado Council on the Arts and Humanities. It was used in the council’s advocacy efforts before the legislature, serving “as source material for half the ‘pitch’ the council made to the legislature’s Joint Budget Committee.”

Equally important, the study was used in a number of cities in...
Colorado to lobby for additional city funds for the arts. As Maryo Ewell, program director of community arts programs of the council, explained, the study had some leveraging power: “After a presentation on the project, the Durango City Council voted to set aside $40,000 for a city arts commission.” The study was used as well as justification for the Arts Council in Alamosa to ask city government for $6,000 to build a bandshell in the city park; the council argued that it generated that amount in sales tax for the city every year through its summer arts festival. In Aspen, the study was used by the Aspen Arts Council “to lobby for city funds” and to facilitate the development of connections between the arts and business interests, convincing “the resort association there to use the arts in their advertisements.”

Testimonials such as these as to the effectiveness of economic impact studies are impressive, and they suggest that an appropriate frame with which to view such studies is one of arts advocacy rather than economic theory and research. Although many of the criticisms leveled at these studies as economic studies are legitimate, they are less relevant when the studies are viewed as tools of effective advocacy. Economic impact studies of the arts are designed, for the most part, not as models of rigorous economic research but as persuasive vehicles by which to argue effectively for the arts.

**Studies’ Objectives**

While the stated objectives of the studies’ sponsors varied to some degree, they all centered on presenting the arts in an advantageous way to public officials and business executives for the purposes of stimulating increased funding. For example, Ellen Sollod explained that the purpose of the Colorado council’s study was to “demonstrate to the corporate and legislative community that the arts should be given more serious consideration for funding by the state and appear as a major feature when advertising the state.”

In Texas, Richard Huff explained that the study was initiated there to develop data to help the commission argue for increased appropriations before the legislature. The purpose of the Columbus and Minneapolis/St. Paul studies, according to Cwi, was to “help local arts agencies leverage more dollars.” The stated purpose of the National Endowment for the Arts was simply to provide additional information to cities to use however they desired.

Some studies had secondary objectives that were related to the sponsoring agencies’ desires to see arts advocacy efforts meet with a more positive reception in the public and private sectors. The Metropolitan Arts Congress in Norfolk, for example, used its study as a means to increase its credibility as an advocacy organization. As John Paul Hanbury stated, “We wanted to demonstrate our ability to be an effective regional advocate for the arts.” The congress also used the study and the publicity surrounding its release to build its name recognition in the area.

A secondary objective of the Colorado study was to secure greater involvement of the state’s travel and tourism industry in the arts and to advertise the arts in travel-promotion efforts. This industry, particularly the ski industry, was regarded as an audience that needed to be convinced of the value of the arts to its business; economic concerns were seen as the most effective vehicle for persuasion. As Sollod noted, “We needed a vehicle with which to approach tourism interests. The economic impact study provided such a vehicle.”

In Texas, a secondary objective of the economic impact study of the arts was to develop a data base that could be used for planning activities and ongoing advocacy efforts. A central feature of the study was the development of a data base for the arts that would allow the Texas Commission on the Arts to monitor the growth and needs of the arts in the state as well as to develop information for state legislators on the arts in their areas. Huff stated that “there was a need to develop an information system that could be used by the commission in its long-range planning. An important feature of any such information system was that it must be able to be broken down into various regions of the state.”

Again, while this objective is not directly related to advocacy for increased support for the arts, in the long term, this is an expected outcome. When the growth and needs of the arts in various parts of the state are monitored and legislators are kept informed about them, the groundwork is laid for more effective arguments for the arts in the future. Colorado also developed an arts data base; however, that effort is not automated.

Finally, all the studies held as a secondary objective the generation of publicity for the arts. All arts organizations strive to attract the attention of the press and pursue new attractions and perspectives that accomplish this end. The impact of the arts on the economy, then, was seen as a topic around which new publicity for the arts could be generated—publicity that is expected to pay off in greater support for the arts in the future.

