Targeting Occupations in Regional and Community Economic Development

Ann Markusen

For the better part of two decades, planners have been identifying and targeting key local industries for special treatment in economic and community development. Such interventions have helped to reinvigorate mature industries and forestall mass closures in some places, while in others they have failed to counter capital out-migration and obsolescence. Industrial targeting involves extending to firms incentives that turn out to be very expensive in terms of present and future tax base, while not requiring, and thus often not attaining, promised outcomes. In the face of accelerating capital mobility and waxing incentive wars between states and localities, an alternative approach that emphasizes human capital and investments in skill and training is becoming more attractive.

In this article, I make the case for targeting occupations in addition to industries. In the first section, I briefly review industrial targeting as an economic development practice. In the second section, I make the theoretical case for using occupations as the fundamental mesoeconomic unit in addition to industries. The argument derives from the decreasing commitment of both firms and workers to each other or to localities, due to global integration and the ability to work from remote sites via the Internet. Occupations that might otherwise be considered to serve purely local markets—performing artists, for example—enhance the productivity of and livability for other export-based workers and firms. Furthermore, entrepreneurship may be more accurately detected and nurtured by working with occupations. Finally, an occupational focus may be tailored to particular neighborhoods and underemployed socioeconomic groups, thereby facilitating equity goals.

In the third section, I use performing artists as an example of a set of occupations that serve mostly local markets and that exhibit many desirable characteristics for local communities. Among them are mobility among and commitment to particular places, high levels of entrepreneurship, significant cross-fertilization with other sectors and occupations, a tendency to concentrate residence and workplace in central cities, and, in some cities, a better-than-average record for minority involvement. I explain why using artistic occupations—musician, dancer, actor—rather than the industry grouping of performing arts establishments—symphonies, dance companies, theaters—is preferable. For a set of medium-sized American cities, I show marked differences in the incidence of
four performing arts occupations and speculate on the
reasons why. I then use a case study of an artist’s evolving
career as an inductive exercise in occupational location
theory and occupation-based economic development.
In the final section, I explore how an occupational focus
could be harnessed to local economic and community
development practice. I suggest criteria for identifying key
occupations and techniques for researching their spatial
and economic development features. I close with a set of
policies and practices that economic developers might use
to nurture target occupations.

Industrial Targeting as Economic Development Practice

From the 1950s on, regional scientists posited that the
mix of industries, especially those marketing their output
externally, is a key determinant of a region’s economic
performance and prospects. Embedded in export base
growth theory, Walter Isard’s (1960) early work included
an entire chapter on industrial complex analysis, and
Wilbur Thompson is famous for his dictum “Tell me
your industries, I’ll tell you your fortunes.” Key industrial
sectors were identified by their ability to export their goods
and services out of the region, thus enabling necessary
consumer and producer imports and the financing of a
local market. Economic developers were exhorted to focus
attention on these industries. When industrial restructuring
quickened its pace in the 1970s, following greater
opening of the U.S. economy to imports, disparities
among industries’ performances forced regional develop-
ment planners to think specifically about the competitiv-
ness of individual sectors in their economies.

By the 1980s, a rich literature and practice counseled
planners to think strategically about their comparative
advantages and to intervene in particular sectors, referred
to as “targeting.” In place of generic attraction strategies
or efforts to improve the local business climate, planners
began to husband their resources and nurture particular
sectors that showed greater promise in terms of longevity,
good jobs, and diversification. Cities in trouble established
industry task forces, such as steel in Chicago and polymers
in Akron (Markusen, 1988). States set up special industrial
bureaus such as the Michigan Commerce Departments’
Auto and Steel Division. The federal government replicat-
ed some of its traditional approaches to agriculture in
special programs for particular sectors, such as President
Carter’s Steel Loan Guarantee Program. Localities sought
to fit job training and displaced workers’ programs to the
peculiarities of specific sectors (Fitzgerald & Leigh, 2002;
Parker & Gray, 2004).

In the 1990s, articles that evaluated targeting initiatives
began to be published. Buss (1999) argued that targeting
distorts resource allocation and results in considerable
waste. Others (Finkle, 1999; Wiewel, 1999) defended
targeting when used judiciously and debated the quality of
the evidence against it. Wiewel and Siegel (1990) dissected
how industry task forces operated and pointed out their
contributions to pragmatic planning and to heightening
the visibility of industry-specific problems and solutions.
While we have no definitive body of empirical work on the
outcomes of industrial targeting, it is fairly clear that such
efforts have ranged from great successes to abysmal failures.

In this article, I argue that industrial targeting efforts
often disappoint their purveyors because they focus on
firms—the individual members of an industry—as the
central agents of economic development. Diagnosing
the competitive status of individual firms and convincing
them to come or stay is often a very difficult and expensive
proposition. I propose a complementary economic develop-
ment focus on occupations, echoing elements of the case
made two decades ago by Wilbur and Philip Thompson
(Thompson & Thompson, 1985) and heeding J. W. Harrin-
gton, Jr.’s, point that industries are just one of many
useful entry points for empirical economic analysis (Har-
rington, 1999). In this approach, key occupations, as net-
works of workers, merit nurturing in addition to key
industries as collectives of firms. Occupations that can be
targeted this way are not limited to those held by highly
educated professionals but may encompass those filled by
immigrants skilled in trades and knowledgeable of local
markets, skilled craftworkers and artisans, and energetic
community activists, among others.

Occupational targeting offers the potential to bridge
between regional and community economic development,
two approaches that have been separated for a long time.
One barrier to their integration lies in the fact that indus-
try data are not available below the county level. Census
data on occupations, while only available every 10 years in
any degree of disaggregation, offer a way of focusing on the
skills and activities of those in a particular neighborhood.
Such patterns can be used as a filter when evaluating eco-
nomic development goals in the ways that industry data
cannot. Occupational analysis can also be used to tie educa-
tion and training options together with firm recruitment
and retention at the community level, including assessing
tax increment financing and other projects offered to create
jobs.
The Theoretical Case for Targeting Occupations

Due to global economic integration and new technologies, substantial changes are taking place that bear heavily on regional and community economic development. First, as cheaper transportation and instant communication technologies obliterate the friction of distance, local economies are under pressure to specialize and export more than ever (Howes & Markusen, 1993). The ability to specialize and export is based deeply on talents and synergy in the local economy, and these may be better understood and tapped by identifying skill sets and talents embedded in occupations in addition to researching firms and industries. Although firms still decide where to locate and whether to hire or retain workers, the quality of workers is often key to their choices. Furthermore, new firms are often founded by members of key occupations.

