The arts have sweet news for the economy

By Lisa McGinley

After the starvation diet proposed in federal tax reform and the bitter taste of state budget and job shortages, something sweet would sure taste good.

There is honey to go with your lemons. The sweet findings of a national survey conducted last year (http://culturesect.org/aep5/) found that nonprofit arts and cultural organizations and their patrons generated $168.4 million in economic activity (http://culturesect.org/aep5/) in 2015 in southeastern Connecticut; $797 million in the state; (http://www.cultureandtourism.org/ect/cwp/view.asp?a=3933&Q=594722) and $166.3 billion in the nation. (https://www.americansforthearts.org/by-program/reports-and-data/research-studies-publications/arts-economic-prosperity-5/learn/national-findings)

Those appetizing results from the Arts & Economic Prosperity 5 survey give state and local planners reliable statistics by which to weigh such strategies as out-of-state marketing, hospitality taxes, and highway tolls, plus new ideas. They validate the support eked out by the legislature for institutions that deliver art, music, history and natural wonders to audiences. And they challenge federal proposals to curtail tax deductions for contributions to nonprofit enterprises, which stir the economy.

Facts are what we need. The AEP5 results (http://culturesect.org/wp-content/uploads/2015/12/Southeastern-CT_AEP5-Report.pdf) show that economic activity generated by nonprofit cultural organizations in New London County surpasses that in some small states, but that other regions our size average more returns to local and state government. Our nonprofit cultural attractions add up to an economic engine that could rev up even more.

Randy Cohen, the Americans for the Arts (http://www.americansforthearts.org/) vice president who oversaw the study, the fifth since 1994, will visit Connecticut this week. One stop will be an address to municipal and business leaders at The Day. His talk will be live-streamed on www.theday.com (http://www.theday.com) at 9 a.m. Thursday.

The 2016 survey differs in being the first to measure the county's cultural economy separately. The Southeastern Connecticut Cultural Coalition (http://culturesect.org/) (SCCC), which didn't exist at the time of the last survey five years ago, persuaded 70 nonprofit organizations to share their operational finances and interviewed 786 audience members. I am one of about two dozen coalition board members from business, cultural organizations, government and education –
so I’m a booster — but the credit and the blisters were earned by Executive Director Wendy Bury and Assistant Director Deb Mathiasen. Connecticut’s Office of the Arts, strategically located in the Department of Economic and Community Development, has been the shepherd.

Audience members at the Mystic Seaport, Mystic Aquarium, Children’s Museum of Southeastern Connecticut, the Garde and the Florence Griswold Museum, among others, gave their Zip codes to identify them as local or visiting. They answered such questions as "Are you in town specifically for this performance?" and "Not counting the ticket price, what else are you spending on in this excursion," such as the cost of a meal, a babysitter, or a ferry ticket?

Two-thirds of the patrons for our region’s attractions live locally. The remaining one-third spent 133 percent more than the locals — unsurprising, given that some paid for a hotel room and multiple meals. Seventy-eight percent came in specifically for the event. People swarm for the entertainment and pleasure they get from arts and culture.

When economists from the Georgia Institute of Technology crunched the numbers, organizations here were found to have generated $87.2 million in spending in a year. Audience spending created $81.2 million in economic activity, for the total of $168.4 million in direct, indirect and "induced" — trickle-down — spending.

The SCCC founding members envisioned a future in which the region’s shining stars of performance, art, history, and exquisite natural resources would form a constellation. Individually bright, together they would dazzle as an emblem and an engine for this place.

Some of those founders will be in the room Thursday. The coalition they created has climbed to 520 partners (http://culturesect.org/cultural-connections/) and with this survey has steered decisionmakers to a clear view of economic realities. The findings Randy Cohen will describe are all we need to map the constellation for policymakers and investors. How shall we organize for marketing and investment? State and local leaders: We can’t afford to waste this opportunity.

Lisa McGinley is a member of The Day Editorial Board.