

## *Cultural Entrepreneurship:*

*At the Crossroads of People, Place, and Prosperity*

2010



 **W.K. KELLOGG FOUNDATION**  
*Our Children. Our Mission. Our Future.*



This report and research was made possible through the collaborative efforts of the following authors:

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Santa Fe, New Mexico

2010

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*“Cultural entrepreneurship  
is self-determination.”*

*Lisa Little Chief Bryan, PhD*



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## State of New Mexico

*Office of the Lieutenant Governor*

Diane D. Denish  
*Lieutenant Governor*



Dear Fellow New Mexicans:

It's time to start thinking about the next steps for New Mexico. What's next for our families and communities? How can we build a vibrant 21<sup>st</sup> century economy while retaining our traditional industries, like agriculture and energy production? How do we educate our children so they grow and thrive in what many are calling "The Creative Age"? And how can our small businesses, the foundation of our economy, build into this new era in which creative thinking, innovation, and adaptability are key skills?

In this report the Global Center for Cultural Entrepreneurship outlines a path forward. By supporting creative and cultural entrepreneurs, our communities will fortify livelihoods while embracing cultural heritage. Through investing in and growing the 20,000 cultural enterprises across our state, future generations of New Mexicans will be able to succeed in this new economy. And because New Mexico is blessed with a rich diversity of cultures, our state is uniquely positioned to create thriving cultural enterprises.

In towns from Raton to Ruidoso, Gallup to Las Cruces, Farmington to Santa Fe, Rio Rancho to Tucumcari our shared heritage is providing cultural entrepreneurs with endless creative capital: nearly 15% of New Mexico's workforce is already working in the Cultural Economy!

If you are a cultural entrepreneur in New Mexico we are going to give you an opportunity to succeed here. Together, we will build new cultural businesses that help ensure New Mexico's success in the global economy.

Sincerely,

*Diane D. Denish*

Diane D. Denish  
Lieutenant Governor

## Acknowledgements

For the first time in New Mexico, and perhaps in the US, a pilot study exploring the role of cultural entrepreneurs in building local economies has been conducted. We now have a deeper understanding of the substantial and positive impact cultural enterprises have in the lives of families and children.

This study included months of tumbleweed work (we do not have grassroots in New Mexico!) in local communities with families, community leaders, scholars, and government officials. We are grateful to many people who have embraced our work and helped us to understand the dynamics of the cultural economy in New Mexico.

Funded by the W. K. Kellogg Foundation, this study exemplifies the Foundation's commitment to New Mexico and to our culture, families, and children. We are grateful to Marjorie Sims for her guidance and to Anne Mosle for her support.

Across western New Mexico, Christy Snyder, anthropologist, met with cultural entrepreneurs in their farm fields, *talleres*, offices, living rooms, streets, and artist centers. Filmmaker and independent producer Jonathan Sims, of No Reservations Productions, joined Christy in documenting the lives of New Mexico's cultural entrepreneurs and cultural leaders. They traveled New Mexico widely to gather a diverse and thoughtful view of our Cultural Economy, reflected in [the final film work, \*Exploring Cultural Entrepreneurship in New Mexico\*, linked here.](#)

The economic impact findings in this report are the result of the talented and determined efforts of Dr. Melissa Binder, UNM Department of Economics, and her Research Assistant Aaron Girdner. In particular, we appreciate Dr. Binder's emphasis on selecting and understanding data related to child health and well-being.

Dr. Jeff Mitchell, Bureau of Business and Economic Research, UNM, has provided much guidance and inspiration throughout this project. Additionally, Dr. Lori Breeden broadened our understanding of "meaningful work" through her reflections on Occupational Science.

We received support from governmental leaders in McKinley, Cibola, and San Juan Counties as well as the Council of Governments leadership and staff based in Albuquerque, Gallup, and Farmington.

We want to thank Lt Governor Diane Denish for her encouragement and support of our vibrant Cultural Economy. Her vision and commitment for New Mexico has brought progress to families across our state.

The Fleischaker Women's Legacy Fund is exceptional in its willingness to support innovative research and programs related to improving the lives of women and communities. We appreciate their support and continued interest in our work. The McCune Foundation has been a staunch advocate and supporter of arts and culture and their support for understanding the role of culture in creating healthy economies has been instrumental to this project.

Mostly, we wish to thank the individuals who, collectively, form the communities that made this research possible. From Grants to Gallup, Beclabito to Bloomfield, Ramah to Zuni, communities have welcomed our inquisitiveness and shared their stories. Their willingness to share their lived experiences, discuss their dreams and disappointments, and create a vision for what is possible underpins the resonance we hope this report brings.

Through cultivating community action and supporting individual cultural entrepreneurs, we can create a society as enchanting as our landscape. Cultural entrepreneurship offers an unprecedented opportunity to improve the lives of New Mexico's most vulnerable children and families.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tom Ageson". The signature is fluid and cursive, with a large, stylized initial "T" and "A".

Tom Ageson  
Chairman  
Global Center for Cultural Entrepreneurship



## *"Sheep Is Life"*

### Roy Kady

Forty-four years ago, in the Teec Nos Pos Chapter of the Navajo Nation, Roy Kady was born to a family of sheepherders and weavers. Today, Roy carries forward the many traditions that have grown out of the relationship between the Navajo people, the Diné, and sheep. These



traditions continue to shape and organize Roy's community. A natural leader, Roy was asked last year by his community to run for chapter president, a role Roy equates with being mayor of a small town; he was subsequently elected.

Roy is also co-founder of the [Dibé Nitsaa Sheep, Fiber, and Weavers' Guild](#), and past president of [Diné be 'iiná, Inc. \(The Navajo Lifeway\)](#), the organization responsible

for the annual Sheep is Life Festival. "We had a meeting yesterday," Roy tells us, "and that meeting is in reference to the sheepherders, and especially restoring the sheepherding traditions...You know, if we don't continue to advocate, and continue the education aspect of this particular breed of sheep, we could lose them." For three years Roy has hosted the Summer Youth Sheep Camp, "where we've invited about 20 individuals who applied to be at this camp up on the mountain. And, the sheep are there. So, everything with them, and the teaching of 'sheep is life,' is presented."

For Roy, developing a youth organization in [Teec Nos Pos](#) came as a natural responsibility with the office of chapter president. Together with community member Christopher Francis, Roy has created the first successful youth council in the region. Through the council, the youth are brought closer to the Navajo traditions surrounding sheep. This past summer, they began learning to do some of the fiber arts associated with these traditions. Roy brings out a horse cinch, a utilitarian piece that most Navajo horsemen now buy imported from China. "They were very proud. And, not just in learning how to weave a cinch, and preparing the wool, but there were other things that they learned, like how to braid a rope. This is something that we've quickly forgotten how to even do." Roy is deeply invested in both carrying traditions forward, and in bringing out the creativity of his community's youth through the practices that have evolved around these traditions. "The youth are very creative," he says, with his hand spiraling upward, "you show them the process, and their creativity just wanders."



Weaving By Roy Kady

Roy and his community have one major economic development project in the works: they are in the early stages of developing a community Fiber Arts Center. A wool processing plant, or “mill”, will be a counterpart to the Fiber Arts Center. Local people, from Teec Nos Pos and the surrounding areas, will be able to learn to process, dye, weave, and knit wool. Employment opportunities will be developed and youth programming will be integral. In 2005, Teec Nos Pos carried out a feasibility study and has now received a grant from the USDA to begin initial stages of development.

When Roy envisions the next ten years for Teec Nos Pos, he sees immense potential for building a sustainable community.

“We also want to open a small café using locally grown vegetables, local beef, local chickens, local pigs... and then, of course, sheep. We’ll have vegetables that we’ve preserved. In the chapter house, we want a certified kitchen. And, then, have a little shop where we have these locally produced products that we can sell. That, to me, and to a lot of the elders, when you explain to them about the local economy, about keeping the dollars within the community, that’s how they understand it. Not bringing some big corporation here; a franchise entity... They don’t see that as economic development. **They see economic development as, the resources that you have *here*, utilizing them. And, we may even be the model for the rest of what’s out there.**”

“It’s interesting, because if you were to follow me around throughout the day... the majority of the people I interact with, that I prefer to hang out with, are the elders and the youth... The majority of my time is dealing with the sheep, and then being with my elders, and then taking that to the youth... **Because that’s where my heart is, and that’s how I see things prospering.**”

*The Sun put down all the wild animals, and when the sheep were placed, this is what was said; "Their faces will be dawn, their eyes will be rock crystal, their ears will be plants, their wool will be white fog."*

*Dine Creation Story*

#### SUCCESS IN A GLOBAL ECONOMY

Using Census and NAICS data, we have learned that **the Cultural Economy accounts for 12% of New Mexico's workforce occupations**. It is a cornerstone of our economic foundation and far outpaces other states' involvement in this growing global marketplace. As such, New Mexico is uniquely positioned to leapfrog into the burgeoning global Cultural Economy, building economic opportunities for families and while fostering local culture and traditions.

For New Mexico families to succeed in the shifting global economy, our state must build an innovation-based workforce in which human creativity and capacity are the foremost natural resources. New Mexico's leadership is challenged to identify targeted strategies that capitalize on our unique assets and core competencies while addressing the disparities in income, health, and social equality that persist in our communities. Across the globe, **the Cultural Economy is emerging as a force for creating thriving communities, improving livelihoods, and perpetuating diversity**.

Previous research studies on cultural industries have demonstrated the significant positive impact these industries have on communities and economies:

- The presence of creative workers correlates strongly with rising household incomes;
- Cultural work creates dignified income opportunities for women;
- Creative enterprises are often "green" and more environmentally sustainable;
- Cultural industries serve to cohere communities and build social bonds.

#### BUILDING PROSPEROUS COMMUNITIES

Families thrive when communities offers dynamic ecosystems of education, health and culture resources alongside economic opportunities. More importantly, children prosper and grow into healthy adults when their families are economically and culturally secure. Previous studies have demonstrated the clear links between health, nutrition, education and family economics. **This groundbreaking study is the first to demonstrate the links among a family's cultural security, economic stability, and social well-being.**

Statistics on children's health and well-being are reliable indicators of family resources, stability, and security. Therefore, to understand how New Mexico's families-- participating in the Cultural Economy--fare, we measured data on child welfare and well-being to gain insight as to their economic, educational, health, and social prosperity.

Recognizing that jobs alone do not create health and well-being, just as economics alone do not constitute the full human experience, we decided to explore whether New Mexico families participating in the Cultural Economy enjoy social benefits in addition to the improved wages we know cultural workers earn. Using Census data and NAICS codes we explored previously unconsidered relationships and found that **children living with a cultural entrepreneur:**

- **Have conspicuously lower poverty rates: 15%, compared with 21-68% for all other categories;**
- **Have a conspicuously higher preschool enrollment rate;**
- **Have lower single parent rates, as do children with entrepreneurs;**
- **Are more likely to learn their Native language.**

Cultural entrepreneurs have been largely ignored by economic development practitioners and policy leaders. Yet, the data are clear: investing in cultural entrepreneurs is the crucial next step for building a regional economy that addresses poverty, embraces cultural diversity, and creates broad-based economic opportunities.

#### STRATEGIES AND ACTIONS

**By targeting our investments and increasing the capacity of cultural enterprises, we simultaneously improve livelihoods, fortify cultural diversity, and build into future global economic opportunities.** Cultural entrepreneurs participate in unique markets and need resources designed for their unique needs: resources and programs should have deep expertise in cultural enterprise development. Investing in cultural entrepreneurs and building bridges into communities where cultural talent is deep and enterprise resources are scarce is the key leveraging point for creating holistic community and economic development in diverse communities.

