FOREWORD
Special Issue on Opportunities and Challenges Facing the Rural Creative Economy

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Economic development is a top priority of state and local policymakers. In many rural areas, the abilities to enhance employment opportunities and raise earnings are practically necessary ingredients for survival. Prescriptions for rural economic development have evolved over time from industrial recruitment to business retention to strategies stressing entrepreneurship and local amenities. In recent years, Richard Florida's ideas about the creative economy have grabbed the attention of regional policymakers and spawned a variety of economic development initiatives aimed at attracting members of the creative economy.

This special issue of the *Agricultural and Resource Economics Review* contains papers related to the broad area of economic development, with a focus on the rural creative economy. The creative economy papers are from a workshop on the topic held in Mystic, Connecticut, on June 13–14, 2006, following the annual meetings of the Northeastern Agricultural and Resource Economics Association (NAREA). The Northeast Regional Center for Rural Development co-sponsored the workshop, and provided financial support. Workshop objectives were to characterize rural areas in terms of the development of the creative economy, examine the effects of amenities and other community attributes on the growth of the rural creative economy, and investigate the effects of the creative economy on other indicators of rural vitality.

Thomas Johnson's paper on place-based economic policy, presented at the NAREA Meetings' Award Luncheon, provided an excellent point of departure for the creative economy workshop. Tom defines place-based economic theories, which include quality-of-life strategies such as amenity-based initiatives, as "those in which economic behavior is explained as a process which is influenced by the characteristics of places, and by interpersonal relationships which are influenced by the characteristics of places." In a nutshell, Richard Florida's "creative capital" theory of economic development is that the creative process—influenced and fostered by the regional presence of technology, talent, and tolerance—generates economic vitality.

Ann Markusen's keynote presentation at the creative economy workshop further examined the subject of place-based economic development with a consumption-base theory of rural development. Unlike an export-base approach to economic development that supports the use of incentives to attract manufacturing plants that ship goods outside the region, the consumption-base theory stresses the importance of cultural facilities and locally provided services as contributors to rural economic development. Ann suggests that, by "providing better local cultural and entertainment opportunities," local policies can change consumption patterns and "spur small town development." This idea is at the heart of many rural creative economy initiatives.

Two papers presented at the workshop examined the local characteristics that attract members of the creative economy. Timothy Wojan, Dayton Lambert, and David McGranahan documented the presence of "artistic havens" in rural areas, and found that they have long been established in "places of spectacular natural beauty." However, important for current rural development policy,

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emerging havens are found in places with vibrant tourism economies and other demand factors, but without "irreproducible" natural amenities. Seong-Hoon Cho, Seung Gyu Kim, Christopher Clark, and William Park looked at the factors that influenced the growth of creative industry employment in the southern United States. The workshop paper by Vishakha Maskey, Cheryl Brown, Alan Collins, and Hala Nassar estimated the value that local residents place on a historic resource. A historic resource may provide local authenticity, deemed desirable by some members of the creative economy.

Other papers appearing in this issue examined the effects of the creative economy on aspects of local economic vitality. In a paper presented at the workshop, Todd Gabe, Kristen Colby, and Kathleen Bell suggest that workforce creativity, notably "technical" creativity, raises county-level earnings. Timothy Wojan and David McGranahan, in a non-workshop paper, found that for self-directed manufacturing firms, creative capital in the local economy enhances entrepreneurial activity and the adoption of advanced technologies. These studies document some of the local benefits associated with the creative economy.

The remaining non-workshop papers continue the theme of rural economic development. Returning to the idea of amenity-based development, the paper by Steven Deller and Victor Lledo examined the effects of amenities on economic growth, with an emphasis on rural Appalachia. They found that amenities impact population and employment growth, but not income growth. On a related topic, James Oehmke, Satoshi Tsukamoto, and Lori Post looked at the effects of health care services (considered an amenity to the elderly) and cultural amenities on elderly migration. Results show that younger retirees aged 65 to 69 favor areas with cultural and entertainment opportunities, while health facilities are an important factor impacting the migration decisions of those aged 70 and older.

Finally, this special issue includes a paper on agricultural land development by Yohannes Hailu and Cheryl Brown, and a paper on e-commerce by Marvin Batte and Stan Ernst.