Second, development is increasingly less linked to natural resource endowments, once thought to govern localities' specialization (Perloff, 1966), and more heavily reliant on human capital (Clarke & Gaile, 1998; Mather, 1999; Reich, 1991). As Leontief demonstrated in his famous paradox, the American economy as a whole relies upon skilled labor, not physical capital, for its success (Leamer, 1980). As a key input, labor is fundamentally different from natural resources in that it is relatively mobile, if less so than financial capital. Mobile labor is drawn to particular natural environments, but in a new and fascinating way—workers with choice opt for livable environments rather than exploited ones. A much greater priority is now placed on protecting environmental assets rather than spending them down.

Third, job commitment on the part of both workers and employers has waned (Christopherson, 1990). Firms are less willing to train workers for internal job ladders, because this is an expensive process and because increasingly efficient and cyclically tight labor markets enable workers to shift among employers on short notice. Firms are thus increasingly dependent on regional labor pools, and training is becoming increasingly externalized in regional institutions (Fitzgerald, 1998; Parker & Rogers, 1999). Such training is best organized by occupation.

Fourth, there is now greater crossover of skills among industries than is suggested by the stereotype of steelworkers laboring in steel mills or teachers working in school classrooms. Many clerical and sales workers are employed by manufacturing firms, while many engineers and construction workers labor in the service sector (Walker, 1985). As outsourcing and subcontracting proliferate, occupational talent is shared even more liberally. Actors and directors create videos for medical instrument companies, while software engineers program for film companies and arts organizations. Thus, occupations that may appear to serve local markets are enhancing the productivity of other export-oriented sectors in the local economy. Function, skill, and connections become more important than organization, and these are best studied via occupational groupings.

Fifth, the fast-paced and flexible economy places a premium on new firm formation. Entrepreneurial activity may entail significant costs and high rates of failure (Neff et al., 2000), but it may account for the emergence of new local specializations and job growth. It is cumbersome to identify entrepreneurship potential by studying industries and much easier to do so with occupations. Certain occupations may show higher rates of new firm formation, crossovers with other sectors, and/or maturation from local-serving to exporting activities.

Sixth, the digital revolution has made it easier to work from remote job sites. The explosive growth of relatively small cities in the intermountain west—Albuquerque, Boulder, and Boise, for example—is symptomatic of this potential, as is the clustering of key groups of professionals in Manhattan, Toronto, and San Francisco. Workers are more likely to be committed to the region and neighborhood than to the firm or industry (Markusen, 1996a) and will search for livability, amenities (Florida, 2002; Penne & Shanahan, 1987, pp. 135–138; Rodgers, 1989, ch. 13), and “lovelableness” (Markusen, 1996b).

Seventh, planners working to stem central-city decline and/or concerned with minority participation and jobs for underemployed groups may find occupational groupings easier to distinguish and target than industries (Harrington & Ferguson, 2003). Significant segregation of regional and subregional space by occupation, race, and gender has been documented by Hanson and Pratt (1995), Wyly (1996), McCall (1998), and Wright and Ellis (2000), among others. Designing economic development strategies to specifically redress socioeconomic imbalances is far easier when occupations (and the individuals in them) are used as targets than industries (and the firms that populate them). Working occupationally also permits planners to draw upon two disparate streams of data: resident-based occupational data from the decennial census and Current Population Survey and workplace-based occupational data from the state-level Occupational Employment Survey and other surveys.3

These dynamics suggest the advisability of an occupational approach to local economic development. Just as firms can be studied as members of an industry, skilled workers can be studied as members of an occupation.
Occupations, rather than industries, more directly capture the increasingly important human capital contribution to local economic development. Furthermore, key occupations that appear to serve chiefly local markets may constitute regional assets with spillover effects on the productivity of other regional economic activities. They may also possess potential for transformation into exporting activity through an entrepreneurial process of growth and change. The theoretical emphasis here is on enhancing the regional or community presence of a particular factor of production—skilled labor—because it increases the productivity and performance of a range of firms and industries, both indirectly and via its role in creating, attracting, and retaining firms and, thus, jobs.

If these propositions are valid, economic and community developers could identify and target a number of such occupations as they do industries. Depending on the mix of growth, efficiency, and equity goals, key occupations could be sought with some combination of the following characteristics. First, they should demonstrate potential for "capturability"; that is, they should exhibit uneven distributions across the U.S. and high interregional rates of migration. Second, they should be posting relatively high levels of job growth with expectations that such growth will continue. Third, they should demonstrate relatively high levels of connectivity across industries. Fourth, they should offer opportunities for entrepreneurship. Finally, they should "match" the skills and potential of the existing local labor force. In the following section, I illustrate the set of these desirable occupational features with an analysis of the arts, especially performing arts, occupations.

If occupations are to play a larger role in economic development planning, planners will have to know why people in these occupations choose to live and work where they do, how their careers evolve, and how their presence cross-fertilizes with the rest of the local economy. In other words, we will need to develop a theory of how people locate by occupation to complement the theories we have on how firms locate by industry. The following inductive analysis offers a number of insights into how a more generalized occupational approach might be crafted, the subject of the final section.

