

“Framing the Illinois Creative Economy - Over One Third of Prairie State’s Employed Are Creatives!”

By Tom Tresser



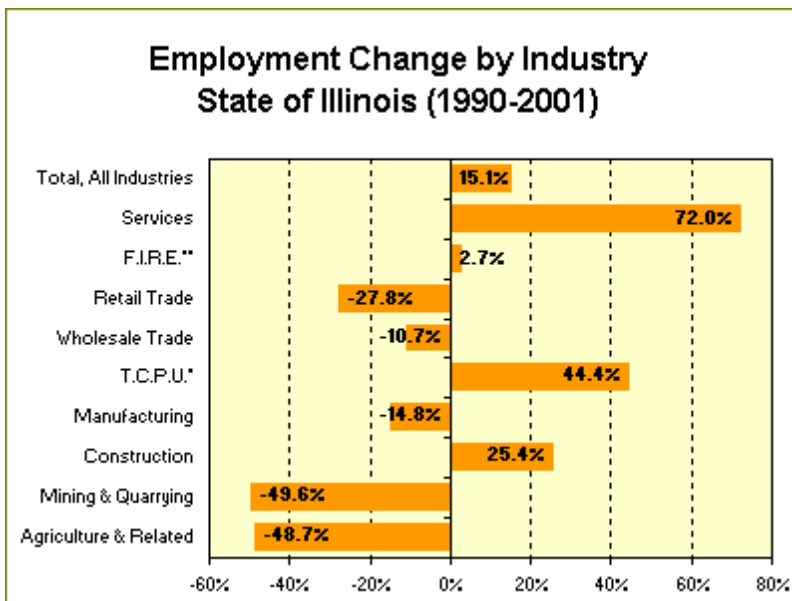
"Still the question recurs 'can we do better?' The dogmas of the quiet past, are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think anew, and act anew."

So said President Abraham Lincoln, in his annual message to Congress, exhorting its members to join him in a united venture to be conducted by the executive and legislative branches of government (December 1, 1862).

Lincoln is Illinois’ favourite son and we like to claim him for frequent use in our tourism and popular culture initiatives. So, how well is the State of Illinois following old Honest Abe’s advice to “think anew and act anew” with respect to its economic development and well-being?

How is Illinois faring in the Creative Economy paradigm that we, here at Newtopia, believe is the emerging dominant measure for economic prosperity for the 21st Century?

For starters, we’re a fairly wealthy state. Illinois has 12,601,000 people. In 2001, Illinois had a per capita personal income (PCPI) of \$32,990. This PCPI ranked 10th in the United States and was 108 percent of the national average, \$30,413. The 2001 PCPI reflected an increase of 2.1 percent from 2000. The 2000–2001 national change was 2.2 percent. In 1991, the PCPI of Illinois was \$21,260 and ranked 12th in the United States. The average annual growth rate of PCPI over the past 10 years was 4.5 percent. The average annual growth rate for the nation was 4.3 percent.¹



Over the eleven year period, 1990-2001, employment patterns in Illinois followed the national pattern of gain in the service-related industries, with hefty loses in the manufacturing and farming-related industries.²

Where are those folks working?

According to the U.S. Department of Labor, Bureau of Labor Statistics, **over one-third of people working in Illinois in 2001 were employed in creative industries** as defined by Richard Florida in “Rise of the Creative Class.”³

Here’s how the jobs are distributed across the industries that comprise the

Creative Industries.

2001 ILLINOIS CREATIVE CLASS EMPLOYMENT⁴

SUPER-CREATIVE CLASS

15*	Computer & Math	132,160
17	Architecture & Engineer	95,270
19	Life, Physical & Social Science	41,300
25	Ed, Training & Library	345,100
27	Art, Design, Entertainment, Sports & Media	66,040
TOTAL		679,870

CREATIVE PROFESSIONALS

11	Management	410,700
13	Business & Financial Operations	239,850
23	Legal Occupations	41,200
29	Healthcare Practitioners & Tech Operations	282,840
41	High-End Sales & Sales Operations	382,460
TOTAL		1,357,050