Culture arises from community; cultural enterprises are therefore, necessarily, community ventures. Effective cultural enterprise development efforts must take into account the community system within which a cultural entrepreneur is embedded. **The work of building cultural enterprises is the work of building community.**

The strategies and resources we recommend will support cultural entrepreneurs and continue building a vibrant cultural economy in New Mexico.

Investing in cultural entrepreneurs is a viable strategy that will build communities in which all families thrive.

**Invest in Cultural Entrepreneurs**

1. Build capacity and expertise in cultural enterprise development organizations;
2. Connect cultural entrepreneurs to financing information and sources of capital;
3. Deliver programs providing financial literacy and training, adapted to diverse cultural audiences and available to people of all ages;
4. Found a Cultural Enterprise Investment Fund;
5. Pursue prominence in national and international markets through hosting and participating in trade and gift shows;
6. Create direct marketing programs with collectives of cultural entrepreneurs;
7. Launch a Mobile Cultural Design Center serving product development needs;
8. Create a mentorship program to provide long-term, one-to-one industry relevant consultation for cultural entrepreneurs;
9. Build a world class degree program in Cultural Entrepreneurship, delivered in all corners of the state, through higher education institutions.

**Serve Underrepresented Groups and Cultivate Community Engagement**

1. Create a Women Cultural Entrepreneurs Initiative;
2. Focus on community based strategies that will more likely speak to and include immigrants, Native Americans, and women;
3. Develop resources that go out into far-flung communities to reach those in our communities who are most excluded from the enterprise system;
4. Engage communities to develop programs and initiatives that will complement the cultural systems in place.

**Build Cultural Entrepreneurship Resource Networks**

1. Develop clusters of cultural enterprises, based on existing talent and potential in communities;
2. Create an enterprise to enterprise resource network. These “indigenous” networks will complement the expertise and connections cultural enterprise development organizations import;
3. Measure, inventory, and understand our regional strengths/weaknesses to build a statewide strategy.

**Spur Thought and Policy Leadership**

1. Craft a 10-year, Cultural Economy Strategic Plan for New Mexico;
2. Coordinate efforts among Cabinets (Tourism, Transportation, Economic Development) and local government agencies around cultural enterprise cluster development;
3. Build policy leaders’ awareness and understanding of our Cultural Economy;
4. Host a New Mexico Policy Leaders Summit (2011);
5. Host a global conference in Cultural Entrepreneurship (2012).

**Support Collaborative Action**

Funders and supporters of economic development strategies are encouraged to support multi-year endeavors in which collaborative action plays a central role in building cultural enterprise clusters.

## The Cultural Economy

New Mexico's economy, like most economies of the Western United States, is experiencing a dynamic shift: natural resource extraction industries are no longer the driving economic force and large-scale economic opportunities will not be forthcoming from the manufacturing sector. Instead, successful participation in the global economy will require our state to build an innovation-based workforce in which human creativity is the foremost natural resource

Increasingly, communities in New Mexico and elsewhere compete for investments and jobs, forcing communities everywhere to provide greater incentives and lower wages to gain a foothold. Some refer to this as a 'race to the bottom.' In this global context, **using culture as a tool in economic development offers a number of advantages.**

First, economic development based on culture provides an escape from the race to the bottom. To avoid this race, a community must provide something that others cannot easily replicate, something distinctive and sustainable. Culture and other 'place-specific' qualities are exactly this kind of asset. And there is a growing market for cultural goods and services. As the output of the global economy becomes more homogeneous, consumers crave unique and authentic products and experiences.

Examples include the growing popularity of local foods, artisan crafts, film festivals, and ecotourism.

Second, cultural production – especially small scale family and community-based production – lends itself to the kind of flexibility that is required to thrive in today's economy. No longer can wage-earners expect the kinds of jobs that were common from after WWII until the 1970s: a secure job requiring a single set of skills that would last a lifetime and pay enough to cover the full costs of raising a family and provide for retirement. Instead, a person must be flexible, piecing together the skills and relationships necessary to make a living and raise a family.



Ava Peets, Cultural Entrepreneur  
Grants, New Mexico

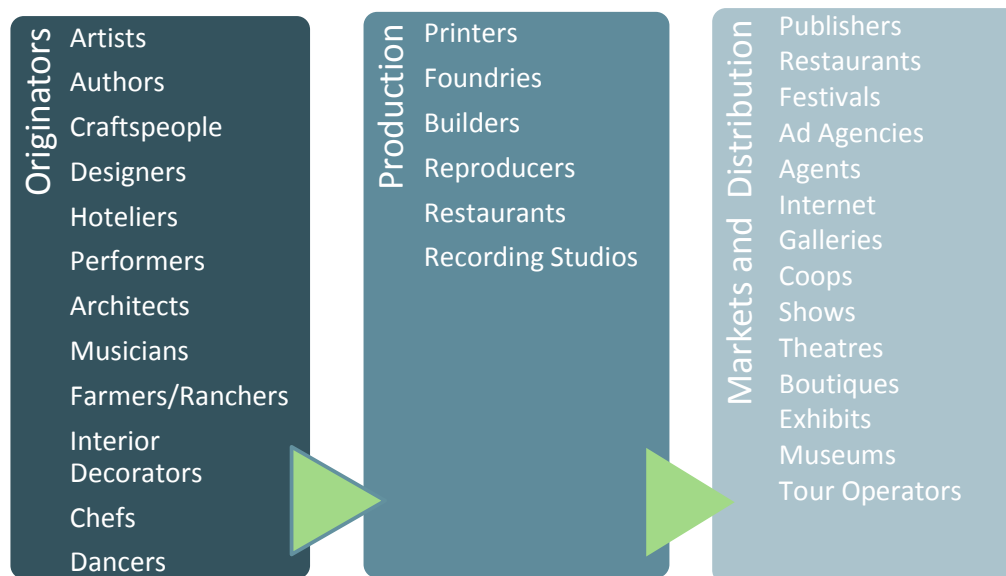
Third, cultural production utilizes diverse skills that are passed down within a community, requires little capital, and can be done in the home. This allows an individual to balance work with other family and community responsibilities. Often, women are more included in the cultural workforce and contribute to the development of both meaning and economics.

Fourth, cultural production renews respect and value in a community's history and traditions, fostering a sense of pride while encouraging younger generations to maintain their ties. The 'social capital' that is generated by cultural production activities is leveraged to support initiatives in health, education and other areas, while also providing a critical measure of resilience in times of crisis and change. A community's cultural places and products serve to cohere and give identity to a community. This sense of identity and community belonging are essential to our well-being.

While cultural industries are exceptional elements of economies, and are foundational in New Mexico, the very people who create the buildings, artifacts, places and experiences that make our communities and economies thrive, the **cultural entrepreneurs, have been largely ignored by economic development** and market development practitioners.

To develop effective strategies aimed at supporting cultural entrepreneurs, a deeper understanding of the communities, markets, opportunities, needs, and challenges cultural entrepreneurs work with is essential.

### Core Elements of the Cultural Economy







## The Rise of the Cultural Economy

Across the globe creative and cultural industries are growing: the total value of the globe's creative industries is projected to reach \$2 trillion<sup>i</sup> with a compounded annual growth rate of 7%; according to UNESCO<sup>ii</sup>, "exponential growth" in these industries is expected to continue.

Culture is commonly defined as a set of attitudes, beliefs, customs, and values which are common to or shared by any group<sup>iii</sup>. Cultural goods, services, and activities share three characteristics, including: (1) the activities involve creativity, (2) they generate and communicate symbolic meaning, and (3) the output embodies some form of intellectual property<sup>iv</sup>.

Previous research studies<sup>v</sup> on cultural industries have demonstrated the significant beneficial impact these industries have on communities and economies:

- The presence of cultural workers correlates strongly with higher household incomes<sup>vi</sup>;
- Cultural work creates dignified income opportunities for women<sup>vii</sup>;
- Creative enterprises are often "green" and more environmentally sustainable;
- Cultural industries serve to cohere communities and build social bonds.

Cultural wealth that might otherwise fade away is providing both income and meaning to people. Marginalized communities face an unprecedented opportunity to simultaneously perpetuate cultural diversity and create economic value through cultural markets. Many marginalized communities are steeped in cultural resources and are poised to meet the growing global market demand for cultural products and services.



Given the exceptionally high percent of New Mexico's workforce occupied in the cultural economy, compared to other states<sup>viiiix</sup>, it is likely that New Mexico has more cultural enterprises in numbers and pro rata than any other state in the US: it is estimated that New Mexico is home to over 20,000 cultural enterprises<sup>x</sup>. In New Mexico the Cultural Economy accounts for 12% of our workforce—it is a cornerstone of our economic foundation. As such, New Mexico is uniquely positioned to leapfrog into the global Cultural Economy, building cultural enterprises that reach myriad markets while fostering local values and traditions, and building healthy communities.

However, UNESCO Director-General Matsuura makes clear that we are not fully capturing the opportunities afforded by cultural enterprise development: “While globalization offers great potential for countries to share their cultures and creative talents, not all nations are able to take advantage of this opportunity. Without support, **their cultural voices will remain marginalized and isolated.**”<sup>xix</sup>

### Cultural Entrepreneurs

Until recently the leadership role of cultural entrepreneurs in creating economic gains for communities was not well understood<sup>xii</sup>. Today it is widely recognized that **behind every successful cultural enterprise is a creative, determined cultural entrepreneur** who has merged resourcefulness with creativity to carry a fledgling enterprise across the barriers that stood in their way to reaching economic success.

The work of cultural entrepreneurs catalyzes economic development through creating employment, attracting new capital, supporting taxes and revenues, and enhancing the quality of life for all involved. In New Mexico cultural entrepreneurs are building businesses in diverse areas: music, performing and visual arts, literature, museums, crafts, film, heritage festivals, cultural markets, culinary arts, culturally based education, architecture, healing arts, design, and publishing.

Although they may work in the American Southwest, Africa, India, China or Great Britain, successful cultural entrepreneurs:

- Are visionary leaders who have passion for creating cultural enterprises,
- Drive the creation of new cultural markets and industries,
- Leverage “cultural capital” through innovation, thus furthering cultural values, traditions, knowledge, and local livelihoods,
- Create a “whole cloth” of cultural diversity and sustainability, weaving together economic, social, environmental, and cultural values,
- Remain mission driven, market-focused, creating both financial wealth and cultural value.

**A Note from Jeff Mitchell, PhD, Cultural Economy Scholar**

*“The Immeasurable Benefits of the Cultural Economy”*

Investment in the cultural economy does not replace the need for other kinds of social and economic investments. Rather, investment in the cultural economy is complementary of other investments, a kind of cushion against the vagaries of the market economy. For instance, for many families the profits of cultural production supplement other sources of income. For communities the benefits of cultural production cannot be tallied in standard employment statistics. Participation in the cultural economy can make all the difference: an extra income during times of economic downturn, lower-cost home-based childcare, and community-based production that can provide the organizational basis for political mobilization.

During the past few years the UNM’s Bureau of Business and Economic Research has been invited to undertake a number of projects investigating the impact and potential of culture-based economic development in the state. Projects have concerned the state’s principal city of Albuquerque, the world renowned cultural center of Santa Fe, and a number of smaller rural communities in all parts of the state. These projects have been funded by all levels of government (state, county, city) as well as universities, foundations and nonprofits. This remarkable interest in the cultural economy in New Mexico no doubt reflects the rich historical and cultural traditions of the state, but also a renewed commitment to an alternative model of economic development, subject less to the powerful demands of outside investors and more on native talents of the state’s diverse population.