An Illustration from the Arts

To exercise this approach, I've chosen to work with the performing arts occupations at both metropolitan and smaller scales. With exceptions like New York and London, where the arts both attract tourists and feed a media industry, the performing arts are generally considered a local-serving industry, where most tickets are purchased by area residents. The occupations of musician, composer, dancer, choreographer, actor, director, and producer comprise the set of performing artists, groups prominent in the "art worlds" conception of Becker (1982). Other types of artists—painters, sculptors, photographers, authors—may export their work as well as sell it locally, since it can be embodied in a product that stores its value for use elsewhere (Markusen & King, 2003). In contrast to arts occupations, the performing arts industry consists of establishments such as theaters, opera houses, and symphony and dance halls. Most analyses of the economic impact of the arts use an establishment/industry rather than occupational approach, although several recent studies supplement industrial cluster analysis with some occupational breakouts (Beyers et al., 2003; New England Council, 2000).

Intermetropolitan Location and Growth of Performing Arts Occupations

I chose these occupations because I expected to find them relatively rapidly growing, mobile between localities, capable of increasing productivity in diverse sectors locally, contributing to livability, and possessing the potential for entrepreneurship. To detect growth potential, I compared selected cities' growth rates of performing arts jobs by occupation in the 1990 and 2000 censuses with overall job growth (see Table 1). With the exception of Albuquerque, the number of workers self-identifying as performing artists grew more rapidly over the period than employment as a whole for the cities in the group. The rate of growth of artistic pools is not monotonically related to overall growth rates; in Los Angeles, the ranks of artists grew by 59% despite areawide job loss, most of it defense related.

As a measure of mobility and thus "capturability," I compared location quotients for eight regionally representative, medium-sized American metropolitan areas with New York and San Francisco (see Table 2.) A location quotient is the share of the occupation in the region's workforce divided by its share of national employment. A location quotient above 1.00 means that the region has a larger than average share of that occupation in its workforce compared with the nation. New York and Los Angeles, the largest metropolitan areas, continue to dominate, although there has been a trend toward decentralization since the 1970s (Heilbrun, 1987; Heilbrun & Gray, 1993, p. 308). Yet Chicago, the nation's next largest metropolitan area, posts a below-average artistic share. Medium-sized cities do differentially specialize: Seattle, Minneapolis/St. Paul, and Atlanta rank 10–15% above the national norm for performing arts employment, while Dallas, Albuquerque, Cleveland, and Pittsburgh fall below it.
<table>
<thead>
<tr>
<th>MSA/PMSA</th>
<th>Performing arts employment</th>
<th>All metropolitan employment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1990</td>
<td>2000</td>
</tr>
<tr>
<td>Atlanta</td>
<td>3,264</td>
<td>6,148</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>29,497</td>
<td>46,769</td>
</tr>
<tr>
<td>Pittsburgh</td>
<td>1,383</td>
<td>2,475</td>
</tr>
<tr>
<td>Dallas</td>
<td>2,933</td>
<td>4,315</td>
</tr>
<tr>
<td>Seattle</td>
<td>2,508</td>
<td>3,744</td>
</tr>
<tr>
<td>Minneapolis-St Paul</td>
<td>3,535</td>
<td>4,886</td>
</tr>
<tr>
<td>Albuquerque</td>
<td>879</td>
<td>797</td>
</tr>
<tr>
<td>Chicago</td>
<td>7,825</td>
<td>10,194</td>
</tr>
<tr>
<td>Cleveland</td>
<td>1,850</td>
<td>2,397</td>
</tr>
<tr>
<td>San Francisco</td>
<td>4,431</td>
<td>5,379</td>
</tr>
<tr>
<td>New York</td>
<td>27,126</td>
<td>32,877</td>
</tr>
</tbody>
</table>

United States: 233,978 | 360,086 | 42 | 117,021,142 | 130,847,526 | 22 |

Source: Ruggles et al. (2003)  
Note: Performing arts occupations include the following as categorized by the U.S. census (1990/2000 codes): musicians and composers (186/275); actors, producers, and directors (187/270, 271); dancers and choreographers (193/274).

Table 1. Performing arts employment and total employment in selected metropolitan areas, 1990 and 2000.

<table>
<thead>
<tr>
<th>MSA/PMSA</th>
<th>Total employment</th>
<th>Performing arts employment</th>
<th>Location quotient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Los Angeles</td>
<td>5,290,135</td>
<td>46,769</td>
<td>3.21</td>
</tr>
<tr>
<td>New York</td>
<td>3,899,163</td>
<td>32,877</td>
<td>3.06</td>
</tr>
<tr>
<td>San Francisco</td>
<td>916,287</td>
<td>5,379</td>
<td>2.13</td>
</tr>
<tr>
<td>Minneapolis-St Paul</td>
<td>1,337,505</td>
<td>4,886</td>
<td>1.14</td>
</tr>
<tr>
<td>Seattle</td>
<td>1,232,109</td>
<td>3,744</td>
<td>1.10</td>
</tr>
<tr>
<td>Atlanta</td>
<td>2,033,833</td>
<td>6,148</td>
<td>1.10</td>
</tr>
<tr>
<td>Dallas</td>
<td>1,676,164</td>
<td>4,535</td>
<td>0.98</td>
</tr>
<tr>
<td>Chicago</td>
<td>4,053,631</td>
<td>10,194</td>
<td>0.92</td>
</tr>
<tr>
<td>Albuquerque</td>
<td>334,246</td>
<td>797</td>
<td>0.87</td>
</tr>
<tr>
<td>Cleveland</td>
<td>1,058,450</td>
<td>2,397</td>
<td>0.82</td>
</tr>
<tr>
<td>Pittsburgh</td>
<td>1,039,034</td>
<td>2,175</td>
<td>0.76</td>
</tr>
</tbody>
</table>

Source: Ruggles et al. (2003)  
Note: Performing arts occupations defined as in Table 1.

Table 2. Specialization in performing arts occupations in selected metropolitan areas, 2000.
There is apparently no simple relationship between arts occupations and overall size of the labor force, which we would expect if these were simply local-serving activities experiencing uniform demand across cities. Of course, local demand may vary to some extent. But these findings suggest that even performing artists may choose to live in one region and travel to audition and work elsewhere, a phenomenon Markusen and King (2003) have confirmed for the Twin Cities from interviews with actors, dancers, and musicians.