These secondary objectives of economic impact studies can be an important feature of an overall advocacy effort. As Cwi observed, “The economic impact study must be part of an overall program. If it is not, then the study itself is not worth completing as it will serve only a very narrow need.” These studies might perform a number of interrelated objectives, then, concerned with short- and long-term advocacy, planning efforts for the arts, re-
source development strategies, and even volunteer development. If they are tied to the broad needs of an organization, the studies have the potential to serve as more than an isolated exercise useful only as a one-shot argument for financial support.

Along with secondary objectives come unintended consequences that may have a negative impact. Although the review of these five studies revealed no specific example of a negative outcome, several of those interviewed cited some of the disadvantages of using an economic approach to the arts. Some mentioned that educating advocates to interpret studies accurately was difficult. This lack of accuracy led some to develop unfulfillable expectations about the potential for the use of the arts in economic development. Another difficulty noted was the inability of many to place the economic impact of the arts in perspective with that of other activities, some of which provide more direct economic benefits to a community. Finally, linking support of the arts to the power to deliver economic benefits can be defeating. Although the arts have an economic dimension, it is not a powerful one. If the arts come to be viewed only in economic terms, their long-term support may be jeopardized.

Another communication theorist, Chaim Perelman, uses the term *communion* to describe the process of establishing commonalities or identifying with the audience. An advocate, for example, might establish communion with members of the Veterans of Foreign Wars by introducing a speech with a reference to his own experiences in World War II. Perelman suggests that an advocate who establishes such communion is more likely to be persuasive than a speaker who does not because the starting point of argument is agreement, or the sharing of some frame of reference.27

The studies examined here have in common the selection of strategies in their execution and presentation that attempt to bridge differences, create identification, or establish communion between arts advocates and two primary nonarts audiences—public officials and business representatives—groups that are most able to increase financial support for the arts. The studies, then, are oriented to these audiences rather than to the arts advocates themselves. The effectiveness of the studies can be explained as the result of a process in which their designers and sponsors knew the audiences to which they wanted to appeal and selected strategies in the execution and presentation of the studies that created identification between arts advocates and those in the public and business realms. As a result, they were able to persuade these groups more effectively to support the arts.

A number of assumptions lie behind the focus on the audience in these studies. One assumption is that all audiences are unique or, at the very least, that some differences make a difference. In these studies, all audiences are not viewed as alike, nor is the belief held that the same arguments for the arts can be used with all audiences. The studies are based on a second presupposition that what the receivers or audiences need, want, know, and value is of primary importance; the arts advocates have not decided for the audiences what they need and want or should need and want. Thus, the studies are able to present a case for the arts on the basis of the arts' capacity to resolve or reduce the audience's special problems rather than by advocating support for the arts on the basis of their supposed intrinsic merits.28

### Advocacy Through Identification

One explanation for the success of these economic impact studies as advocacy tools for the arts is provided by communication theory. The studies, in this view, are effective as persuasive arguments for the arts because they bridge differences or reduce psychological distance between arts advocates and those they must persuade. Persuasion begins with the perception of differences—differences between where one group stands on an issue as opposed to another. Effective advocacy or persuasion results from the bridging of these differences.

Communication theorist Kenneth Burke labels the notion of moving toward an audience psychologically in the hope it will accept the advocate's position *identification*. Identification is the process of sharing some type of substance with the individual or group that is the target of persuasion. Ideas, values, attitudes, qualities or possessions all are possible substances on which identification can be based. Burke argues that the only way to persuade is through the creation of identification or the sharing of substance; in fact, he sees the terms *persuasion* and *identification* as synonymous: "You persuade a man only insofar as you can talk his language by speech, gesture, tonality, order, image, attitude, identifying your ways with his."29

### Strategies of Identification

Examination of the five studies revealed four strategies by which they create identification or communion with their targeted audiences: (1) establishment of presence for the economic aspects
of the arts; (2) argumentation based on acceptable premises; (3) use of appealing forms of argumentation; and (4) establishment of credibility.