To date, support for the development of the state’s cultural economy has taken the form of a number of initiatives, including the formulation of Arts and Cultural Districts in six cities and towns, the development of cultural plans that prioritize economic objectives, and the establishment of myriad institutions and organizations that foster and coordinate small and large initiatives of countless individuals. In the end, the success of these efforts will be



marked not by a single announcement of a set of publicly-subsidized employment opportunities, but by the growing yet unheralded capacity of many individuals to sustainably generate their own incomes while contributing to the capacity and traditions of their native communities.

Ceci Tadfor, Cultural Entrepreneur,  
SpanAfric Foods

## Goals and Methods

The impetus for this research project arose from our observations that cultural entrepreneurs are often more than “just” successful business owners: cultural entrepreneurs are frequently community leaders, voices for equality, and content family members. We began to wonder if the beneficial effects of building and owning a business that meets the fundamental human desire to create and express extend beyond the benefit of creating jobs.

*In particular, what social and economic benefits do communities, families, and children derive from a vibrant cultural enterprise sector?*

Understanding the ways in which a cultural economy serves communities necessarily begins with an understanding of those communities. Much of the New Mexico’s population and economic resources are located along the Interstate 25 corridor. Communities lying beyond the easy reach of Bernalillo and Santa Fe Counties are often overlooked and under-

resourced. Therefore, a primary aim of this research project was to successfully conduct outreach and research beyond the Rio Grande corridor, in some of our most impoverished and underserved areas: San Juan, Cibola, and McKinley Counties.

Our research occurred in these communities:

- Grants
- El Morro
- Gallup
- Acoma Pueblo
- Thoreau
- Laguna Pueblo
- Teec Nos Pos Chapter
- Farmington
- Jemez Springs
- Shiprock
- Zuni Pueblo
- Ramah Navajo Reservation
- Santa Fe
- Taos
- Albuquerque

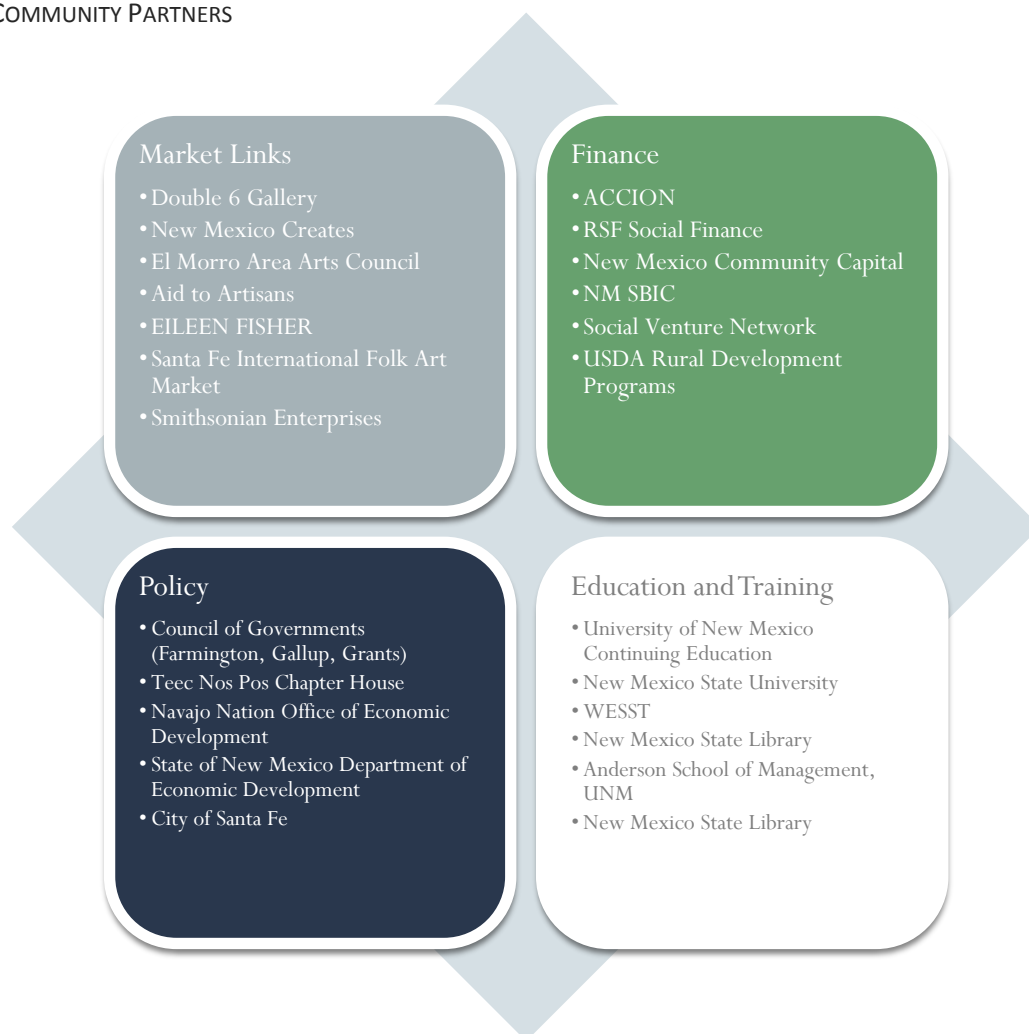
By reaching out to diverse communities, entrepreneurs, and leaders located in western counties we sought to (1) gain a deeper understanding of the social and cultural impacts of the cultural economy in these communities; (2) bring insight as to the ways families and children benefit from the cultural economy; and (3) understand the needs, challenges, and barriers cultural entrepreneurs face in building their businesses.

In addition to the above three research goals, we sought to establish a resource and support network for developing cultural enterprises through hosting convenings, workshops, and conversations.

To accomplish the above goals our team

- Spent over 1000 hours in San Juan, Cibola, and McKinley Counties in the past six months;
- Worked with 23 community partner organizations in: market link development, policy, finance, education & training;
- Interviewed and talked with over 100 residents in 15 communities;
- Conducting 28 in-depth interviews with economists, cultural entrepreneurs, Pueblo and Navajo entrepreneurs, policy leaders, educators, and youth;
- Hosted a day-long Native American Cultural Entrepreneurs Summit at the Institute of American Indian Art, bringing together over 30 American Indian business people, policy leaders, educators, and scholars;
- Participated in two community meetings discussing market opportunities for the communities' cultural sectors
- Hosted a Community Cultural Economy Cluster Meeting in El Morro.

#### COMMUNITY PARTNERS



In addition to the above qualitative research goals, we also sought to measure New Mexico's cultural economy, as well as the local cultural economies of San Juan, Cibola, and McKinley Counties in terms of: (a) percent of people self-employed in the cultural economy, (b) percent of "workers" in the cultural economy, (c) contribution of the cultural economy to family economics, (d) beneficial impacts of cultural entrepreneurship and cultural workers on family social systems, (e) health and wellness indicators for children living in cultural entrepreneur and cultural workers households.

### Quantitative Methods

To measure the cultural economy we used the Public Microdata files for the combined 2005, 2006 and 2007 American Community Surveys (ACS), conducted by the U.S. Census Bureau. These are the most recent and comprehensive data available for the United States population, and provide a wealth of demographic and socio-economic information about people in the United States. By using the Microdata, which provides the specific responses for each individual participating in the survey, we can examine the well-being of households and communities by the economic sector in which their members participate. Box 1 in the Appendices provides greater detail about the ACS.

Herein we identify cultural workers as those who are either (1) engaged in cultural activities or (2) work for companies that produce cultural goods and services<sup>xiii</sup>. The first definition reflects a worker's **occupation**, including designers, writers, librarians, artists. The second definition reflects a worker's **industry**, including publishing, motion pictures, television broadcasting and the manufacture of goods used by these industries. Most of our cultural categories coincide with those used in a similar study commissioned by the New England Foundation for the Arts (NEFA)<sup>xiv</sup>. The main departure is that we include agriculture, animal husbandry and forestry as cultural activities due to their importance to New Mexico cultures. A list of all included industries and occupations is located in the Appendices.

We also distinguished Cultural Entrepreneurs from other Entrepreneurs and from cultural workers employed by others. In the ACS, workers identify whether they are self-employed or work for others. We use this distinction to identify entrepreneurs, and use the terms "entrepreneur" and "self-employed" interchangeably.

## Qualitative Methods

During multiple visits to the Three Counties' communities, through visiting art galleries, theatres, restaurants, and official government offices, communication was established and relationships were developed with a cross-section of community members. Field researchers introduced themselves as working with a non-profit organization that supports artists and cultural entrepreneurs. Upon explaining the purpose of the project, "to find cultural entrepreneurs and understand their needs", references to further contacts and resources emerged.

From an initial few contacts, references to additional people who might be interested in the project evolved into a set of more than 100 community members and entrepreneurs from all walks of life and operating in myriad sectors of the community. We met with designated community leaders and people who emerged as community leaders. We met with educators, economic development practitioners, Pueblo leaders, shop owners, bankers, sculptors, performers, doctors, and sheep ranchers. The primary sampling method employed was simply a snowball method, suitable for field work with an anthropological bent<sup>xv</sup>.

Field researchers maintained meticulous notes, clarified the data in notes with entrepreneurs when required, and verified data by conducting multiple interviews in a community. Through recording interviews with twelve community leaders and cultural entrepreneurs, we developed a sense of the concerns of the communities we visited, an understanding of the challenges and opportunities, and insight as to how cultural enterprise development practitioners could be most impactful in the region.

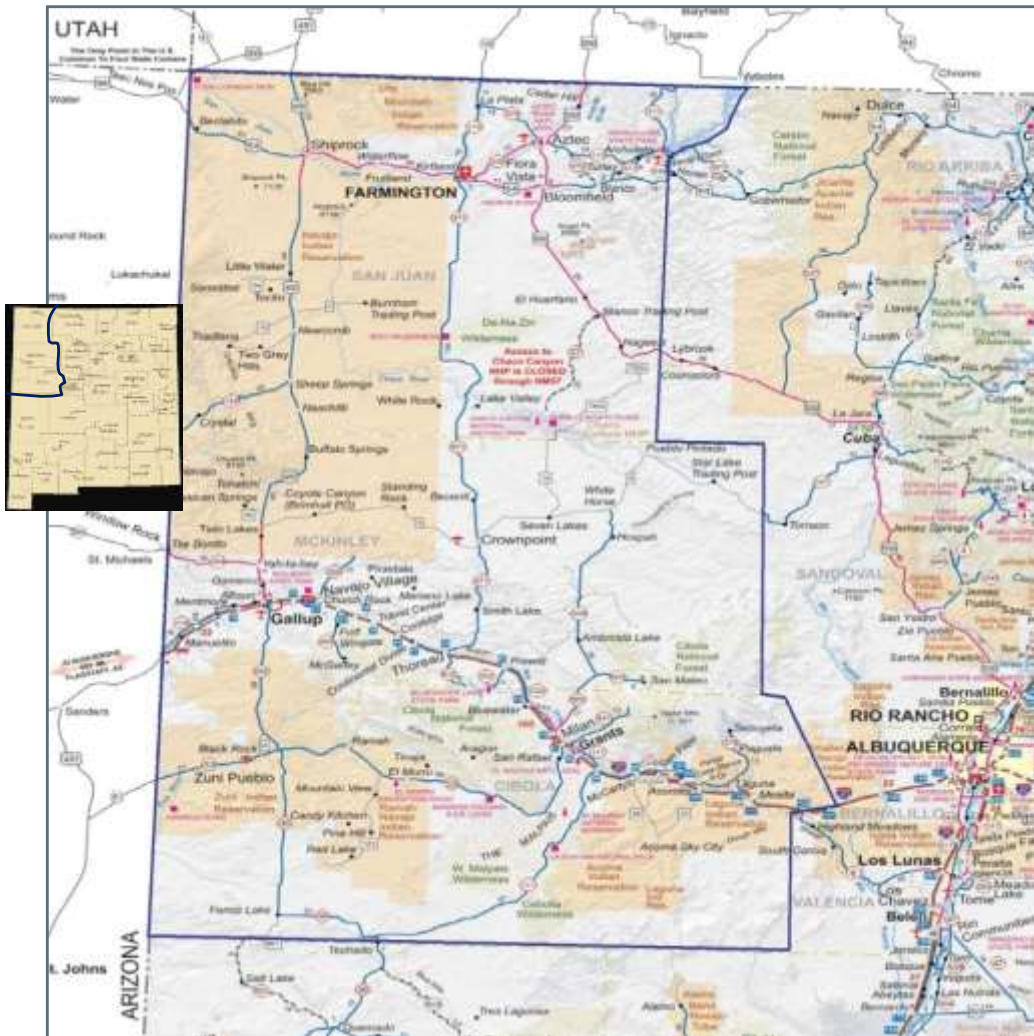
Qualitative data analysis provides researchers with texture, color, and depth that, when combined with quantitative data, provide a complex and multi-dimensional portrait of a community, issue, or problem. The themes that consistently emerge across discussions with diverse people provide frames through which the statistical data become meaningful. The qualitative findings presented in this report reflect the themes that, upon, analysis, were dominant in the qualitative data and shape a robust understanding of cultural enterprise issues in the Three Counties.