Do different metropolitan areas attract different types of performing artists? In the mid-sized metros such as Dallas, Atlanta, and Albuquerque, concentrations of dancers and choreographers are prominent, while actors and directors are overrepresented in Minneapolis/St. Paul, and musicians and composers are more prominent in Seattle, Pittsburgh, and Cleveland (see Figure 1). Mid-sized metropolitan areas appear to attract more of one or another type of performing artist. Thus, individual metropolitan areas are more successful in attracting and retaining some groups of performing artists than others.

Intrametropolitan Location of Performing Arts Occupations

Are performing artists more apt to live in central cities than the metropolitan workforce as a whole? Both the linkages to centripetally sized arts facilities (Metropolitan Council Regional Arts Council, 1985, p. 8) and the prevalence of (sometimes publicly subsidized) rehabilitated loft space (Penne & Shanahan, 1987, p. 139; Zukin, 1982) suggest such a pattern. Performing artists' residential patterns in the Twin Cities metropolitan area are heavily central-city oriented, with Minneapolis and St. Paul hosting residential concentrations well above the metrowide population average (see Figure 2). For central-city economic development planners, such findings vindicate the interest in and relative success of targeted housing and studio/practice space for artists. In the Twin Cities, for instance, the nonprofit Artspace, started in the late 1970s to respond to downtown gentrification pressures on artists, began to refurbish large, historic buildings (mainly warehouses) for artists by the early 1980s.

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![Figure 1. Concentrations of types of performing artists in selected metropolitan areas, 2000. Source: Ruggles et al. (2003)](image-url)

Note: The sample size for actors and directors in the smaller metros of Raleigh and Albuquerque is too small to estimate incidence accurately.
Diversity and the Urban Arts

Do the performing arts provide a route into the labor force for minorities? In Minneapolis, for instance, it is widely believed that the explosion of interest in the performing arts in the postwar period has helped to attract minorities to a region that for historical reasons (including the relative absence of industrial jobs) was unusually White. There is some evidence that African Americans are more apt to participate in creative writing, dance, and choral singing than are other Americans (National Research Center of the Arts, 1988, pp. 6–7). Are minority members of a local or regional labor force more apt to work as artists than in other occupations?

The evidence on this diversity among the selected metro areas is chiefly negative. For only two metro areas—Pittsburgh and Minneapolis–St. Paul—are minorities more prevalent in performing arts occupations than they are in the labor force as a whole (see Table 3). It should be noted that these two metros are among those with the lowest overall presence of minorities in the workforce (and thus in the arts as well). For these two cities, the data offer tentative support for the potential for diversification of the population through occupationally targeted interregional migration. But in the rest of the metros, minorities comprise a smaller share of performing artists than they do of the area workforce as a whole. This is also true for the nation. Thus overall, the performing arts do not offer a particularly viable career path for minorities.
<table>
<thead>
<tr>
<th>MSA/PMSA</th>
<th>Minority performing artists</th>
<th>% of all performing artists</th>
<th>Ratio of % minority PAs to % minority workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pittsburgh</td>
<td>396</td>
<td>18</td>
<td>2.04</td>
</tr>
<tr>
<td>Minneapolis–St. Paul</td>
<td>667</td>
<td>14</td>
<td>1.20</td>
</tr>
<tr>
<td>Albuquerque</td>
<td>360</td>
<td>45</td>
<td>0.97</td>
</tr>
<tr>
<td>Cleveland</td>
<td>414</td>
<td>19</td>
<td>0.95</td>
</tr>
<tr>
<td>Dallas</td>
<td>1,405</td>
<td>31</td>
<td>0.80</td>
</tr>
<tr>
<td>United States</td>
<td>66,389</td>
<td>18</td>
<td>0.70</td>
</tr>
<tr>
<td>Chicago</td>
<td>2,124</td>
<td>24</td>
<td>0.68</td>
</tr>
<tr>
<td>Atlanta</td>
<td>1,576</td>
<td>16</td>
<td>0.68</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>11,199</td>
<td>27</td>
<td>0.44</td>
</tr>
<tr>
<td>Seattle</td>
<td>309</td>
<td>8</td>
<td>0.39</td>
</tr>
<tr>
<td>New York</td>
<td>6,778</td>
<td>21</td>
<td>0.38</td>
</tr>
<tr>
<td>San Francisco</td>
<td>747</td>
<td>14</td>
<td>0.32</td>
</tr>
</tbody>
</table>

Source: Ruggles et al. (2005)

Note: Performing arts occupations defined as in Table 1. Minority workers are those who identified their racial/ethnic background as other than “White, not of Hispanic origin.”

Table 3. Minorities in performing arts occupations, selected metropolitan areas, 2000.

Studying Arts Activities by Occupation versus Establishment

Why not simply study artists by industry (using Standard Industrial Code [SIC] data on arts establishments) rather than by occupation (using Standard Occupational Codes [SOCs]) on employees? First, the two capture very different forms of activity. Performing arts establishments—orchestras, theaters, dance companies—employ many people whose work is not performance and is valued for very different skills (scenery design and construction, costuming, sound and lighting, publicity, management, and so on). Some of these activities may also possess crossover potential, but of a very different nature. Furthermore, skilled workers and professionals in these occupations network with very different professional and occupational groups than do performing artists.

Second, many performing artists work on contract rather than as employees, and many are self-employed. Remarkable data from a 1997 survey of Seattle showed that only 14% of people working in dance, theater, and music establishments were full-time employees, while another 39% were part-timers (Beyers & GMA Research Corporation, 1999). Some 47% were not counted as employees at all, but were working on a contractual or student basis (see Table 4). Thus, using data on performing arts establishments dramatically undercounts the actual numbers of performing artists in a city or region. In a study of national self-employment rates, Markusen, Schrock, and Cameron (2004) found that performing artists are three times as likely to be self-employed as is the workforce as a whole, at 24% versus 8%.

The arts case demonstrates an additional advantage in working with occupations. The recently (1997) adopted North American Industrial Classification System (NAICS) code changes make it difficult to do longitudinal analysis. For instance, performing arts establishments are classified at the three-digit level with spectator sports organizations.