Establishment of Presence
for Economic Aspects of the Arts

Communication theorist Chaim Perelman, who introduced the concept of communion discussed earlier, suggests that the concept of presence is also important in persuasion. Certain elements in one’s perception, depending on the situation, seem more important or special than other elements. Those that are present in one’s mind, of course, are the most important, while those that are absent are less important. When a variety of elements of argumentation are available from which to choose, advocates must select certain elements on which to focus attention by endowing them with a “presence.” Presence, then, is “the displaying of certain elements on which the speaker wishes to center attention in order that they may occupy the foreground of the hearer’s consciousness.” To illustrate this concept, Perelman tells a Chinese story in which a “king sees an ox on its way to sacrifice. He is moved to pity for it and orders that a sheep be used in its place. He confesses he did so because he could see the ox, but not the sheep.” The concept of presence suggests that persuaders have the ability to make salient to an audience what they consider important to their argument.

But making a particular concept or argument present to an audience is not enough to effect persuasion. What is made present must be something with which the audience identifies. In other words, it must be an element or concept that is important to them, that conforms to their values, and that meets their needs.

In these studies, what is made present is the arts as an economic entity. The arts can be viewed in a number of ways and as having a number of benefits, including the development of visual literacy, their positive impact on the environment, their facilitation of individual creativity, their personal enjoyment value, and their therapeutic worth. But these are downplayed in these economic impact studies. Not one of the studies reviewed here gives more than passing attention to these benefits, and most do not mention them at all. Instead, the arts as economic elements are made present. They are seen as elements that benefit the tax base, help build property values, serve as a source of business attraction, and contribute to an area’s economic health.

Not only do these studies make present to politicians and business executives the arts as economic entities, but the releasing of the studies also made the arts themselves more present and salient for these and wider audiences. Those releasing the studies reported a number of strategies to make the arts more visible in general, with a particular focus on them as economic entities. Through press conferences, press releases, and other media contacts, the project sponsors attempted to obtain the greatest possible press coverage of the results of the projects. For example, in Minneapolis/St. Paul and Columbus, the release of the studies was coordinated with the release of an announcement from a meeting of the National Conference of Mayors in Washington, D.C., to give added prestige and attention to them.

Sponsors of the studies also organized special events around which to release and promote the studies to establish the presence of the arts. In Colorado, for example, then Governor Richard Lamm invited state legislators to a breakfast at the governor’s mansion, where he unveiled the report. In Norfolk, the study was released at a luncheon of business and arts leaders. Again, these efforts were intended to create identification between the arts and business and government audiences by making the arts salient as economic entities.

Through various mechanisms, then, these studies make present the economic aspect of the arts. Focus on this perspective on the arts suggests to politicians and business representatives that the arts are a viable contender for resources in an economic world. They make salient the arts as jobs, as urban economic revitalization, as tax-base enhancement, and the like. With this technique, the arts are no longer aesthetic objects for stimulation and enjoyment but rather elements in an economic system.

Argumentation Based on Acceptable Premises

The studies of the economic impact of the arts examined here reveal yet another method of creating identification. They build the case for the arts on general premises that the targeted audiences can accept. A premise is a proposition or “hook” on which to hang an argument, and the purpose of persuasion is to move an audience from agreement about a premise to agreement about some conclusion. Appealing to accepted premises is a major element in successful persuasion because if the premise is one with which an audience identifies, the audience already has started toward the granting of the conclusion as well. An example of this is an advocate who seeks assent for a controversial thesis such as the value of a nuclear freeze; the argument may be built on agreed-upon premises that the audience accepts such as the value of peace.

One major premise on which these studies are based is that economic development is good. This premise is reflected in the core focus of the studies on the arts as economic assets. The assumed
worth of economic development is evident, for example, in the discussion of increased property values surrounding art museums and arts districts in the Texas study. The Norfolk study's concern with the value of the arts to the area's effort to attract new businesses is another example. Similarly, in the Columbus and Minneapolis/St. Paul studies, the focus on spending, tax revenues related to the arts, and the power of arts activities to attract persons from outlying areas who then will spend money in a center city is further adherence to this premise. The Colorado study follows this theme by detailing the development of off-season arts activities as contributions to the summer economic health of ski towns. Each of these foci is based on the premise that economic development is a positive feature—a belief likely to be held by business and government audiences. Nowhere in the studies is the need to limit growth or the value of restricting economic development discussed, nor is there effort to identify the negative features of economic growth.