CC GRAND TOTAL **2,036,920**

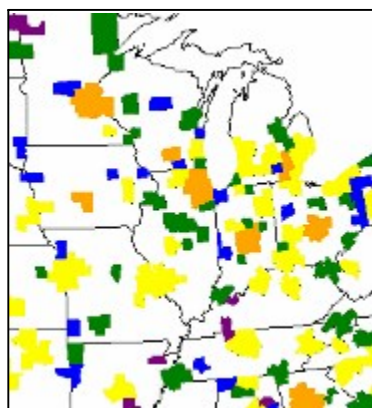
ILLINOIS TOTAL EMPLOYMENT	5,861,660
CREATIVES AS PERCENTAGE OF TOTAL IL EMPLOYMENT	34.75

*Standard Occupational Classification (SOC) System number for that type of employment.

What revenues are these creative industries producing?

That's not as easy to get a handle on. According to John O'Conner, Research Economist for the Illinois Department of Commerce and Economic Activity, there is no reliable source of revenue streams that can line up with the Standard Occupational Classification (SOC) because firms are not required to report revenues to the state and the federal Internal Revenue Service does not produce reports on economic activity of this nature.

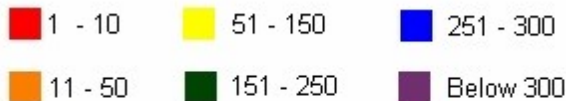
We can report data from several non-governmental sources to add some detail to the Creative Economy picture.



Richard Florida places seven cities on his Creative Class rankings: Bloomington–Normal, Champaign – Urbana, Chicago, Decatur, Peoria–Pekin, Rockford and Springfield. The map fragment shows Florida's Creativity Index rankings for the Midwest. For more information on the Creativity Index, see http://www.creativeclass.org/map_ci.shtml.

The Illinois Arts Alliance Foundation did a study and concluded that the nonprofit arts industry in Illinois generated \$2 billion in total economic impacts for the state in 2002. This report looked at 1,700 arts and culture organizations as well as spending from out-of-state visitors who came here specifically to attend arts events. This economic impact includes direct spending and indirect impacts of the organization's economic activities.⁵

Rank out of 332 Regions
Based on Creativity Index



The mission of the Illinois Production Alliance is to maintain, promote, and increase the

development, creation, and production of film, video, and new media content in Illinois. The IPA was organized by a coalition of media production firms, production-related unions and media educators. Their 2003 report, "Creating Visual Media in Illinois," claims that the media industry has contributed over \$10 billion to the Illinois Gross State Product since 1976 and that some 33,830 people are employed in the industry.⁶

There is a number called the Illinois Gross State Product (GSP), which, according to the U.S. Department of Commerce, Bureau of Economic Analysis, is the “value added by labor and production” to goods or materials that are then sold in Illinois.

For 2000 the total Illinois GSP was \$441.5 billion.⁷

Of that total, Services generated \$93 billion and Finance, Insurance and Real Estate generated \$91 billion, and Retail Trade generated \$38 billion. These three categories totalled \$222 billion, just over 50% of the state’s total GSP.

Realizing that the categories are not exactly lined up, we can say with some certainty that the Creative Economy is a **HUGE** (not a standard econometrics term) part of the Prairie State’s economic picture – accounting for 35% of the jobs and approximately 50% of the Gross State Product.

I was surprised by this finding. I sensed that the Creative Economy is a significant factor for Illinois, but I didn’t expect it to be so prominent. You might wonder what business and political leaders are doing to nurture this very significant slice of the state’s economic well-being.

I haven’t discovered anything at the state level yet, but I’ve only been on this beat a few months. It’s possible that there is a state initiative under way, or being planned that addresses the Creative Economy. Remember, we have a new governor and new economic development team, in place only ten months.

If I discover a public or private state-wide effort aimed at the Creative Economy, I’ll let you know.