Towards Location and Development Paths for Arts Occupations

In order to craft an occupational targeting strategy, planners would want to know how individuals in select occupations choose where to work and live, much the way regional scientists for more than a century have been
<table>
<thead>
<tr>
<th>Status</th>
<th>Dance</th>
<th>Theatre</th>
<th>Music</th>
<th>Total</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time</td>
<td>223</td>
<td>394</td>
<td>235</td>
<td>852</td>
<td>14</td>
</tr>
<tr>
<td>Part-time</td>
<td>104</td>
<td>2,441</td>
<td>463</td>
<td>3,008</td>
<td>39</td>
</tr>
<tr>
<td>Contractual</td>
<td>379</td>
<td>1,681</td>
<td>1,353</td>
<td>3,213</td>
<td>44</td>
</tr>
<tr>
<td>Intern/work study</td>
<td>16</td>
<td>114</td>
<td>29</td>
<td>159</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>722</td>
<td>4,630</td>
<td>1,880</td>
<td>7,232</td>
<td></td>
</tr>
</tbody>
</table>

Source: Beyers & GMA Research Corporation (1999)

Table 4. Performing arts employment in King County, WA, arts and cultural organizations, 1997.

Theorizing about how firms and entire industries locate and thrive where they do. In other words, we need an occupational location theory and an occupational development theory. Some speculative work has been done on the former by scholars of internal migration, with interesting results. But these studies rely on the usual variables capturing characteristics of the migrant and those of the labor market to and from which he/she is moving: income, education, age, regional growth and unemployment rates, regional industrial structure, and cost of living. Very little detailed qualitative work has been done on why individuals in specific occupations choose to live where they do and how their careers evolve in that place.

Consider the questions we would want to put to performing artists in this regard: Why do artists gravitate toward certain cities? Do they move there or are they “bred” in greater numbers thanks to schooling and arts support and the cultural milieu? How do artists build their careers? What local supports—from funding to educational institutions to arts organizations and networks—help them to achieve success, defined here as being able to pursue the arts as one’s major occupation? Do artists cross-fertilize with other sectors or employers? Do successful artists become entrepreneurs, building their own businesses and employing others? How might artists become export earners over time?

To begin answering these questions, we conducted a set of interviews with performing artists who have moved to the Twin Cities of Minneapolis and St. Paul to build their artistic careers (Markusen & King, 2003). On the basis of these, we honed our theory about the location of artists and their developmental trajectories over time, including networking and sectoral cross-fertilization. One interviewee in particular, writer and painter Vara Kamin, exhibits many of the hypothesized features of desirable occupational dynamics. I here summarize 20 years of her career trajectory.

**Vara Kamin—One Artist’s Story**

**First Career in Health Care.** Born and educated in New England, Kamin trained at Massachusetts General Hospital School of Nursing and worked as a nurse in Boston, then as a public health nurse in Florida and health care administrator in Kentucky. Nominated for the Business Women’s Professional Association’s Young Career Woman award, she told an inquiring judge that she most wanted to be a writer; the judge responded, “If you really want to, then write. You can do it.”

To find a writer-friendly locale, Kamin put her belongings in storage and traveled. She consulted a successful Minneapolis-bred musician about where to launch a new writing career. He said that it would take a decade to evolve and develop as a writer, that she needed time and a place to incubate. He compared New York to Minneapolis as options. “New York is where the heart of the culture is,” he said, “where the world happens for writing and the arts. But it is tough to break in there and extremely expensive.” In contrast, he depicted Minneapolis as a supportive place for writers with a plurality of local magazines and readers, ample arts funding, and several first-rate writers’ organizations such as the Writer’s Loft and the Playwrights Center. He stressed its affordability and safety. She decided in favor of Minneapolis, where he introduced her to a local editor and suggested a subject matter that resulted in her first article in a regional arts paper.

**Ten Years as a Writer.** Kamin searched out forums and facilitators in her new locale, people who form a loosely structured occupational support network. She
attended classes on “how to become a writer” at the Writer’s Loft and took a national magazine writing course in New Orleans. For 10 years she landed assignments for articles in local weeklies and she parlayed her health care background into paychecks by writing video and film scripts for large companies such as Medtronic and 3M.

Networks mattered to Kamin. At the city’s Women’s Club, she befriended a book buyer who offered her the opportunity to usher prominent visiting authors around town. Driving from one bookstore reading to another, Kamin learned about the writing craft and the New York book and magazine market. Her passion for writing and perseverance won her an invitation to New York from someone she chauffeured who coached her on pitching her stories to editors. Kamin created more than 30 story abstracts for her 3-day stay in New York and eventually published many in magazines such as Family Circle, National Business, and Ladies Home Journal.

The Twin Cities’ strong and diverse health care community was a boon to Kamin’s writing career. When a doctor recommended biofeedback for headaches, she began to explore the interaction of body, mind, and spirit and how it impacts the creative process—an exercise that gave her access to an internal visual realm. Parlaying craft and structure from writing, she turned her visual images into a book of fables for adults (Kamin, 1992). After a local reading generated a new sequence of contacts, she was asked to fashion the fables into a business training program enhancing sensitivity and awareness among coworkers. She subsequently marketed her fable-based curriculum to area companies such as Cargill and 3M and to nonprofits working in prisons and with unions. Through a speakers’ bureau, Kamin began speaking nationally and internationally.

As time progressed, Kamin felt that the writing and speaking phase was coming to its natural conclusion, or at least needed a rest. She began to paint, something she first did on the lecture circuit in her hotel rooms in the evenings. The painting was a soothing, intimate, private process, and she engaged in it for her own self-nourishment. After much thought and while at lunch one day with an agent working on her speaking engagements, Kamin realized that she just wanted to paint. After lunch, she went to the California Building, a northeast Minneapolis granary renovated for artists’ studios (a product of Minneapolis planning and artistic entrepreneurship) and put down a deposit on a space, “not knowing how I was going to become a painter except to begin painting.”