A second premise on which the studies rely is one that assumes that activities and organizations should be self-supporting. Although this premise is seldom addressed directly in these reports, a central argument in them is that the arts are not a net drain on a community's resources. The Tidewater, Virginia, study notes, for example, that the arts in the region have experienced an earnings gap—the difference between what the organization earns through its activities and what it spends. This gap, the researchers note, must be closed with the assistance of public subsidy and private philanthropy. The study concludes, "Finding revenue sources to meet this growth in the earnings gap is the major financial challenge facing the region's nonprofit arts organizations." The lack of adequate earned income, then, is perceived as a problem rather than a natural turn of events. The implication is that income that is totally earned is preferable because it would not result in a "major financial challenge." Similarly, in Colorado's study, the research design was crafted with the concept that the arts have a right to exist because they earn their way by providing the state with a number of services. They attract tourists, boost ski-town economies in the off-season summer months, and encourage spending in ancillary businesses such as restaurants and hotels.

In such arguments, arts advocates suggest that public subsidy of the arts is not really subsidy because dollars are returned to the public treasury through economic development and taxes. Therefore, the argument goes, the arts are an activity worthy of subsidy because they actually do pay their own way and subsidy is just a way of catalyzing the process. The implicit starting point for the argument is the premise that organizations and activities should be self-supporting, a premise likely to appeal to representatives of government and business.

The studies also are based on the premise that activities that create jobs are desirable—a premise likely to be held by individuals in business and government. The Texas study, for example, uses an "employment multiplier" to demonstrate the value of arts activities to job creation. Noted in the study is that for every 100 arts jobs in Texas, between 2 and 91 other jobs are developed in the state's economy, depending on the nature of the arts activity and the local economy. Similarly, the Tidewater, Virginia, study reports statistics on both paid and volunteer staff according to arts discipline. Salaries and benefits are noted to total 60 percent of the aggregate arts expenditures in the area, indicating that employment is a primary feature of the economic impact of the arts. The Columbus and Minneapolis/St. Paul studies also focus considerable attention on arts employment. Again, employees' salaries and wages are found to be a major portion of the spending of arts organizations. In addition, the study attributes the creation of a number of full-time jobs to the presence of arts activity.

Other premises are evident in the studies that are likely to appeal to public officials and business representatives. They assume that regions should attempt to attract business and should be in competitively advantageous positions to do so, that balancing economic activity to prevent wide swings—as with winter skiing—is desirable, and that inventorying arts facilities and programs is a sign of managerial maturity and competence. Such premises, then, form a basis for developing argumentation that is understandable and convincing to government and business audiences because it is based on premises with which they can identify.

Use of Appealing Forms of Argumentation

Techniques of presentation or the stylistic aspects of argument also serve as means to create identification in economic studies of the arts. The form as well as the content of an argument can be persuasive. Perelman provides insights into the connection between the content of an argument and the form in which it is presented: "The presentation of data is necessarily connected with problems of language. Choice of terms to express the speaker's thought is rarely without significance in the argumentation." When a person is described as "having a tendency to mislead," for example, the meaning communicated is different than when that same person is described as a "liar"; the content is essentially identical, but the form or language in which the content is placed creates a very different argument. In advocacy efforts, then, not only the choice of content but the way in which it is presented are important.
In the five studies, a variety of strategies concerned with the form of presentation of the data are used to establish identification between arts advocates and business and political audiences. Again, the forms selected conform to ones that are used most often by those in business and government and that are valued by them as mechanisms for decision making. Four forms of presentation are particularly effective in these studies in meeting the expectations of business and political audiences: (1) use of business terminology; (2) reliance on "hard" data; (3) use of visual depictions; and (4) specific instances as forms of proof.

Use of Business Terminology. In materials and information addressed and disseminated to arts administrators, educators, and patrons, the vocabulary used often can be described as aesthetic or experiential. Terms used include, for example, sublime visions, a sense of the visionary, communication of emotion, artistic development, joy in discovery, inner aspects of experience, and structural expression. These terms, of course, have specialized meanings for those involved in the arts and, more important, are not terms that those in business and government are likely to use or necessarily even recognize. They belong to a sphere of activity seemingly foreign to business executives and public officials.

