

## POLICY POSITION

### 20. The Arts and Economic Development: A Southern Regional Strategy

#### Background

Like tourism, the arts are an industry. Furthermore, the arts in the South represent a strong economic and marketing component for each of our states. The Southern Legislative Conference (SLC) supports a southern regional emphasis on the arts and economic development.

Southern policymakers need to more effectively market their states' attractiveness to business and industry aside from the traditional emphasis on tax incentives, low wage rates, and low cost natural resources. The future development of the southern economy is moving from a heavy manufacturing base to a value added economy with rapid growth in high technology and services orientation. For this reason, local amenities rather than tax incentives are becoming more and more attractive to the labor force.

As a case in point, business climate studies which rank state attractiveness to outside investment often consider cultural offerings as a component category along with housing, public and secondary education and health care. Many of these so-called quality of life factors eventually translate into an overall positive or negative image for a given state.

One relocation consultant company, the Fantus Company, recently reported in its assessment of Alabama's business climate, "Image is arguably the most subjective aspect of business climate; it is also the most important. Optimally, image should be favorable inside and outside one's state. During the initial site selection process, poor image can remove a state from contention before other factors are considered. Image can be the 'make or break' factor when other conditions are equal."

Because the level of cultural offerings in each of our states is directly tied to this question of image, it is important that southern leaders capitalize on the region's existing artistic potential. Southern legislators and governors can be tremendously helpful in promoting the public/private partnerships needed to enhance artistic activity. There is currently a critical need for such support in the rural South. While it is true that the predominant support for the arts has been historically channeled into major arts institutions, the rich cultural tapestry of the South remains underdeveloped.

A problem faced by many rural arts entities is that of effective management and technical assistance skills. Whether it be through financial planning and marketing assistance or theatrical lighting technique or improved touring programs, there is ample need to better serve rural cultural constituencies. In many cases if such assistance is not forthcoming, the South stands to lose sizeable segments of its rich artistic pluralism.

Recommendation

To achieve an effective focus on the arts, the Southern Legislative Conference endorses the establishment of a special task force on the arts and invites the cooperation of the Southern Governors' Association and the Southern Arts Federation (SAF), a private non-profit corporation, established in 1975 through the Southern Growth Policies Board.

The SLC directs the task force to:

- (1) expand the general awareness of the value and need for the South to promote and develop its cultural resources;
- (2) to explore innovative ways in which tourism, the arts and traditional state economic development can become equal partners in promoting a state's overall development plan;
- (3) to examine further the quality of life factors involved in business relocation decisions;
- (4) to place special emphasis on rural arts needs as a component of overall economic development;
- (5) to weigh other useful technologies designed to stabilize those arts organizations or individuals which represent some of the South's most important cultural resources, yet lack arts management skills basic to survival.