A Third Career in Painting. In her studio in the California Building, Kamin produced large, colorful, abstract paintings. Because they were an extension of her meditative practice, every painting had a story, working within a metaphoric realm. A private patron made it possible for her to paint for an extended period of time to create her first major body of work. During the early stages of her painting career, the building provided an opportunity to share expertise with others and a deep sense of community.

Kamin worked entrepreneurially, actively marketing her work. She sent photo packets of her work to galleries and introduced herself to art consultants and private dealers. She made cold calls to design firms, employing entrepreneurial skills honed in the writing business. It was difficult, because most firms do not work directly with artists but use reference librarians and art consultants, importing their artwork from elsewhere. Kamin had to change her presentation style for this audience, shifting her posture and her language. A young designer brought clients to her studio and they bought two paintings, beginning a process of referral that she led to sales for private residences and public corporate spaces. Although she was not yet widely acknowledged as a painter—her work did not hang in galleries or appear on lists—such diverse customers afforded her a comfortable level of income.

Kamin continued to pursue new markets. A friend from the California Building (a woodworker and architecture student) thought that her work, especially given her nursing experience, would interest firms specializing in health care design. He gave her a list of firms to contact. At a local firm specializing in health care facilities, an architect asked if her original paintings could be reproduced as back-lit wall and ceiling images for placement in high-stress medical areas where they could activate patients’ imagination. Kamin, with her nursing background, responded to this challenge. She struggled to learn about the new medium and began the arduous process of looking for a manufacturer. She studied the connections between art and healing. She learned to convey to design firms and health care administrators how her interpretive and sensory images evoke responses in viewers.

Kamin recently created a firm, Impressions of Light, to produce and market her work, and she now supports herself fully through her painting. She is replicating the images of her art for wall and ceiling installations in MRI suites, ob-gyn clinics, and pediatric intensive care units, collaborating with national and international design firms who in turn work with health care providers all over the country. Her images are currently seen in San Francisco, Arkansas, Baltimore, Tuba City (AZ), Miami (OH), the Twin Cities, and elsewhere. Kamin has, in other words, become a regional exporter. She is now providing work for others: an administrator, an accountant, and a manufacturer. When painting, she relies on the services of local
shippers, photographers, photo labs, and craftsmen for her substrates.

Choosing to Stay in Minneapolis. When she could conduct her artistic career anywhere, why does Kamin continue to work in Minneapolis? For one, she needs a place to call home, a place to “be small, contained, to go about your daily business. A place where I can feel comfortable, where the environment is familiar, and where I’ve developed daily habits that allow me to go easily in and out of my creative, internal space.” In addition to her studio and her artistic community, she is committed to her neighborhood, which borders one of the city’s lakes, a physical feature to which she is quite attached. Minneapolis’ consistent success in preserving and enhancing the lakes district with their publicly owned and accessible shores deserves credit.

Kamin also credits the facilitating effect of the local culture. She appreciates the psychologically supportive and health-conscious environment: “There is a strong spiritual community here and people who are concerned about health at all levels.”

Kamin has spent half her life in the region. She has built a deep structure of professional relationships and friendships that have carried her through many transitions. The California Building has provided her extraordinary and affordable access to other aspiring and knowledgeable artists. Houses she can lease affordably in Minneapolis would be exorbitant in New York.

In sum, Kamin represents what regional scientists would call a footloose skilled person, pursuing an occupation that could be practiced in multiple locales. In her decisions to migrate to Minneapolis and stay once she became successful, several factors were paramount: occupational support networks, affordable artistic space, local outlets for her work, and livability. Her work has progressed from local-serving sales of writing and painting to national magazine articles, a book, and a significant body of visual work sold around the country. Her writing and painting have enhanced the productivity and competitiveness of other large exporting sectors, both in the region and elsewhere. She has become a successful entrepreneur.

This case is purely illustrative and offers no assurance that these features would hold for other artists and/or for members of other sought-after occupations. Nevertheless, it highlights variables to be included in more formal occupational location and development modeling and researched with surveys and interviewing. One trade-off revealed here is choice between premier centers of agglomeration, like New York, and communities with lower costs of living and more attractive amenities. This example suggests how an economic development approach based on attracting and keeping members of key occupations would differ from current firm- and industry-based economic development strategies.

Occupational Targeting in Practice

How might economic development planners go about designing an occupational approach? First, they would select key occupations. Second, they would investigate the conditions under which these occupations cluster and remain anchored in a locale and research the attractions of their spatial competitors. Third, they would tailor economic development tools and incentives to enhance appropriate physical and recreational space, on the one hand, and occupational training, networking, and placement, on the other. In what follows, I lay out the dimensions of these tasks, with some reference to the arts as an example.

Choosing Key Occupations

An occupational development strategy would give priority to a set of occupations with characteristics that match the community’s or region’s development goals. Several important characteristics might be used: high levels of “capturability” (proxied by uneven distributions across regions and localities), high levels of historical and expected growth, high levels of connectivity and cross-fertilization across industries, and high levels of self-employment and entrepreneurship. Paralleling industrial targeting practice, planners can employ location quotients to assess the unevenness and changing distribution of occupational groups.

Occupational incidence, past performance, and potential for growth can be assessed via national- and state-level occupational profiles and projections. The U.S. census, used above, offers one method for scrutinizing occupational profiles by state and locality. Data on disaggregated employment by occupation is available from establishment-based sources in the Bureau of Labor Statistics’ (BLS) series for states and metropolitan areas, from state ES-202-related sources, and the surveys states use to report to the BLS. Feser (2003) clustered occupations by common skills and shows that metropolitan areas do indeed exhibit distinctive occupational specializations; Markusen and Schrock (2003) showed that occupational specializations are becoming more important than position in the size hierarchy in characterizing American metropolitan regions. Markusen and Schrock (2004) and Markusen and Barbour (2005) used occupational data from establishment (not census) records to assess detailed occupational specialization for the Twin Cities and for 11 California metro areas.
Self-employment levels in an occupation can be identified from establishment-based occupational data sets available at the state level and can be further investigated using census data. Entrepreneurship potential may be more difficult to gauge; to date, I have been unable to find a database that captures the rate at which individual occupations exhibit a tendency to start businesses that create jobs for others.