In order to bridge the world of the arts and the world inhabited by those in business and government, arts advocates must present their arguments using terminology familiar to their audiences. As evident in these studies, the required vocabulary is one of business. Despite the fact that these studies are about the arts, the vocabulary developed to talk about the arts and particularly suited to the arts is not used. Rather, the arts are discussed in the vocabulary of management, finance, and economics. Thus, one sees in these studies the predominant use of terms such as data base, input/output models, real estate spillover effects, employment multiplier, and econometrics model. The arts are discussed, then, using a vocabulary that creates identification with the targeted audiences, and the more natural terminology of the arts simply does not appear in these studies.

Reliance on "Hard" Data. In business and politics, much of the data used in decision-making processes tend to be quantitative data or "hard" data. Historically, business has relied heavily on quantitatively based records in recording items such as net sales, total revenues, net income per share, cash dividends, stockholders' equity, current assets in cash, receivables, accounts payable, expenses, and long-term debt. These quantitative representations increasingly have been accompanied by contextual quantitative expressions of market size, growth, economic conditions, and competition activity. Recently, even more complex statistics and quantitative logic, assisted by the development of computers, have become important in business; now even elements such as organizational strengths and weaknesses, environmental opportunities and risks, assumptions and guidelines, and development of goals are likely to be expressed in quantitative forms.

Statistical expressions of various values also play an important role in decision making in the political realm. Arithmetic means and percentages are commonly used statistics in government; mathematical models, computer simulations, and complex statistical formulae are becoming increasingly common. Again, as in business, seemingly unquantifiable elements are being translated into quantitative data. Thus, cost/benefit ratios are used to determine things such as the value of water conservation projects, and a definition of the condition of poverty is expressed in terms of the average costs of major items in "typical" stores around the country.

In these studies, the data are presented in accordance with this preference for quantified, statistical forms in the public and private sectors. The Minneapolis/St. Paul and Columbus studies, for example, provide tables of demographic information, percentages, and averages for a variety of information. In addition, in all the studies, reported economic impact figures are derived from complex formulae. Again, the attempt is to create identification with the targeted audiences on the basis of form.

Use of Visual Depictions. Another major form of presentation used in business and politics is that of visual depictions of findings or data. In fact, in some business and governmental presentations, the visual and graphic supporting materials seem to dominate the actual content of the presentation. The rationale for such forms relates to the need to make decisions quickly on the basis of vast quantities of information. A visual depiction or a numerical array enables a trend or phenomenon to be recognized quickly, especially when it captures a large mass of quantitative data that may require a great deal of sophistication to interpret.

The five studies examined here rely heavily on visual depictions of the findings in the reports. The Texas study devotes more than 80 percent of its space to charts, tables, and other graphic material. Cwi's studies include reproduction of a Bureau of the Census map for the study area and nine maps depicting various data. The Colorado study has 79 tables in its 164 pages. The Tidewater study also makes generous use of tables.

Specific Instances as Forms of Proof. In both business and government, specific instances are a common form in which to present data. These are specific cases that demonstrate or illustrate a particular phenomenon in an exceptional or dramatic manner. In business, for example, consideration of claims related to dealing with current problems may be reasoned on the basis of an analogous experience or incident that happened in the com-
pany or to another business. The assumption in this case is that what happened before is about the same as what is currently happening. Based on what is known about that incident, the same or different actions should be undertaken.

Similarly, in politics, a dramatic instance often is as or more persuasive in presenting data than many other forms of evidence. While statistical evidence may suggest, for example, that there is relatively little waste in a governmental program, it may be overlooked if a dramatic instance surfaces of such waste—a welfare recipient who picks up her check wearing a mink coat, for example. Similarly, pointing to an oil spill in Santa Barbara harbor can be a powerful means of presenting data concerning the likelihood of spills in the future and can be used to argue against the granting of offshore oil leases.27

Business and government rely on specific instances, then, as an effective form for presenting data. In these studies, this form is used, thereby creating identification between the arts and the targeted audiences. Colorado uses summer arts activities in ski towns as a specific instance, while Tidewater’s study presents the Boardwalk Art Show as a specific instance. The Texas study cites property values rising around the Dallas cultural district as such an instance. The six-city study’s focus on a selection of arts organizations from an area rather than using all of them is another such case. Further, that entire study was intended to serve in such a “model” capacity.