Hand-painted fabric by  
Patricia Michaels, Fashion and Textile  
Designer, Taos Pueblo  
Photo by Jennifer Esperanza



## Area of Study



Blue Line Outlines “Three Counties” Study Area

Map Provided By New Mexico Department of Tourism

New Mexico is predominantly White, non-Hispanic (42%) and Hispanic (44%). There is a sizeable Native American minority of about 9%, while African and Asian Americans combined comprise only about 3% of New Mexico’s population. Residents of Cibola and McKinley Counties are overwhelmingly Native American, at 63% of the area’s population. The next largest group is Hispanic, at 19%, followed by White, non-Hispanic at 15%. San Juan County is 45% White, non-Hispanic, 35% Native American, 18% Hispanic, and 1% African and Asian-American.

The three counties vary considerably in their economic bases, ethnographic make-up, and geography. McKinley County, population 75,000, located to the south of San Juan County, is one of New Mexico's poorest counties. Bisected by Interstate 40, McKinley is home to Gallup, a large trading area easily accessed by people living on Zuni Pueblo, Navajo Nation, Ramah Navajo, and neighboring Hispanic villages. Cibola County, population, 25,000, is home to Mt. Taylor, Grants, and both Acoma and Laguna Pueblo. Located on Interstate 40, Grants is the largest town in the County and is frequented by travelers stopping on their way to Albuquerque or points farther.

Across a vast portion of the counties is the Navajo Nation, the largest Native American Reservation in the US. The Nation is governed by 110 Chapter Houses, with elected officials and internal governance policies and procedures. Navajo communities tend to be spread out, with houses often hundreds of yards, or even miles, from one another. Today many Navajos live and work near urban areas like Farmington –often working in the oil and gas industries.

### The Navajo Nation

Full Map Available at this [Link](#)

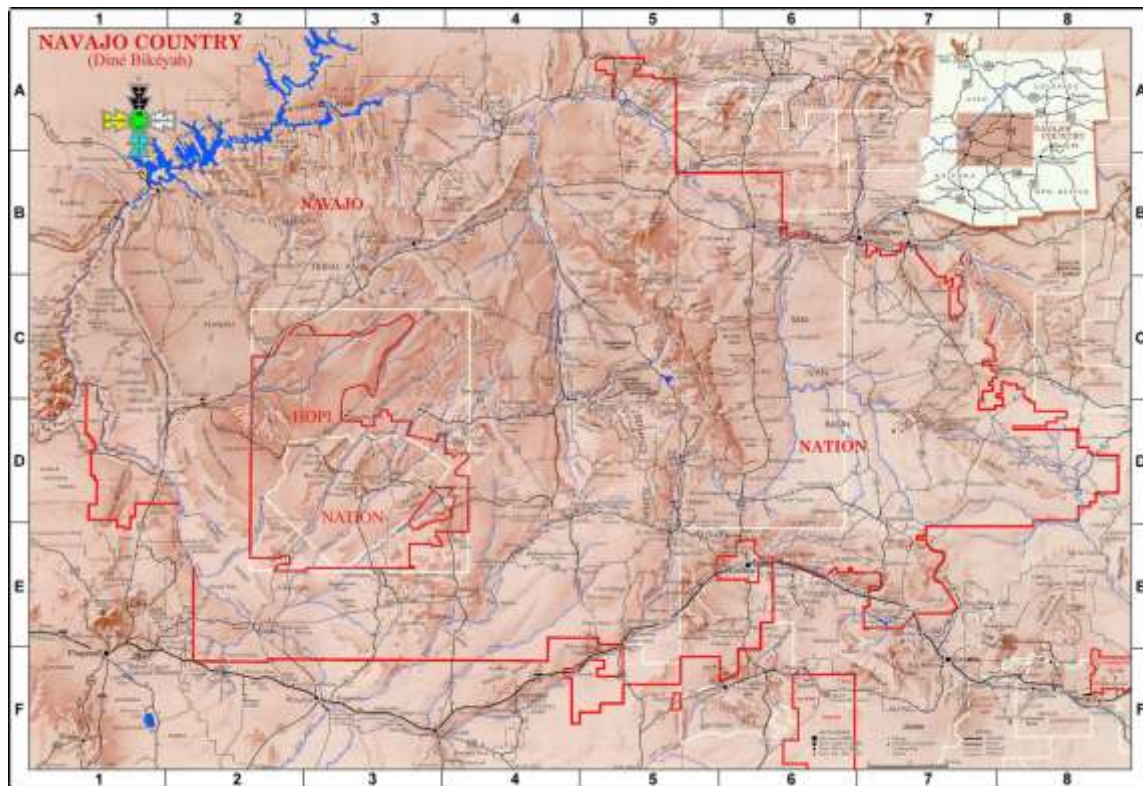






Photo: Denise Avila

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*“I want the world to feel the Native American culture; I want them to feel they are being invited into a common ground.”*

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**Patricia Michaels, Fashion Designer**

*Taos Pueblo, New Mexico*

### Impact of the Cultural Economy on Families

Families thrive when their community offers a dynamic ecosystem of education, health and culture resources alongside economic opportunities. More importantly, children prosper and grow into healthy adults when their families are economically and culturally secure. Previous studies have demonstrated the clear links between health, nutrition, education and family economics<sup>xvi</sup>. **This study is the first to establish links among a family's cultural security, economic stability, and social well-being.** The findings of this report are based on the final data report of Dr. Melissa Binder.

Statistics on children's health and well-being are generally reliable indicators of family resources, stability, and security<sup>xvii</sup>. Therefore, to understand how New Mexico's families participating in the Cultural Economy fare, we measured data on child welfare and well-being to gain insight as to their economic, educational, health, and social prosperity. **Refer to the Appendices for full Data Tables.**

#### JUXTAPOSITION of POVERTY and WEALTH

While measures of poverty indicate a lack of economic resources, they may overlook cultural resources. In New Mexico, our "poor" communities are often juxtaposed within a realm of cultural wealth. This wealth is measurable in part by our diverse make-up and richness of language abilities. Not surprisingly, with sizeable Hispanic and Native American populations, 41% of New Mexico's households contain a member who speaks a non-English language at home, compared with 19% in the United States. Multilingual households are even more common in Cibola/McKinley, where fully two-thirds of households contain a non-English speaker!

**Table 1: New Mexico vs. National Educational Attainment<sup>xviii</sup>**

	San Juan County	Cibola/McKinley Counties	National
Beyond High School	43.7%	34.3%	50%
Less than High School	21%	31%	16%

Despite our richness of cultural, ethnic, and racial backgrounds, we have been unable to generate widespread opportunities in the economic sphere. As such, families—and children—often are not able to meet basic needs. Household income in New Mexico is \$9,000 less than the national average, and **in Cibola/McKinley, income is \$17,000 less than the national average.** These figures translate to poverty rates of 18% for New Mexico and 31% for Cibola/McKinley, compared with 14% nationally.

A bright note in the midst of this economic data, indicating a striking opportunity for economic development interventions, is found in Cibola and McKinley Counties: both have much higher rates of working at home and in terms of entrepreneurship, Cibola/McKinley are slightly above the national average of 10%. Moreover, Cibola/McKinley has much higher rates of cultural economic activity than the United States as a whole: 16.2% of workers in these counties are defined as cultural workers and **2.5% of Cibola/McKinley workers are cultural entrepreneurs, compared with only 0.9% nationally.**

#### CHILDHOOD POVERTY

As is well established<sup>xix xx</sup>, children in the United States experience poverty, and the enduring related disadvantages<sup>xxi xxii</sup>, at higher rates than adults. For the country as a whole, child poverty exceeds the total poverty rate by 3.4 percentage points. The difference in New Mexico (Table 2, Appendices) is even more pronounced: the proportion of children in poverty exceeds the population proportion by 7.4 percentage points. In San Juan, child poverty exceeds overall poverty by 15.8 percentage points; in Cibola/McKinley the difference is 12.3 percentage points. The end result is extremely high poverty rates for children: 26% in New Mexico, 23% in San Juan, and 42% in Cibola/McKinley.



Photo by Vince Alongi

The **higher child poverty in New Mexico corresponds to lower labor force participation rates of parents:** 18% of children in New Mexico have parents who do not participate in the Labor market, compared with 14% nationally. In Cibola/McKinley, fully 27% of children live with parents who do not participate. Children in Cibola/McKinley are also 1/3 more likely to live apart from their parents, compared to the United States average: the proportion of children in foster care and those being raised by grandparents in those counties is close to double the national averages. Finally, **42% of children in Cibola/McKinley live with a single parent household**, compared to 32% for New Mexico and 27% nationally. Nevertheless, pre-school enrollment rates for Cibola/McKinley, at 42%, exceed the New Mexico average of 38%, and are the closest in our study area to the national average of 46%.

On this measure, San Juan children are the most disadvantaged, with rates of only 30%. San Juan County also has markedly lower enrollment rates for children 6-15 years of age and for teenagers 16-19 years of age. Recall that San Juan also has markedly lower food stamp coverage. Together, these results suggest that San Juan's social service infrastructure is weak.

### Children Fare Better in Cultural Economy Households



Photo by Pratham Books

We divide children into five, mutually exclusive categories, following the cultural and entrepreneurial employment status of the adults they live with (Table 3 in Appendices). 2.3% of New Mexico's children live with at least one Cultural Entrepreneur (a self-employed worker in a cultural industry or occupation). ACS counts 11,394 cultural entrepreneurs in New Mexico. And, Census data<sup>xxiii</sup> show that New Mexico is home to 558,000 children. Therefore, we can estimate that, **approximately 12,834 children (2.3% of children) live with a cultural entrepreneur in New Mexico. Approximately 65,286 children, or 11.7%, live with at least one Cultural Wage-Earner.**

**Table 2: Indicators of Risk**

Percent of Children for each Category	Children w/ a Cultural E-preneur	Children w/ a Cultural Worker	Children w/ (any other) E-preneur	Children w/ (any other) Worker	Children w/ No Worker
Living in poverty	<b>15%</b>	21%	21%	20%	68%
Receiving foodstamps	<b>14%</b>	22%	15%	17%	53%
Children w/ disability	<b>4.3%</b>	5.5%	4.4%	5.6%	11%
Living w/ single parent	<b>20%</b>	33%	21%	30%	63%

**Children living with a Cultural Entrepreneur are less likely to live in poverty, live with a single parent, be disabled, or receive food stamps.**

Not surprisingly, children living in households with no working adults have much worse indicators than children with working parents: 2/3 are in poverty, 63% live with a single parent and 11% report a disability. These figures underline the crucial link between labor market opportunities and risk factors for children.