In choosing occupations to target, planners confront some of the same challenges that they do in targeting industries. Reversals of fortune can occur at any time as technologies change, new skill sets supplant old ones, and labor supply adjusts to demand. Additional criteria may be added, depending on the welfare function and goals of the locality, and planners might decide to jettison one or more of those listed here. An underrepresented occupation, for instance, might be considered ripe for expansion, parallel to an import-substituting industrial strategy. An occupation centered in a single industry might be targeted if shortages in that occupation pose a constraint on the industry’s growth.

Planners might also want to assess pay levels, job security, and longer-term career mobility associated with candidate occupations. Some localities might want to stress occupations that pay living wages, but others with large pools of unskilled labor might want to target occupations that provide a first work experience for the difficult to employ (Howes, 2002; Howes et al., 2002). A stable or slowly declining well-paid occupation might be targeted for its contributions to living standards and to diversification, as in the efforts the Wisconsin Regional Training Partnership has made to retain and create a new generation of metalworkers in Milwaukee (Parker & Rogers, 1999). Just as with industry targeting, planners would begin by positing explicit normative goals for an occupational targeting exercise and use common sense in creating an occupational portfolio for development.

Bringing occupational targeting into economic development planning would encourage integration of workforce development programs—generally conducted in a completely separate bureaucracy—with economic development planning. Workforce development has always operated on an occupational basis, and adequate data to distinguish the size, growth trajectory, and demand for individual occupations does exist at the county and metropolitan levels. An economic development focus might help workforce developers overcome a tendency to think short term and train workers for high-demand occupations without regard to longer-term growth potential, job quality and pay, or career mobility.

Occupational Location and Development Analysis

For each candidate occupation, empirical work could be undertaken along the lines laid out above for the performing arts. A socioeconomic profile of each occupation can be created to determine age, gender, ethnicity, and racial make-up. (Of course, planners may engage in a deliberate strategy to change such make-up in favor of excluded groups.) A first stab at cross-fertilization could be achieved by using occupation-by-industry matrices from the decennial census, although this will not encompass individual entrepreneurs. To detect locational preferences for work and residence and likely career development paths, planners could conduct exploratory interviews with members of the occupations and/or representatives of their trade and professional groups. This should help weed out occupations that are less promising or that do not appear amenable to economic development interventions.

In a second stage, planners would want more fine-grained and reliable data on occupational location and development. For this, a formal survey supplemented with in-depth interviewing would be necessary, something which could be done by area academics or consultants. For artists, for instance, planners would want to know just how important subsidized studio space is for retaining artistic talent, whether it enhances artists’ sales and returns, and whether the neighborhood in which it is located or proximity to other artists matters. Why do artists tend to gravitate towards central cities? Is it just because they are poor? If they become more successful as a result of economic development activities, will they move out to suburbia, the way many subsidized firms do? Or are they committed to neighborhoods, performing arts facilities, and urban diversity? What kinds of institutions and training facilities are important in drawing and anchoring them?

It is important that planners not simply focus only on their own backyards in this exercise. Many mistakes were made in industrial targeting when economic development planners simply followed the leader elsewhere, imagining that any place could become a biotech haven or a software enclave. Understanding the draw of your competitors—other cities, other neighborhoods, the suburbs—is essential for a pragmatic strategy. You must have some reason to believe that your locality has a real or potential comparative advantage for the given occupations.

Occupational Development Planning

These preliminary steps will yield a set of target occupations with which planners and community developers can work. They will also have identified key occupational organizations and training institutions and generated
considerable knowledge of the operation of markets for products and services and of communications, networking, and competition among buyers, sellers, and rivals.

The planners' art is now to see where interventions might enhance the growth and performance of these occupations and how target populations (youth, inner-city residents, minorities, women, displaced workers, etc.) could be channeled into them. There should be specific as well as more generic policies in the occupational plan. There may be support for physical workspaces, training institutions, and networking organizations, whether they be in educational institutions, nonprofits, or the private sector. In the arts, for instance, an argument can be made for public support for centers like Minneapolis' Open Book and 'The Loft, which offer access to printing equipment, writers' studios, classroom and events space, and training sessions; and for refurbished artists' studios, such as Minneapolis' California Building or similar spaces in New York's SoHo and Times Square.

Entrepreneurship can be encouraged through training, incubator space, and networking by occupation rather than industry. Many would-be entrepreneurs do emerge from existing firms and industries, but trying to find them by approaching employers is not only akin to searching for needles in haystacks but also must confront employers' reluctance to lose key personnel. Offering classes to key occupational associations, unions, and training and educational institutions in how to start up a business would be more effective and serve as a means, too, of alerting entrepreneurs to possible venues for their infant firm efforts. Providing shared office and conference space for incipient entrepreneurs to use to meet clients may be fruitful.

Neighborhood effects can be enhanced and mediated by planners. Planners can change zoning laws to permit members of key occupations to live as well as work in what were once warehouse or commercial districts. Problems of conflict with existing residents—over displacement, noise, lifestyle, and so on—will have to be mediated. In return for support, planners can require that occupational groups cooperate in local development. In Minneapolis, for instance, several theater groups have become leaders in neighborhood revitalization, sensitive to dangers of gentrification and committed to "mercados" and other retail activities that fit the income levels and preferences of the residents.

Planners might also consider ways of marketing collectively for an occupation, an analogy to the way states and cities now market internationally for firms. Arts fairs and art crawls are one way of doing so locally for artists, but Internet training and Web sites, which have been incorporated into business incubators, could be launched. Planners could also raise the visibility of the community as a place to live and work for key occupations, much as they do for tourists.

Planners should also seek to enhance the qualities of living and working environments that will attract and hold members of key occupations. As Kamin's story suggests, investments in public parks may have indirect economic development payoffs not commonly detected in our economic impact models. Artists, for instance, are drawn to the type of fine-grained, mixed-use neighborhoods championed by Jane Jacobs (1961). Planners should consider whether building huge arts complexes that resemble stadiums surrounded by acres of parking lot will undercut the potential for a richer and more attractive urban fabric, not just for artists but for other residents as well.