Establishment of Credibility

A final strategy used in these studies to move toward the audience psychologically is the promotion of an image for the studies with which the targeted audience can identify, resulting in increased credibility for the studies. By emphasizing similarities in background, experience, affiliations, beliefs, and values, a persuader’s attractiveness is enhanced. Huey Long, former governor of Louisiana, is said to have launched his successful political career during the Depression by emphasizing similarities between himself and his audience. The film, All the King’s Men, based on his career, contains a scene in which the main character stands before a group of farmers and says, “You’re all a bunch of hicks. That’s right. Hicks! You’re hicks and I’m a hick and we hicks are gonna run the state legislature.”28

That these studies emphasize similarities between arts advocates and the targeted business and government audiences is most evident in their use of advisory panels. In all of the studies, some form of an advisory panel was used. The Texas Commission on the Arts served as the advisory panel for the Texas study. A national advisory panel served this function in the Minneapolis/ St. Paul and Columbus studies. In the others, local advisory panels were formed specifically to work with the researchers on the economic impact studies. They were composed of legislators, business persons, artists, foundation executives, and other community representatives from various regions of the states.

The purpose of the panels ostensibly was to provide advice and input to the designers and researchers of the studies. In the Tidewater, Virginia, study, for example, Research Director Roger Richmond insisted that he meet with a steering committee “to guarantee the study related to the audience and its need.”29 Peggy Cuciti, chief researcher for the Colorado study, consulted with the advisory committee that helped by “identifying case-study cities and providing entry to both researchers and the use of project questionnaires.”30

While panel members did respond to the form and content of questionnaires developed for the studies and provided input about the likely response of their constituencies to the questionnaires, this was not their primary function. Rather, the panels largely served to establish ties between arts interests and business and government. They served as liaisons or “door openers” to individuals, organizations, and government agencies with which they were affiliated to ensure access to the necessary data and populations and to ensure the smooth collection of data. The directors of Colorado’s study used the panel to locate not only case-study locations but persons to interview in those locations.

Advisory panels demonstrated to nonarts interests the commonalities they shared with the arts. As a result, they provided greater credibility for the studies because they were means of identification for various communities and audiences that would be targets of arts advocacy efforts. That this was their main function is evident in the fact that none of the advisory committees had much power over or were consulted frequently about the design and execution of the studies. The researchers interviewed could cite occasional instances where the committees offered useful advice such as identifying how to get arts organizations involved in Minneapolis/St. Paul, but no instances in which they changed major features of the study. As Tim Sublett of the Greater Columbus Arts Council stated, “The advisory committee was there to give feedback, not to get deeply involved in the study’s structural development.” As vehicles for securing credibility as a result of identification between arts and nonarts spheres, however, their function was a powerful one.

Evidences of similarity are clearly essential, then, in creating credibility, a role performed by the advisory panels to the studies. But in many instances, for persuaders to appear different is also
important in order to make them seem more expert, better informed, and more reliable than the target audience. The ideal communicator often is one who seems both similar enough and different enough to appear overall as a “superrepresentative” of the audience. This function was performed in these studies through the selection of the researchers who conducted them. Those selected were respected by the government and business audiences and shared elements in common with them; yet, they were different enough from them so that they were perceived as experts.

In all the studies examined here, the actual execution of the study was by nonarts organizations. Credibility for the studies would not have been secured as easily had they been conducted by the sponsoring arts agencies themselves since these were the very agencies that were perceived as lacking adequate legitimacy and as irrelevant to the primary concerns of the public and private sectors. Thus, the researchers who collected and analyzed the data of the studies were selected on the basis of their connection with institutions other than arts organizations.

Most of the studies were conducted by research departments affiliated with colleges or universities—credible sources for business and government because of their perceived greater expertise. The Colorado study, for example, was undertaken by the Center for Public-Private Sector Cooperation, a research center affiliated with the Graduate School of Public Affairs at the University of Colorado at Denver. The Norfolk study, similarly, was completed at Old Dominion University by the Center for Urban and Regional Research, and the Columbus/Minneapolis, St. Paul studies were completed under the aegis of the Center for Metropolitan Planning and Research at Johns Hopkins University with the support of the National Endowment for the Arts.