In putting this column together, and not being an economist by training or an analytical person by temperament, several observations come to mind:

- (1) *We measure what matters.* It seems that our entire economic reporting infrastructure is about 20 years behind the times. The Standard Occupational Classification System (SOC) was re-vamped in 1999 to reflect the new sorts of jobs that had evolved over the years. Each occupation in the SOC is placed within one of these 23 major groups. Richard Florida has concentrated on ten of the 23 groups to break out the numbers for his Creative Class analysis. But this raises the obvious point that if we hadn’t decided to look at those occupations and then count them, the numbers wouldn’t have been available for Florida’s work. But it seems that most of the agencies that collect data for reporting on economic progress haven’t embraced the Creative Economy paradigm, so you have to cut and paste to cobble together a picture of this sector. Preliminary results from conversations with professionals inside the economic development agencies confirm this perception.
- (2) *Dollars follow the rankings.* If we measure what matters, then we medicate what is ailing. That is to say, once policy-makers have decided what to look at in the economy as part of the effort of figuring out how we are doing, a ranking is produced to place Illinois on a list relative to other states or regions. Once that happens arguments start to line up for creating programs and delivering resources to “fix” or boost our standing in the relevant ranking. The hope is that, next year and over time our ranking will improve and therefore demonstrate progress.
- (3) *Are we being counted?* As members of the Creative Class, we might want to be aware of two relevant issues in this business of counting. For starters, we want to be sure that we are being counted accurately and that the difficulty of classifying creative workers or their transience doesn’t cause an undercount. For example, the 2001 Illinois State Occupational Employment and Wage Estimates that I cited above lists the Employment classification 27-2011, “Actors.” The government says that for 2001, there were only 1,300 actors in Illinois. I can say with some certainty that there are many more actors working in Chicago, but they may have been counted under their temporary work or day-job status. Secondly, we in the Creative Class may want to track non-traditional measures of economic progress – such as hipness, access to night life, environmental amenities, affordable but cool housing, etc.

The Newtopia Creative Economy crew will be surveying Illinois economic data collection centers over the next few months for any programs that track and report on the Creative Economy. We’ll let you know how our

decision-makers are looking at the Creative Economy and if they “think anew, and act anew” about ways to boost the Creative Economy here.

In upcoming columns: Creativity Economy initiatives in Chicago, Further look at Creativity Economy programs from around the U.S. and abroad, Profiles of Creatives at Work and Play.

References

- (1) Illinois BearFacts 1991-2001, http://www.illinoisbiz.biz/bus/research/econ/profiles/results_menu.asp
- (2) <http://www.illinoisdata.com>
- (3) “Rise of the Creative Class,” Richard Florida, 2001, P. 328.
- (4) http://www.bls.gov/oes/2001/oes_il.htm#b00-0000
- (5) “Economic Impact of the Nonprofit Arts Industry in Illinois.” Illinois Art Alliance Foundation, 2003, <http://www.artsalliance.org/index2.shtml>
- (6) “Creating Visual Media in Illinois,” Illinois Production Alliance, 2003, <http://www.illinoisproduction.org>
- (7) Illinois Statistical Abstract - http://www.igpa.uillinois.edu/abstract/2002/GrossProduct/12_02.htm

Tom Tresser is a consultant, producer, educator and trainer who can help individuals, companies and communities leverage and amplify their creative assets in order to solve problems, create economic value and trigger civic engagement. Tom has been a long-time advocate for an increased appreciation for the role of creativity in the life of the community. In 1991 he started an organization that organized artists and cultural workers for political activism and taught "Arts and Public Policy" at Roosevelt University, where he organized a center for the study of cultural policy. Tom was Director Cultural Development at Peoples Housing, a nonprofit community development corporation operating in northeast Chicago, where he organized a community arts program that combined culture and economic development. Tom served as lead organizer for the Chicago Park District for two years in a pilot project that transformed a major regional park into a community cultural center. In April 2004, Tom was elected to a two-year term for the Local School Council for the Abraham Lincoln Elementary School in Chicago's Lincoln Park neighborhood. He lectures on “The Politics of Creativity” and conducts leadership training sessions for artists and creative professionals. He teaches classes on arts and civic engagement at DePaul University and Loyola University.



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