Cultural workers, both self-employed and wage-earner, can be distinguished from non-cultural workers on several dimensions. Children in cultural worker households are more likely to speak a language other than English at home. This suggests that cultural workers are more likely to pass language to their children. Cultural worker households are also much more likely than non-cultural households to live in extended families. **These findings suggest a potential link between cultural workers and the preservation of traditional culture (Table 2).** Therefore, developing cultural entrepreneurship capacity in families and communities holds promise to create both economic and cultural well-being.

**Table 3: Indicators of Well-Being**

Percent of Children for each Category	Children w/ a Cultural E-preneur	Children w/ a Cultural Worker	Children w/ (any other) E-preneur	Children w/ (any other) Worker	Children w/ No Worker
Enrolled in preschool	<b>55%</b>	38%	35%	40%	40%
Teen enrollment in school	<b>84%</b>	77%	85%	80%	82%
Child speaks a second language	<b>35%</b>	37%	26%	30%	35%

#### VARIATION ON A THEME

San Juan and Cibola/McKinley counties do not walk lock-in-step with the rest of New Mexico. Here we explore whether the conclusions for the Entrepreneurial and Cultural sectors for the state as a whole also hold for these counties. Because of smaller sample sizes in San Juan and Cibola/McKinley, we are unable to draw inferences about cultural entrepreneurs as a separate group<sup>xxiv</sup>. Instead, we compare cultural and non-cultural worker households (whether self-employed or wage earners) and entrepreneur and wage-earner households (whether cultural or not).

The poverty rate much is lower for children in households with cultural workers in San Juan (8.5% vs, 19.2%), but not lower for cultural workers compared to non-cultural workers in Cibola/McKinley. This likely reflects the kinds of cultural jobs available in each area. Mirroring the statewide results, children in cultural worker households are much more likely to speak a language other than English in all three counties. In Cibola/McKinley, disability rates for children are half the rate for cultural workers compared with non-cultural workers. This distinction does not hold for San Juan, where children in both categories have similar disability rates. In both areas, children in entrepreneurial households have much lower disability rates.



Finally, children in entrepreneurial and cultural worker households are much less likely than other children to live with a single parent in Cibola/McKinley, while in San Juan, such children are somewhat more likely to live with a single parent. Children in cultural worker households are more likely in both areas to live in extended family households.

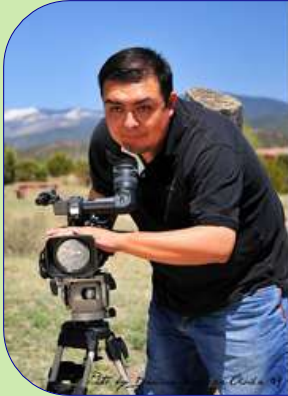
The distinct experiences of the San Juan and Cibola/McKinley suggest that cultural economic activity may have varying effects on the well-being of children depending on local conditions and resources. Cultural worker households may have lower poverty rates in San Juan County because the population is more concentrated, or is located near Farmington, a

relatively large town with enterprise services. And yet, the markedly lower disability rates, more prevalent extended family structure and more work opportunities for teens among cultural worker households in Cibola/McKinley suggests that **even if cultural worker households experience poverty at the same rates as non-cultural worker households, the outcomes for children in cultural worker households are better.** Taken together, the data provide evidence that promoting cultural entrepreneurship is a viable economic development strategy and, encouragingly, this evidence holds true in areas beyond New Mexico, as well.

The data provide evidence that promoting cultural entrepreneurship is a viable economic development strategy.

This evidence holds true in areas beyond New Mexico, as well.





**“You’ve gotta start from where you come from, first.”**

Jonathan Sims hasn’t followed an obvious or common path to making a living through visual media. “I have so many friends—so many contemporaries of mine that have gone to film schools. They talk about their first films and it’s really something that’s cool and avant-garde. And my first reel that I actually produced was a training video on septic tank installation for the EPA!” Today Jonathan operates his own video production company and teaches language educators to use video as a tool. In 2006 Jonathan was awarded the “New Visions/New Mexico” Award for his documentary *A Race Against Time: the Fight to Save New Mexico’s Native Languages*. He used the award to purchase his own equipment.

With his own equipment, Jonathan began getting more gigs. “I sort of stepped off of working on the big-time productions, and really got into doing contracts with local places... I picked up a contract from Zuni Pueblo Housing to do videos for them. I had no idea what I was doing business-wise.” Jonathan ran his business without much thought about a business plan or strategy. “I ran my business for two years without any advertising at all; just word of mouth. No website; just handing out my business card.

For Jonathan, a substantial piece of his learning has been about how video methods and technology can support a community. “There’s the whole art world, and there’s the whole Hollywood world, and then there’s the world I’m coming out of, which is really grassroots. There’s part of me that would really like to be a player on these big film sets, but the more and more that I was on them, I was just kind of like, you know what—if I never saw another major film set, and just concentrated on what I’m doing now, I would be totally fine with that.” He adds,

**“Because, there’s so much potential in media now for little communities.”**



The findings from the Three Counties region and across the state of New Mexico indicate that cultural enterprises contribute to the development of family economic and cultural assets. Yet, do these findings hold true in marginalized communities where holistic development strategies are needed most? Our last inquiry asks whether American Indian families with more cultural work and entrepreneurship fare better than communities with less of these activities. In other words, **does the availability of cultural work predict family prosperity and health for American Indians more than non-cultural work?**

Our sample includes the eight PUMAs where Native people comprise at least 20% of the population. The McKinley County PUMA area is among the eight. See **Table 5** in the Appendices for complete data and list of the communities. We rank the communities by the prevalence of cultural workers, cultural entrepreneurs and entrepreneurs in both cultural and non-cultural activities and then compare characteristics of residents who live in the three top-ranked communities in each category with those who live in the three bottom-ranked communities.

High Cultural Worker communities are on average more populated by Natives than Low Cultural Worker communities, and the High Entrepreneurship communities are more White than the Low Entrepreneurship communities. Both High Cultural Worker and High Entrepreneurship communities have higher education levels and lower poverty. High Cultural Worker communities have higher employment rates. Children are less at risk in High Cultural Worker communities, with lower disability rates, lower incidence of non-working parents, lower rates of single parenthood and higher preschool enrollment rates. By contrast, High Entrepreneurship communities and Low Entrepreneurship communities are very similar along these dimensions. Finally, both High Cultural Worker and High Entrepreneurship communities generate more employment opportunities for teens.

Because there are only eight communities, our comparisons are suggestive only, because there are likely to be important differences among the communities other than cultural work and entrepreneurship. For example, if these activities are associated more generally with economic development, we may in fact be measuring economic development and not cultural work and entrepreneurship. Still, it is intriguing that **cultural activity appears to be more closely associated with positive outcomes than entrepreneurship alone in American Indian communities.**



Native American descriptions of “success” and wellness emphasize family cohesion<sup>xxv</sup>, cultural strength, and traditional lifeways. Children are taught to integrate concepts of culture, economy, and family and, from a young age, can express the connections among tradition, lifestyle, and wellness (Illustration 1). In Native communities leaders expressed sentiments more specifically concerned about their youth being able to “connect with our traditions”<sup>xxvi</sup>. As Native traditions and practices tend to be place-based, Native people strongly believe it is essential their youth can come home so they can participate in community events and activities. Losing talented youth to the dominant economic system is a concern all Native communities expressed<sup>xxvii</sup>.

Many Native leaders identified cultural entrepreneurship as a tool for “retaining our language and traditions.” Notably, Native leaders embrace cultural entrepreneurship in some cases because it bridges historical traditions, explaining that, “It continues our centuries-old tradition of bartering, trading.” And multiple American Indians expressed that cultural entrepreneurship is “compatible with Native Americans’ core values of ethical living.” The range of beliefs we heard included concepts related to sovereignty and dignity and included: “Cultural entrepreneurship generates opportunities for us to express pride in our culture and heritage” and “Cultural entrepreneurship allows us to maintain ownership of our own cultures.” It is reasonable to conclude that economic development strategies that integrate cultural activity with economic asset building hold greater promise.

**Table 4:** Communities with High and Low Prevalence of Cultural Work, Cultural Entrepreneurship, and All Entrepreneurship

		All Cultural Workers		Entrepreneurs	
		High	Low	High	Low
Median household income	\$49,000	\$47,087	\$37,200	\$43,020	\$45,464
Bachelor's Degree	10.2%	14.2	8.4	13.6	8.7
Employed (% of population)	56.0%	57.5	50.9	55.4	53.3
Children living in poverty	30.6%	30.0	35.9	26.1	30.0
Children with a disability	5.4%	5.5	7.2	6.7	6.6
Single parent in household	33.3%	35.1	38.0	30.3	31.4
Preschool enrollment rate	47.2%	40.8	33.3	41.3	42.6
Teen enrollment rate	76.4%	82.5	74.9	82.6	73.3
Child speaks language other than English at home	25.9%	23.9	26.2	10.3	32.8