All of these activities would be best approached with public/occupational partnerships, where local professional and occupational organizations, including trade unions, are brought into the exercise. An occupational strategy could include entrepreneurial training and technical assistance for small businesses, operating via professional associations that would also be consulted on issues of physical space, network enhancement, and so on. For industrial occupations, trade unions may be the most appropriate partner. In Milwaukee, an occupational strategy based on skilled blue-collar machining operations has worked brilliantly because employers, trade unions, and public officials work together to identify skill sets and job ladders, design training institutions external to firms, and recruit both displaced and entry-level workers into the occupations (Parker & Rodgers, 1999). Similar institutional arrangements between employers and community development organizations have worked in Silicon Valley (Meléndez & Harrison, 1998).

Conclusion

Regional and community economic development is more complex than is suggested by the traditional export-based model. An internal elaboration of labor in what appear to be local-serving activities may in fact enhance the export competitiveness of other sectors. As economies become more open to trade and the effects of globalization, human capital is increasingly important as an economic attraction and anchor. Yet despite growing theoretical consensus on this point, most economic development efforts devote precious little to human capital, and those that claim to are still using industries rather than occupations operationally (Clark & Gaile, 1998). It is my argument that individuals as workers and entrepreneurs, as well
as firms, matter to a local economy. These individuals can be studied as members of occupational groups and their success bolstered by judicious planning and policy.

By identifying and targeting occupations that appear to (1) be highly skilled, (2) show growth potential, (3) cluster spatially, (4) cross-fertilize with other sectors, (5) encourage entrepreneurship, and (6) match the potential of the area workforce, planners could complement industrial targeting efforts in regional and community economic development. I have made the case for the viability of such a planning strategy for the performing arts in the Twin Cities and believe that there are other target occupations that are generative in this fashion.

A number of lines of argument for further development are suggested by this article. For one, the unpacking of the export-base concept is long overdue. Planning practitioners have always been confused about whether local suppliers to export-base industries belong in the base or nonbase category, and they largely decide this on the basis of location quotients, which is tautological. For another, the character of and potential for cross-fertilization among a locality’s or region’s sectors is not well understood, especially when it does not fall neatly into commodity-chain notions of intersectoral linkages. It is my hunch that occupational analysis might help to reveal these connections, especially where a particular occupation serves many disparate firms and industries. Finally, the task of identifying key occupations is complex, not the least because we know so little about why occupational concentrations evolve where they do, and this knowledge is essential for occupational selection. All of these aspects provide fertile grounds for further research.

Acknowledgments
Thanks to scholars who shared their work on occupations and/or the economics of the arts or offered comments on readings or seminar presentations: Bill Beyers, Sue Cobble, Karen Chappell, Mel Gray, J. W. Harrington, Jim Heilbrun, Brian Holly, Matt Kane, Michael Lahr, Leslie McCall, Eric Parker, Bruce Seaman, Michael Teitz, Heike Meyer, Maria Hanretty, Norma Rantsi, Ragui Assaad, Ned Hill and Sharon Zakin; to the Pacific Northwest Economic Conference for the opportunity to give some of these ideas as the Tiebout Lecture in April 2000; and to Anne Discher, Bill Demody, Michael Leary, Greg Schrock, David King and Martina Cameron for research assistance. Special thanks to Vera Kamin for her willingness to be portrayed in this article and for her careful reading of the manuscript.

Notes
1. An industry consists of production units that produce and sell similar goods and services. Firms are the actors in an industry, but firms may have multiple establishments (site-based complexes) within them, which may be in more than one industry. Industry data is collected on the basis of establishments, not firms, for this reason. An establishment is a facility (plant, office, mine, farm) which is either a firm in and of itself or it belongs to a firm with other establishments elsewhere.
2. This phenomenon mirrors a tendency in the economy for wage and employment-security conditions of work to be increasingly linked to occupational groupings rather than industrial sector, oligopolistic status, or size of firm (Harrington, 1999; Noyelle, 1990).
3. Economic censuses and other data sources based on industry and firm units suppress socioeconomic detail and are frequently only accessible at the level of the county or higher. Occupational data from the population census and current population surveys offer a close-grained look at residential location within cities. Census data allow us to map the changing residential choices of highly disaggregated groups of workers over time and to match other socioeconomic characteristics with occupation.
4. Ladinsky (1967) found that high rates of interregional migration are associated with occupations with unstandardized work conditions, strong occupational communication networks, short organizational hierarchies, and decentralized work units.
5. There is an extensive and contentious literature on the economic impact of the arts focused on their export potential and multiplier effects. For a careful review of these issues and studies, see Seaman (1987).
6. In a recent analysis of three decades of census data using an expanded definition of artists, Markusen, Schrock, and Cameron (2004) found that this trend reversed in the 1990s, with Los Angeles, New York, and San Francisco increasing their lead over other, second-tier cities.
7. These results may reflect industrial/occupational structure and patterns of racism in employment. For instance, if blue-collar industrial jobs are relatively underrepresented in a metro area (e.g., Minneapolis) or have been historically closed to minorities (e.g., steel in Pittsburgh), the minority labor force will be both smaller and crowded into other occupations and industries.
8. Seaman (2003) suggests that sports and the arts as economic activities may have more in common than superficial differences (organizational size, nature of activity) would suggest. See his review of the literatures.
9. Quotes here and below are from a transcript of an interview with Vera Kamin conducted in March, 2000.
10. An alternative method of forecasting occupations, where industries are chosen first and then occupations inferred using industry-by-occupation data, is charted by Theodore and Carlson (1998).
11. An uneven distribution may reflect the localization economies of industries that employ members of an occupation, but the causality does not necessarily move from industry to occupation. It may be the reverse—that locational preferences of members of the occupation create the localization economies for firms.
12. There has been a recent renaissance in occupation-based rather than industry-based trade unions in the U.S. (see Cobble, 1996, 1997, 1999).

References


