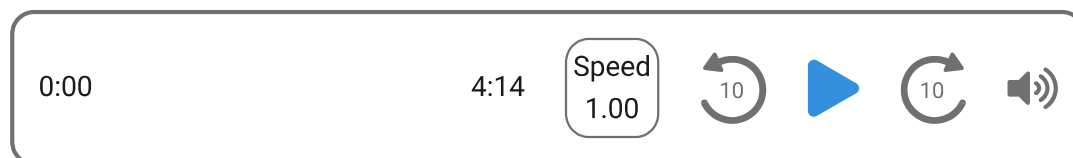


# Tim George: The creative economy: Indiana's missing link

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**TIM GEORGE**  
VIEWPOINT

By most economic measures, Indiana and Indianapolis are performing above average relative to our Midwest peers. But there's always room for improvement.

With an impressive life sciences sector anchored by one of the world's most valuable companies, a robust tech community, a reputation as the racing capital and amateur sports capital of the world, record-breaking economic development deals and myriad other strengths, Indiana should be poised to break out from the pack and leapfrog the competition. So how can we accelerate our progress?

An undervalued solution lies in arts, culture and the creative economy. The jobs and industries that make up the creative economy—music, film, design, architecture, fashion, performing arts and dozens of others—contribute more than beauty and nice things.

In fact, arts and cultural industries added \$9.3 billion to the state's economy in 2022. That sounds like a lot ... and it is. But it's also just 2% of Indiana's gross state product. That's the fourth-lowest concentration in the country (ahead of only Delaware, West Virginia and Mississippi). Our low percentage of arts and culture as a proportion of GDP restrains economic growth more than many realize, contributing to Indiana's wages per employee (at \$58,052) languishing nearly \$12,000 below the nation's.

The 67 million employees living in the top 15 states by concentration of arts and cultural industries have average annual wages of \$78,175 across sectors, transcending geographic, political and demographic differences. In contrast, the average worker in the 15 states with the lowest concentration earns just \$56,225. Despite its modest size, arts and culture supports a 39% increase in pay for workers throughout the larger economy.

This significant impact is due to the creative economy's striking influence beyond the goods and services it produces. The creative sector is not just another specialty subsector that benefits some economies while others can do fine without it, as is the case with industries like aerospace, mining or gambling. Instead, the creative economy supercharges every other industry. Culture and the arts drive entrepreneurial ecosystems, build community identities, attract and retain talent, and inspire innovation (which is simply applied

creativity). This results in a better employer and customer base, a strengthened workforce, and increased profits and incomes.

These prospects are why I'm excited to be partnering with Pattern to conduct a study on the creative economy, with support from the Central Indiana Corporate Partnership. The report will be shared at the Indiana Creative Economy Summit on Oct. 25, but the research has already made it clear Indiana has work to do.

Achieving a more creative economy won't be easy, but it is doable. Communities need to boldly lean into their quirks. Economic development programs and professionals need to prioritize creative sectors. Government leaders need to strategically support the arts beyond perfunctory budget line items. Companies need to invest differently, recognizing creativity's value to their bottom lines. Universities need to equip creatives as entrepreneurs and business leaders. Hoosiers need to support local creatives and recognize their power to transform communities. And leaders from each of these groups will ultimately need to mobilize, coordinate a vision and usher in a statewide economic renaissance.

Indiana can make a dramatic ascent up the ranks of economic winners. But it's going to take everyone—corporations, government, not-for-profits, philanthropists, educators, residents and creatives—coming together to make it happen.

Fortunately for us, we already have some of the world's greatest people and institutions. Now we just need to roll up our sleeves and get creative. •

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George is the CEO and founder of Pathemy Strategies, a management and strategy consulting firm serving community impact organizations.

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