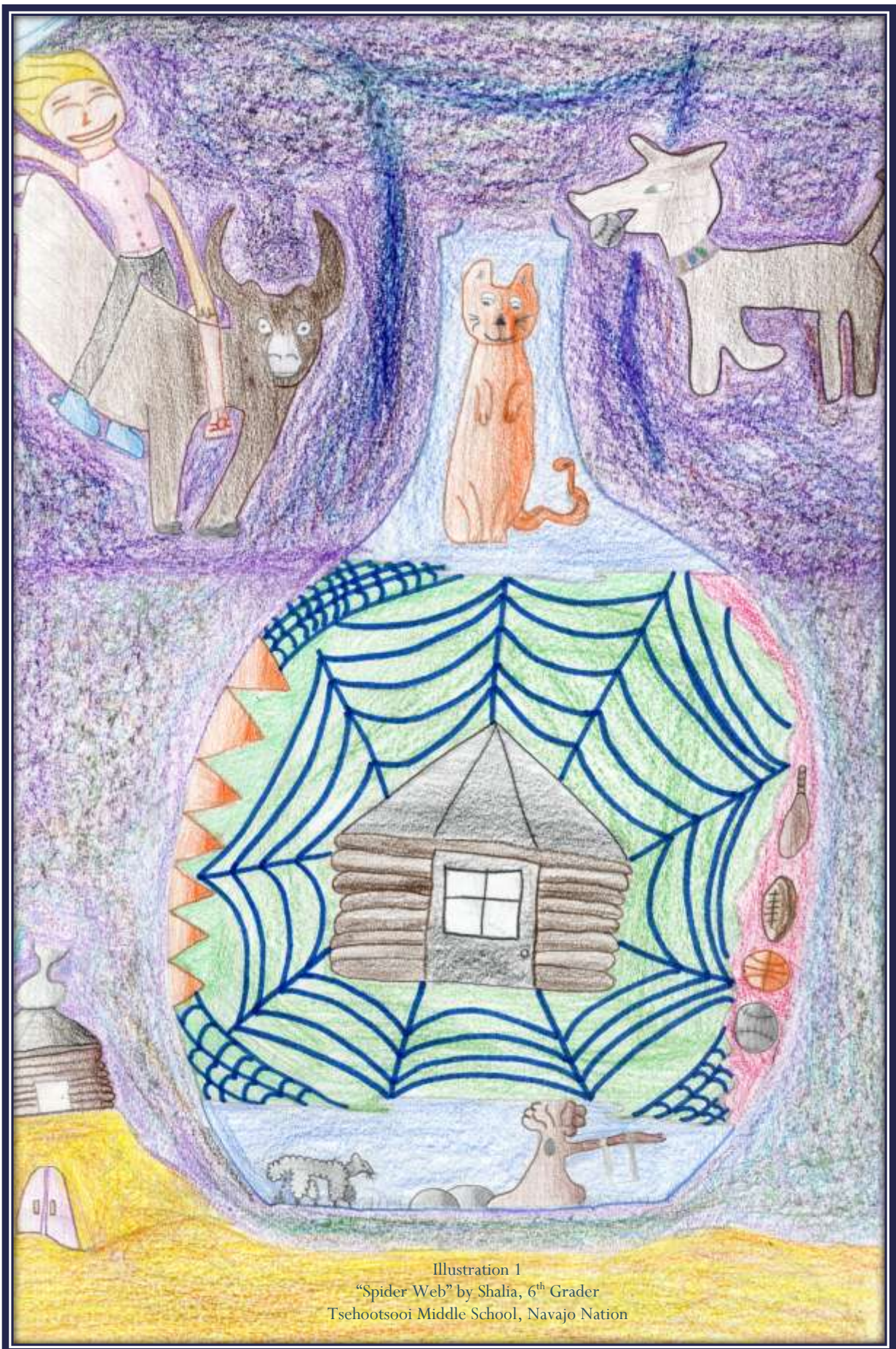


Illustration 1  
"Spider Web" by Shalia, 6<sup>th</sup> Grader  
Tsehootsoo Middle School, Navajo Nation



## Cultural Security and Community Engagement

It makes sense that children raised in the homes of cultural entrepreneurs fare better than other children. The sense-making is found in the joining of the two words that make up the term itself. A cultural entrepreneur is someone who taps into existing markets, or develops new ones, in order to sustain a cultural system that is traditional to that place and the people who make their homes there. Cultural entrepreneurs are functional navigators--skilful alchemists--combining aspects and processes from multiple systems to create cultural balance and improved livelihoods for their families and communities.

### CULTURAL SECURITY IS SELF-DETERMINATION

Cultural entrepreneurship offers a path to self-determination: cultural entrepreneurs create their own enterprises, from their own ideas, in ways that make sense within their own communities. Cultural entrepreneurs reconcile traditional cultural systems, the systems that inform the way we all live our everyday lives, with the cash economy/capitalist system. In a conversation with Dr. Lisa Little Chief Bryan<sup>xxviii</sup>, Professor of Entrepreneurship, Dr. Bryan boldly stated: “Cultural entrepreneurship is self-determination.” Dr. Bryan was born and raised on the Rosebud Reservation, South Dakota, and continues to celebrate her Lakota traditions while teaching entrepreneurship at the University of South Dakota.

Dr. Bryan’s reflections on the intersection of entrepreneurship and culture come from her roles as a business owner, an award winning scholar, a community leader, and a mother of three. Children in the home of cultural entrepreneurs are raised in an environment where these processes of negotiation are always taking place. Ideally, they are educated toward an understanding of both systems and their points of interconnection. They learn by example to respect and prioritize both the local cultural system and the acts through which a livelihood is created. **Esteem in such a household must certainly be elevated when compared to households in which people live with a feeling of helplessness in the face of lifeways in a state of disintegration.**

Additionally, the cultural economy provides meaningful occupations: cultural entrepreneurs are people for whom meaningful occupation is necessary. Other employment options available – which may include extractive industries or gaming-- may be unacceptable to the person for whom sustaining cultural systems and knowledge is a priority.



Photo: Jeannette Verster

**A Note from the Desk of Lori Breeden, PhD, Occupational Scientist**

*“Cultural Entrepreneurship as Meaningful Work”*

The term occupation, in common usage, refers to a person’s vocation or job. The discipline of occupational science, however, conceptualizes occupations as culturally and socially valued activities, and may or may not refer to paid work. The daily organization and orchestration of these activities contribute to health and well-being by providing individuals with a sense of meaning, purpose, connectedness, and balance over the course of the lifespan.

Understanding occupation through the lens of occupational science, then, opens up the possibility of viewing a person’s job in this broader sense, as an activity which provides meaning throughout one’s life. Often, measures of job success focus on income rather than on feelings of communal contribution or personal fulfillment. For some, though, the need for this kind of fulfillment overrides the need for monetary income. In many rural and tribal areas, the number of employment options may be limited, and, as well, may be in industries which are not aligned with the core values or cultural practices of the community. People in these communities are sometimes forced to choose between readily available jobs that are contrary to their cultural values, and piecing together a livelihood outside of the realm of more accessible “jobs”.

The challenge of integrating culturally aligned, meaningful occupation and income generation is the path of the cultural entrepreneur. Cultural entrepreneurs’ occupations impact a sense of identity and create the perception of a life well-lived. The work of cultural entrepreneurs is not only a meaningful, purposeful personal activity (i.e., occupation), it is of primary importance to supporting organization of the surrounding community.

Despite tremendous challenges and disincentives, cultural entrepreneurs find ways to maintain and advance their careers through a range of creative and adaptive strategies. Their careers may or may not be entirely successful at a given time, but the goal of staying in the game, of adapting business principles in support of cultural practices, gives structure to, and influences, these individuals’ life choices and activities.

The challenge of integrating culturally aligned, meaningful occupation and income generation is the path of the cultural entrepreneur.

## CULTURAL ENTERPRISES FOSTER COMMUNITY ENGAGEMENT

When disparate cultural and economic systems collide, as has been happening in New Mexico for nearly five centuries, community members are often left on opposing sides of an argument that has no clear solution. Engaging communities where residents are immersed in inter-cultural tension is especially challenging. Cultural enterprises, and the community action that facilitates them, offer an arena in which those oppositional stances are melted away in commitment to place and community.

[Grants, New Mexico](#), a town of less than 9,000, is what some people there call a “boom & bust town.” Oft called the “Gateway to [Mt. Taylor](#)”, Grants sits under the shadow of this 11,000 ft. volcanic peak. Logging, the railroad, and uranium mining have all brought industry to Grants. Earlier this year a vote determined Mt. Taylor a “Traditional Cultural Property” putting plans for a revival of the uranium mining that had engendered Grants’ last “boom” on hold<sup>xxix</sup>. The residents of the region took sides and frustration turned to violence that left some injured, others jailed.

But in the [Double 6 Gallery](#), on Main Street, Grants, you wouldn’t suspect this conflict. These tensions are not obvious when attending events at the gallery: Acoma potters, Navajo painters, Hispanic sculptors, Anglo landscape artists (one of whom is the wife of the former mine manager) cooperate to make the Double 6 Gallery a shared community endeavor, a

continuing place of community engagement around cultural expression.



Throughout discussions in diverse communities, people shared their strong interest in cultural entrepreneurship and were quick to describe ideas for cultural products, markets, festivals, or services. And, consistently, cultural entrepreneurship discussions centered

on “What we love about this place” and rang with a sense of shared values and beliefs about community. This interest demonstrates the commitment communities have to sustaining their cultural identity while addressing economic issues. The depth of commitment to cultural practices and the belief that economic/business principles could, and should, be utilized in support of those practices, toward the development of local cultural economies, were made immediately and abundantly clear by the people with whom we spoke.

When asked to identify the benefits cultural entrepreneurship brings to a community, artists are quick to speak up; their notions of what constitutes cultural entrepreneurship and its benefits reflect the thoughts and comments from educators, policy leaders, and town business people. And heartfelt comments from elders and recent parents alike expressed the desire for cultural continuity: “Cultural entrepreneurship creates connections among the generations through passing down skills, knowledge, and traditions.”<sup>xxx</sup>

In all communities the integration of cultural and economic values was readily described: “Cultural entrepreneurship builds ventures that integrate modernized and timeless principles... it generates greater opportunities for our youth to stay in our communities.”

Rural communities emphatically express their desire to remain rural and frequently discuss the benefits of cultural enterprises in both creating a high quality of life and enabling livelihoods in rural locales. A common theme in rural community discussions was the goal of decreasing leakage and “keeping the dollars so they circulate more in our communities.” Rural communities often express their desire to become economically independent – moving “away from our dependence on government subsidies.”

“I know your work with this area is going help in opening the Cibola area for the arts and cultural economic development, which we have hoped and worked towards for so long.”

~ Ava Peets

Miriam Leth-Espensen, owner of the [Santa Fe School of Weaving and Miriam's Well boutique](#). Remarking on the learning the nuts-and-bolts of running a business, Leth-Espensen says she didn't find much help in local small business development organizations. “Their interest in not small entrepreneurs; they're the standardized business model.” Regarding useful support for entrepreneurs, she states that:

*“The thing that small entrepreneurs all have in common is that they have to move their product. All the other things offered--that are supposed to be helpful--pale in comparison. There's only one thing that we need, and that's a way to sell our product. Everything else falls into place after that. So, if you want to do something helpful for small entrepreneurs, create a market for them.”*

Photos: Denise Avila



*Cultural* entrepreneurial activity appears to be more closely associated with positive outcomes for children than entrepreneurship alone.

~ Melissa Binder, PhD

## "A Path Forward"

The data indicate a clear imperative: investing in cultural entrepreneurs and enterprise development is the crucial next step for building a regional economy that addresses poverty while embracing cultural diversity and building social inclusion. By targeting our investments and increasing the capacity of cultural enterprises, we simultaneously improve livelihoods, fortify cultural diversity, and build into future global economic opportunities.

Below we outline a path forward and make recommendations in six specific areas; a strategic approach and **targeted actions** are highlighted in **bold** for each area.

### Invest in Cultural Entrepreneurs

Entrepreneurs drive wealth creation and job opportunity development.<sup>xxxi</sup> "Between 1980-2005 nearly all net job creation in the United States occurred in firms less than five years old. This data set also shows that without startups, net job creation for the American economy would be negative in all but a handful of years."<sup>xxxii</sup> In New Mexico, cultural entrepreneurs are a piston in the engine of economic development and future job opportunities. Investing in cultural entrepreneurs is paramount to investing in the future economic security for communities across the state.

Every entrepreneurial venture is challenged to build a product that successfully meets growing market demand in a profitable manner. Putting in place the right team and talent, raising sufficient capital, and staying ahead of market trends demands constant innovation and adaptation from an entrepreneur. In the case of cultural entrepreneurs living in New Mexico, we found that each of these areas pose significant barriers to success and must be addressed if we are to foster a vibrant cultural economy in the face of growing competition from other states and global regions.

Cultural entrepreneurs participate in unique markets and need resources designed for their unique needs: cultural enterprise development resources and programs should have deep expertise in cultural enterprise development. Issues ranging from cultural intellectual property to entertainment law to product development to balancing cultural authenticity with market trends require both cultural business expertise and comprehension of cultural dynamics.



