

Cultural and Recreational Industries in Rural America: Opportunities for State Legislators

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The consumption of cultural and recreational activities is rising nationally, and there are opportunities for their supply in both rural and urban areas. In this brief paper I suggest five ways state legislators can help support rural communities' efforts to develop local cultural and recreational opportunities: through environmental quality improvement and protection, through the development of supporting high quality infrastructure, through marketing and promotion, through training that helps rural residents develop the skills needed in recreational and cultural industries, and through help in the assessment of culture and recreation industry development opportunities.

My comments are based largely on trends I have observed in rural communities in the Pacific Northwest and in the Rocky Mountain West. At the county level, we observe a variety of development experiences, including some very rapidly growing counties that are attracting large numbers of retirees and wealthy residents, and where the structure of income is strongly skewed towards non-earnings income that acts as a form of "basic" income for these places. Counties such as San Juan and Okanogan in Washington are examples where recreation and cultural industries have become part of the fabric of industrial activity that has helped attract related businesses, jobs, and migrants. However, there are other rural counties where population growth is slow or stagnant, and where incomes are depressed. For such places, I argue that recreation and cultural industries may represent a new basis for economic development.

In many rural communities, young people are moving out, unemployment is relatively high, and jobs in traditional natural resource oriented industries

like agriculture, mining, fishing, and forestry are declining or stagnating. Many of these communities have lost manufacturing jobs tied to the processing of natural resources. The challenge for legislators is how to help rural places that are lagging. One possibility is to seize on cultural and recreational industries as a basis for economic revitalization. Recreation and tourism have long been viewed as substitutes for extractive natural resource production in rural places. However, there is a need for a broader conception of such opportunities that also includes cultural industries.

What are cultural industries? While they do not equate to tourism, there is some crossover, as when people travel relatively long distances to engage in recreational and cultural activities. In the U.S. personal consumption expenditure accounts, there is a category defined as "recreation" which encompasses arts, sports, commercial participant amusement (paying to amuse oneself, such as skiing or gambling), and expenditures on services such as ISP providers or renting DVDs. There is a slice of such activity that could be more fully developed in rural America, including the arts (music, dance, visual arts, theatre, and heritage activities), delivered by both non-profit and for-profit entities; other amusements, such as gambling and musical theatre; personally based participatory sports and outdoor recreation activity (e.g., skiing, hiking, climbing, golf, biking etc.); commercial sports (e.g., ski races, horse races); recordings, both visual and audio; winery-based tours, and organized participatory activities (such as commercial fishing expeditions, river rafting, whale watching, etc.).

Collectively, these activities are enjoying a rise in their level of consumption. We can find rural areas where they are already flourishing, but the question is whether they might be fostered in other areas. I think they can be, helping to create jobs in distressed communities. However, before discussing how legislators might help, let me touch on a few other aspects of activity in these domains.

The consumption of recreational and cultural activities typically requires expenditures on other activities in the locality where the consumption occurs. The nature of this related spending depends upon the duration of the trip, with day trips typically involving lower expenditures than overnight trips. On day trips it is likely that expenditures in the rural community would be made for food and beverage, travel costs (including fuel and organized transportation activity), souvenirs, permits, film, and sporting goods. Overnight trips typically include expenditures for lodging that could occur in a variety of settings ranging from hotels and motels to RV parks and campgrounds. Data sources like the National Travel Survey can help development officials better understand these trips.

Durable and non-durable goods are also required to consume recreational and cultural industries in rural areas. Spending on durables is likely to be concentrated in the regions from which visitors to rural communities originate, but some is also likely to occur in the vicinity of the cultural or recreation site. The kinds of outlays that are involved include bicycles, vehicles, fishing gear, and climbing equipment. Non-durable goods include things like specialized clothing, fishing gear, food and drink, and ski wax. Occasionally, there are destination outlets in rural areas that provide such goods, such as L.L. Bean's famous store in Freeport Maine, or Wall Drugs in South Dakota.

Some cultural industry travel in rural areas is very specialized long-distance travel, such as the trip I made to Patagonia in March 2005, and has a very different pattern of spending. But the majority involves shorter distances, offering great opportunities in rural America for expanded development of cultural and recreational activities. A clear danger for continued growth of culture and recreation in rural places would be real rises in the cost of travel, due to high energy prices. But, let us assume that there continue to be rises in real incomes, and consumers choose to spend more on cultural and recreational services.

There are five ways state legislators can help develop cultural and recreational industries in rural communities. In many cases, efforts can be linked to the historic economic base in the given rural area. Almost every rural county has some such history that can be foundation for cultural, recreation or tourism

development, or has visual attributes that can be the foundation for new enterprises capitalizing on environmental or cultural values embodied in the place.

Support high quality environments

Many of the activities listed above require a high quality physical environment, and traditional rural industries in many cases have caused environmental degradation. Forestry has often led to "moonscapes" of logged over land, while mining has left a legacy of landscape scars. In some cases, farming has also produced erosion and visually unpleasant landscapes, while some fishing communities are dilapidated and unwelcoming. Ski areas are often very unpleasant visually in off-seasons. The list goes on, but the key point is that the attraction of people to rural spaces where various types of cultural and recreational activities can occur is intricately tied to environmental conditions in those spaces. State legislators and local governments should prioritize managing environmental quality where cultural and recreational activities are viable development options.

Support infrastructure investment

There are clear infrastructure needs in rural areas for the production and consumption of output of cultural and recreational industries, including trails, roads, production/performance venues, and the like. Each of type of cultural and recreational industry has associated capital needs. Some of those needs are public sector responsibilities, and others must be met by the private sector. However, state legislatures and executive branch agencies should put institutional arrangements in place to ensure these investments are coordinated or undertaken.

Promote recreation and cultural industries

State governments can help stimulate demand for cultural and recreational industries in rural places by undertaking marketing and promotion activities. That could include development of web-based materials, print media (guidebooks and maps), and advertising. Many states now have web-portals to counties or localities, aimed at tourism or industrial recruitment. A broader agenda could be identified, with emphasis on the types of recreation and cultural industries that have "roots" in particular rural areas.

Provide training

This is a very complex topic, involving possible retraining of people already in rural communities, as well as attraction of people to rural communities with capacities to supply the types of cultural and recreational industry output discussed above. “On the ground” work in each place will be needed to develop labor force capacity in both the private and public sector, producing the skills needed to make the development of cultural industries viable economic opportunities. States could take the lead in providing the type of training needed through community colleges or extension-based programs.

Assess development possibilities.

State and local governments could help undertake assessments or feasibility studies of possible recreational and cultural industry opportunities in rural communities. While entrepreneurs may “smell” niche opportunities, it is likely that governments can help detect them.

In summary, the ongoing shift towards an ever changing service economy presents rural America with some development challenges. With the right mixture of infrastructure, environment, promotion, training, and technical support, recreational and cultural industries in rural America could be an enhanced basis for economic development. Cultural and recreational industries have been major forces in the development of urban America, and with the right nurturing they can also be a new basis for growth in rural communities.