Sponsors of all three of these studies explained that a university was selected to enhance the credibility of the endeavor. Cwi noted, for example, that the economic impact approach would have the greatest opportunity for effectiveness if it were sponsored both by the National Endowment for the Arts and “a major university.” Sollod of Colorado noted that a university organization was selected to conduct the research because it would “have the credibility the study needed with legislators and others.” In Norfolk, the study’s sponsors mentioned both credibility and expertise as the reason to contract with a university for the completion of the study.

The Texas study is unique in that it is one of the few in the country completed by a major accounting firm. When searching for a research group to conduct the study, the Texas Commission on the Arts looked for one that would have high credibility with the legislature and would not be viewed as an organization with regional

Texas concerns. The commission issued a request for proposal and determined that a national accounting firm was the most appropriate to direct the research. It shared obvious similarities with business interests; yet, its national focus gave it perceived expertise and credibility with business and government alike.

The studies, then, exemplify the principle that an emphasis on similarities to create identification as well as a focus on differences to establish expertise contribute to a perception of credibility. Advisory panels served the purpose of establishing similarities and commonalities between arts advocates and those involved in business and government, while researchers connected with universities or national accounting firms, suggesting important differences between them, enhanced the credibility of the studies.

Conclusions

The five studies examined here provide support for a view of economic impact studies as tools of effective advocacy. Their success can be explained through their use of several strategies that create identification between arts advocates and representatives of business and government: (1) establishment of presence for the economic aspects of the arts; (2) argumentation based on premises likely to be accepted by business and government interests; (3) use of forms of argumentation—such as business terms and reliance on hard data—that appeal to these interests; and (4) establishment of credibility for the studies through inclusion of nonarts individuals and organizations in various aspects of their design and execution. While the methods used in these studies may not serve as ideal examples of economic research, then, they provide excellent models for effective persuasion.

Effective as these studies are, however, they should not be viewed as isolated features in the arts advocacy process. For any advocacy effort to be successful, arts advocates must do more than simply present the results of such studies. They must discover how the policy process they are trying to affect operates, what the individual predispositions of the policymakers are, how the economic impact study results can be presented so they have the greatest possible effect, and so on. Economic impact studies of the arts do not supply this information but serve merely as vehicles around which to organize an entire effort and as temporary magnets that can attract persons to the cause. They are not the entire effort itself.
Just as the economic impact study is not the sole element in an advocacy effort, neither can the economic impact perspective indefinitely serve as the primary focus of such advocacy. As the policy environment changes, the economic impact of the arts may fade as a major consideration. If and when it does, advocates must be prepared to develop and use new arguments based on identification with the audience around new concerns and values. The concerns may be nationwide in scope, as is a focus on economic impact, or they may be regional or local. To be effective, arts advocates must identify these concerns and craft advocacy products and processes around them using identification strategies. In this way, support will continue to be generated for the arts, even from audiences suspicious of or at least unfamiliar with the contributions of the arts to contemporary life.

Notes

9. Frances Musick, Former Board Member, Metropolitan Arts Congress, October 18, 1985: telephone interview.
10. Robert Brown, Former Board Member, Metropolitan Arts Congress, October 17, 1985: telephone interview.
11. Jerry Haynie, Former Executive Director, Virginia Commission on the Arts, October 17, 1985: telephone interview.
14. Tim Sublett, Former Executive Director, November 12, 1985: telephone interview.
15. Mari Portman, Former Columbus City Council President, November 14, 1985: telephone interview.
17. Ellen Solod, Executive Director, Colorado Council on the Arts and Humanities, September 12, 1985: personal interview.
18. Marvyn Ewell, Director of Community Programs, Colorado Council on the Arts and Humanities, October 4, 1985: personal interview.
25. Cwi: telephone interview.
37. Ibid., p. 276.
41. Sublett: telephone interview.
43. Cwi: telephone interview.
44. Solod: telephone interview.
45. Hanbury and Brown: telephone interviews.