While the cultural economy accounts for 12% of our workforce, resources targeting emerging enterprises in this realm are scarce. Challenges and barriers to success in the cultural entrepreneurship realm are far easier to observe than resources and support services. Resources available to entrepreneurs in industries like high tech, manufacturing, and energy production far outpace those available for this essential component of our state's economy. **Therefore, capacity and expertise within cultural enterprise development organizations must be supported.**

#### ACCESS TO CAPITAL

While business investment in New Mexico has been on the rise for several years<sup>xxxiii</sup>, and many economic development leaders agree there is sufficient capital available to entrepreneurs<sup>xxxiv</sup>, bringing small business owners from marginalized or rural communities into the flow of capital is difficult and requires extensive outreach, support, and education in communities across the state. Our findings demonstrate that rurally located entrepreneurs need both (1) connection to and information about business financing and (2) different kinds of capital: microloans, community development capital, slow and small investment capital, and “smart money”. Borrowing capital is the most common form of financing a new business. Those without wealthy friends and family must rely on banks, credit cards, pawn, and even predatory lenders.

On top of needing to bring new forms of capital into cultural enterprises – and new business structures that accommodate new forms of capital – lenders and service providers must consider how to assist cultural entrepreneurs in successfully navigating the realm of financing. Many women, rural, immigrant, and Native entrepreneurs are unaware, uneducated, or unsure about capitalizing their ventures. Providing information and advocacy to and for cultural entrepreneurs is necessary if capital is to flow in rural and underserved communities. Therefore, it is imperative that investments be made in outreach and community engagement services that reach into marginalized communities, build relationships and trust, and **connect cultural entrepreneurs to financing information and sources of capital.**

More basic than building a bridge to suitable capital is the need to create viable borrowers in rural, underserved, and Native communities. Potential borrowers often lack the credit history or collateral essential to qualifying for a small business loan. Many people living in tribal communities are denied land and home ownership due to federal policies; these oppressive policies force Native entrepreneurs to borrow from predatory sources, use credit cards, or pawn family heirlooms to start their business. **Therefore, delivery of programs providing financial literacy and training, adapted to diverse cultural audiences and available to people of all ages is essential to creating informed and able borrowers.**

The overriding value of venture investment relationships is the value-add professional investors bring, what some call “smart money”<sup>xxxv</sup>. Venture capitalists are committed to the success of ventures they invest in and provide mentoring, market connections, management talent, and additional investment sources to help build the businesses and overcome risks. While venture capital may not be suitable for many cultural enterprises, the “smart” part about venture dollars is essential to reducing the risks cultural ventures face.

Developing capital sources that specialize in capitalizing cultural ventures, just as there are venture investors who specialize in bio-technology ventures or software ventures, is crucial to building an ecosystem of viable cultural enterprises. New Mexico’s strength in cultural enterprises will grow and outpace other regions only if innovative resources are created; **therefore, we recommend the founding of a Cultural Enterprise Investment Fund that brings SMART money into cultural enterprises.**

#### ACCESS TO GROWING GLOBAL MARKETS

New Mexico is known globally for its cultural festivals and products; yet, while local markets like Indian Market and Spanish Market have built interest in New Mexico’s creative producers, these markets represent as much as eighty percent of an artist’s income-- indicating a lack of diversity in their customer base and distribution<sup>xxxvi</sup>. In recent years, as these markets and festivals have waned and sales have decreased due to economic downturns, some artists have been left without their primary income source. Diversifying into new markets in other regions and nations is essential and challenging. Market access and insight must be created for New Mexico’s cultural entrepreneurs to maintain their presence in shifting global cultural markets.

**Tapping into new national and international markets, through hosting and participating in trade and gift shows, is crucial.**

#### The 3<sup>rd</sup> Annual Hopi & Zuni Artist Show in Japan

Artists worked alongside Japanese representatives to build this annual market.

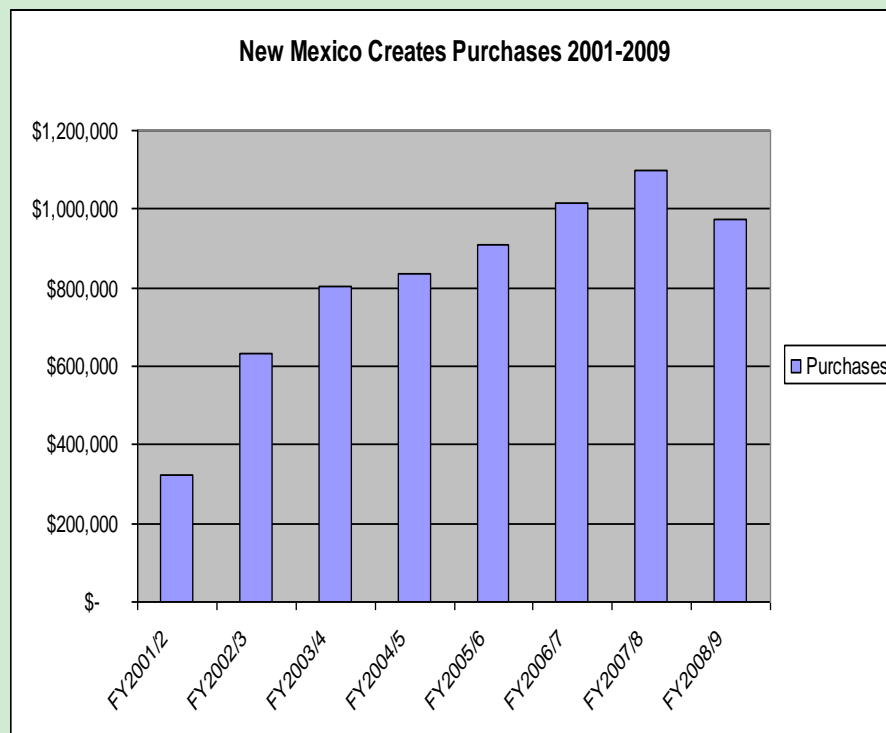


### A Market Development Success Story

## **new mexico creates** bringing you the true art of the state

The mission of the New Mexico Creates is to promote and strengthen New Mexican creative entrepreneurs, to offer visitors and New Mexico citizens the best of New Mexico created in New Mexico and to support the units of the Museum of New Mexico. NM Creates enhances the livelihoods of New Mexican artists and artisans through a model of economic self-sufficiency. The program provides an important component in the economic development of New Mexico as the total of additional income goes directly to the artists and their families in a four year period.

As a result of entrepreneurial efforts, NM Creates direct purchases from artists and artisans rose from \$325,000 annually to \$1.1 million in 2008. Over the past five years New Mexico Creates has paid an astonishing \$4,525,000 directly to artists for their work.



Through taking a market driven and mission focused approach, the MNMF Shops have worked with artisans and artists statewide. Their buyers and product developers have worked in rural villages and urban barrios. With the goal of focusing work in low-income communities - rich in talent but poor in market access-NM Creates has helped connect over 1000 of New Mexico's artisans with market opportunities to increase economic security. The MNMFShops operates in five museum shops; these shops provide New Mexico's cultural entrepreneurs access to present their works to a museum visitation of 300,000 people annually, as well as largest arts group in the state; the 7,000 members of the Museum of New Mexico Foundation. To the rural New Mexican cultural entrepreneur, this valuable market exposure, provided through the New Mexico Creates program, would otherwise be all but elusive.

The New Mexico Creates program also markets the cultural entrepreneurs of the state through special events and programs that provide additional marketing opportunities for them. These include events such as the, New Mexico Women Authors' Book Festival held annually in September. This day-long event features 75 New Mexican woman authors discussing their current work and craft in 30 minutes talks in seven pavilions. The authors are available for book signing and the MNMFShops sell their books during the day. The MNMFShops also market 25 artist trunk shows in its' Santa Fe shops during the year. These shows provide artists with opportunity to present more of their work and augment their marketing efforts in the Santa Fe area.

This outreach to communities throughout the state, the technical support provided and the marketing opportunities presented to the cultural entrepreneurs has made a significant impact to their lives and livelihoods. As on-going and growing program New Mexico Creates is an important resource in creating economic security in New Mexico.

"For ten years I have been selling my jewelry through the Museum of New Mexico Foundation Shops at Palace of the Governors and The Museum of Indian Arts and Culture. The sales of my pieces have been good and, as a result, I've acquired quite a few local and visiting collectors. Also, I like the fact that proceeds from the sales go back into the museums, which are educational facilities."

**Christina Eustace, Zuni/Cochiti Jewelry Maker**



Cultural entrepreneurs, especially those living rurally, are located far from market centers, and struggle to stay abreast of consumer trends as well as market opportunities. Furthermore, without easy access to buyers, customers, and trend information, rurally situated cultural entrepreneurs often under-price their goods and face exploitation at the hands of middle-men and traders. Connecting cultural entrepreneurs directly to markets through Internet technology will deliver more dollars into the hands of the creators. To be efficient and cost-effective in marketing directly to customers, cultural entrepreneurs can market their goods and services collectively, through artist collectives and community galleries. **As such, we suggest creating direct marketing programs with collectives of cultural entrepreneurs, connecting them to new markets, and improved price opportunities, outside the region.** Key partners in this effort can include Hand Made in New Mexico, New Mexico Creates, American Craft Council, Smithsonian Enterprises.

Crafting products and services that maintain cultural meaning and integrity, while meeting market demand, is a delicate endeavor that requires understanding of global market trends and deep connection to community beliefs and resources. Museum shops, online sellers, and development organizations have invested significantly in cultural enterprises overseas yet here in New Mexico there is need for innovative cultural product design and development as New Mexico's cultural entrepreneurs are without access to the best and brightest of those who study, design, and develop innovations in cultural products and services.

**Therefore, we recommend building a Mobile Cultural Design Center serving the product development needs of cultural entrepreneurs** working in varied industries from film to craft to music to food. This mobile design center, traveling to rural communities, will make accessible our state's existing design expertise, housed in our world-class museums, galleries, and higher education institutions. Bringing this industry expertise into rural communities, and connecting it with emerging research and development efforts at our universities will build an unparalleled resource center for cultural entrepreneurs.

#### TEAM AND MANAGEMENT TALENT

Cultural entrepreneurs tend to be exceptional artists, performers, designers, and more. They often, however, are not schooled in the full spectrum of business practices. As in other ventures, cultural entrepreneurs need to marry their talents with a complementary set of talents in order to successfully address risks in the three risk areas entrepreneurial ventures face: market & product, operations, and finance. Attracting entrepreneurial talent to new ventures, especially when there is a lack of financing to pay these new employees, is tough--yet essential.

As entrepreneurs move through the start-up phases of venture creation, they benefit greatly from support services that build a temporary team around them. Practicing entrepreneurs need resources and support in real-time and from those who can both advise and do. While traditional economic development methods of supporting entrepreneurs, i.e. workshops, websites, and brochures, reach a great number of people, they fail to move individual enterprises past the myriad hurdles and into the success column. **Therefore, we suggest creating a mentorship program to provide long-term, one-to-one industry relevant consultation for cultural entrepreneurs.** This mentorship, or fellowship, program will provide the necessary management talent and expertise to the growing enterprise as the entrepreneur builds a team.

New Mexico suffers from a lack of experienced management talent for growing companies. Yet, cultural enterprises often benefit from hiring local talent that understands intricate cultural elements of a place. Creating pools of cultural entrepreneurial talent and skills in communities across the state, through higher education based programs, non-profit programs, and public-private partnerships, is essential. **We recommend that our higher education institutions build a world class degree program in Cultural Entrepreneurship, based on Cultural Entrepreneurship Curriculum, delivered to students in all corners of the state.**

### Serve Underrepresented Groups

All people are creative, all communities have culture. In the course of this research we found that the majority of cultural enterprises require relatively little capital to start or scale. And, small businesses today enjoy a diverse array of easy-to-use Internet-based management tools. While it stands to reason that starting a cultural enterprise should be an accessible endeavor, some groups, including women and immigrants, are still under-represented in the cultural entrepreneurship realm<sup>xxxvii</sup>. The opportunity to leverage cultural enterprise as a path toward economic security for frequently marginalized groups should not be missed.

In particular, as we know that improving women's access to economic opportunities has the power to change a family's economic trajectory<sup>xxxviii</sup>, **we recommend creating a Women Cultural Entrepreneurs Initiative, built from understanding the needs of women and developed specifically for women** who are struggling to gain a foothold in the economy.



Photo Credit New Mexico Creates



Resources developed specifically for those living outside of urban areas are slim. Additionally, few stories exist that demonstrate and inspire success of “minorities” in the enterprise sector. Further impeding progress is the predominant belief that “entrepreneurs do it alone”. This myth prohibits significant investment in **community based strategies that would more likely speak to and include immigrants, Native Americans, and women.**

Developing resources that speak directly to issues “minorities” face in starting a business (child care, family resistance to female leadership, lack of ownership of collateral, sexism and racism in the business sector) is called for. We see cultural entrepreneurs of all backgrounds successfully building cultural enterprises. The talent and expertise of successful cultural entrepreneurs can be matched with the deficit of resources available to marginalized pursuing success in the cultural enterprise sector. **Additionally, development resources that go out into far-flung communities, into galleries, cooperatives, schools, homes and gathering places of diverse people, must be developed to reach those in our communities who are most excluded from the enterprise system.**

### Cultivate Community Engagement

We recognize that culture arises from community; cultural enterprises are therefore, necessarily, community ventures. To be successful, cultural enterprise development efforts must take into account the community system within which a cultural entrepreneur is engaged. Patience, listening skills, shared vulnerability, and respect for perceptual differences are required tools in the community development toolkit. **Building cultural enterprises is building community.**

Communities that battle to determine their own identity and maintain their unique cultural systems do not want to have “economic development” forced on them; these communities strive to build economic systems that complement, not crush, their cultural ways and means. “Heavy handed commodification and tourism strategies can leave local communities disenfranchised from the process”<sup>xxxix</sup> and long-term, meaningful change will not ensue from top-down efforts. Moreover, research tells us that authentic strategies are essential to sustainability: “False strategies to remake a [place’s] cultural identity may produce ersatz outcomes and even drive out any inherent creative spirit.”<sup>xl</sup>



South Africa Folk Art

Communities vary in their readiness to support enterprise development initiatives and some communities are not yet ready to embrace an influx of visitors, or interest in their traditions, language, and daily lives. Understanding the “collective readiness”<sup>xli</sup> of a community is foremost when developing strategies and paths for change. Communities need to develop boundaries of what can be given away, shared, or protected in order to set and protect intellectual property rights before launching extensive cultural tourism or marketing efforts.

**Economic development efforts in the cultural sphere must fully engage communities to develop programs and initiatives that will complement the cultural systems in place.**



### Build Cultural Enterprise Resource Networks

Most economic development efforts focus on individuals. Yet research indicates that clusters of economic activity prove more sustainable and competitive<sup>xlii</sup>. In addition to increasing efficiency, speed to market, and decreasing costs, clusters of diverse enterprises serve to inspire innovation and cross-pollination of ideas and opportunities. Networks and coordinated strategic planning, development, and deployment are essential<sup>xliii xliiv</sup>.

In the research area of the Three Counties, connecting cultural entrepreneurs to one another was as productive as bringing in expertise. Interestingly, in each community we have connected local entrepreneurs to other local people who, unbeknownst previously, are now working together to build incomes and capture opportunities. This local resource base of web developers, designers, and craftspeople is important to recognize and cultivate; not all expertise comes from afar and even small communities where “everyone knows everyone else” overlook their native resources.

**Developing clusters of cultural enterprises, based on existing talent and potential in communities, will create an enterprise to enterprise resource network. These “indigenous” networks will complement expertise and connections cultural enterprise development organizations import.**

Cultural enterprise clusters generate increased communication and exchange around cultural expression and values. This communication serves to cohere and stabilize communities. And, as communities build expertise in marketspaces and collectively produce sought-after goods and services, talent grows and pride in skills and abilities generates an increased sense of self-reliance and self-determination. In this way, cultural security, economic security, and self-determination are co-mingled.

## A MARKET LINK SUCCESS STORY

The Must-Have Holiday Necklace Created  
by EILEEN FISHER and Chippewa Cree Artisans

It's a story that reads like a holiday fable: a handmade gift becomes a best-seller, thanks to the inspired partnership of artists in New York and Montana, brought together by the Global Center for Cultural Entrepreneurship.

In 2008, Kira Denison-Cole, a design leader at EILEEN FISHER, crocheted necklaces with cotton thread and vermeil beads for holiday gifts. She gave one to Eileen and others to team members. Soon the necklaces were being borrowed for photo shoots and ads. Everyone wanted one. But a question remained: if the necklaces became a product for EILEEN FISHER retail stores and the website, who could make them?

Denison-Cole reached out to Amy Hall, EILEEN FISHER's Director of Social Consciousness, who led her to the Global Center for Cultural Entrepreneurship in Santa Fe. GCCE referred Amy to Elsie Geboe and Luanne Belcourt, Chippewa Cree sisters who own the Square Butte Trading Post in Box Elder, Montana.

The relationship with EILEEN FISHER is an important achievement for Square Butte Trading Post. Founded just two years ago, the company provides services and sales in Native American custom-designed clothing, jewelry and other items. Projects such as this offer promising ways to build incomes for women and families in rural communities and to bring artistry and tradition to interested customers.



Promising opportunities exist as we continue to build networks of producers who, collectively, can meet and increase market opportunities. Currently we are building enterprise networks in three locales: Teec Nos Pos, Navajo Nation, Grants-El Morro-Ramah, and Zuni Pueblo. In each of these areas an entrepreneur--or group of entrepreneurs--approached us and asked for assistance in building a network, or cluster of cultural enterprises and resource providers.

An essential building block of cultural enterprise clusters and networks is a full statewide assessment of existing cultural enterprise clusters, networks, market links, and pools of talent or dormant market potential. **We need to measure and understand our regional strengths/weaknesses to build a statewide strategy that will ensure long-term success in the global cultural economy.**



### Foster Thought Leadership and Public Policy

The era of states competing to attract large corporations' centers of operations is over. Economic development practitioners increasingly recognize that US regions cannot—should not—compete in the race to the bottom. Instead state leadership is challenged to build economies based on regional core competencies. As the Creative Age unfolds, New Mexico is uniquely positioned to become a global leader in cultural industries and entrepreneurship. **We need to develop a ten-year strategic plan for our state to capture the unfolding opportunities.**

To capture these opportunities, our state's leadership, in arenas from higher education, to regional economic development, to Native American policy, must build and coordinate expertise in the cultural enterprise development sector. Key leadership initiatives include:

- **Coordinating efforts among Cabinets (Tourism, Transportation, Economic Development) and local government agencies around cultural enterprise cluster development;**
- **Building policy leaders' awareness and understanding of our Cultural Economy;**
- **Complete a statewide inventory and impact analysis of cultural industries and host a New Mexico Policy Leaders Summit (2011);**
- **Position New Mexico as global leader in Cultural Enterprise Development through hosting a global conference in Cultural Entrepreneurship (2012).**

Additionally, local and regional leadership is called upon to address specific policy issues that threaten to nullify our position in the Cultural Economy. Principal among these are the continued importation and sale of fake goods marketed as Native American products. Imagine a Gallup, a Santa Fe Plaza, a downtown Albuquerque without a vibrant Native goods marketplace. This billion dollar industry – that serves as a primary income source for Native communities across the West-faces perilous ruin if policy action is not implemented. A public awareness campaign and increased use of existing federal laws can be implemented immediately.

**CHEAP JEWELRY IMPORTS VEX ARTISANS IN SOUTHWEST**  
Wall Street Journal November 2, 2009

**By Steven St. John**

The Indian Arts and Crafts Association, a trade group, estimates that nationally, **as much as 75% of the roughly \$1 billion** of jewelry, pottery, rugs and other merchandise sold every year as authentic American-Indian made, is not.

In the jewelry business, as many as **90% of pieces held out as examples of Native American craftsmanship are fake**, according to the New Mexico attorney general's consumer-protection division, which is trying to police the trade along with federal authorities.

But it is extremely hard to tell the genuine goods from the faux artifacts, artists and experts say. Some of the imported jewelry is exquisite, studded with real gems and painstakingly crafted -- only, it is made by Chinese or Thai or Filipino workers abroad, not by Native American artisans. Importers "stamp my name on jewelry that I've never seen or touched," said Calvin Begay, a noted Native American artist.

By federal law, imported items that "could possibly be mistaken for arts and crafts made by Native Americans" must be marked with the country of origin, so customers aren't fooled. Some states, including New Mexico, also have their own laws against misrepresenting products as Native American craftsmanship.

Bill Keller, who heads the New Mexico attorney general's anti-counterfeiting effort, said he was trying to step up enforcement with undercover stings here and in other New Mexico cities. He has also asked the legislature to bump up penalties; he would like to be able to charge unscrupulous vendors with felonies. "That's the way to get their attention," he said.

Authenticity is crucial to some shoppers, who say they want to support Native American culture and tradition.

But Evie Ausley, a tourist from Los Angeles, said she couldn't care less. "I'm going for the cheap stuff," Ms. Ausley said, "because I can't tell the difference."



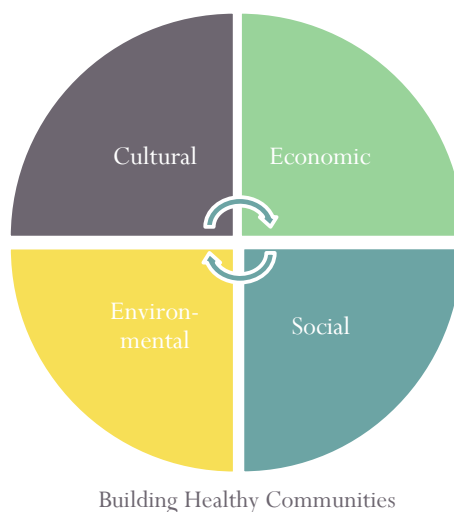
## Support Collaborative Action

Finally, we contend that, only through collaborative action will communities be able to galvanize and harness the resources and talent essential to realizing the opportunities at hand. As resources thin and organizations struggle to deliver basic economic development services to clientele, collaboration and coordination become crucial to effective program implementation. Efficiencies in the social service marketplace can be achieved if development organizations communicate and co-create strategies so that overlapping programs are avoided, expertise in particular industries is gained, and measurable change occurs. Co-creation of strategies among economic development agencies inspires innovation and leads to holistic strategies that create meaningful, sustainable change in our communities.

Effective collaboration is possible when organizations 1.) work together to develop a shared vision of outcomes and success, 2.) support projects throughout the implementation phase, 3.) evaluate programs and replicate as needed<sup>xlv</sup>. To be able to pursue these three elements of collaborative action, collaborative endeavors need enough time, money, and talent to work through the inevitable challenges that arise when diverse organizations are working toward a common goal<sup>xlvi</sup>.

**Funders and supporters of economic development strategies are encouraged to support multi-year endeavors in which collaborative action plays a central role in building cultural enterprise clusters.** Sometimes funders are wary of collaborative processes as they can be time consuming, qualitatively different in nature, and require investment across silos of funding focus areas. Strengthening our cultural economy (and in turn creating healthy communities) will require a long-term commitment from our leadership, funders, and economic development organizations.

This commitment and collaborative action will prove rewarding. The data in this report show that through investing in the cultural enterprises that provide meaningful work for people living in the places we love, we can create true prosperity, in all aspects of community life.





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