

## **Chapter 7. Conclusions and Policy Prescriptions**

### **7.1. The role of Gaelic Language Arts and Culture in the regeneration of the Gaelic Economy**

In the context of the acknowledged shortcomings of business driven strategies to adequately fulfil the economic potential of peripheral areas (such as the Gaelic economy), this thesis set out to investigate the following proposition (section 1.6, p.23)

*That Gaelic Language Arts and Culture has a positive impact on the Gaelic economy in terms of jobs created and quality of employment*

*That the development of Gaelic language arts and culture can positively influence the long term health of the Gaelic Economy through its impact on intermediate variables which are in turn linked to regional economic growth*

*These variables include:*

- *Decisions by residents to migrate or stay in the area*
- *Decisions by those who have left (for education etc) to return or not*
- *Decisions by local residents / incomers to start businesses in the area*
- *Decisions by tourists to visit the area*
- *Decisions by companies external to the area to locate there*

*That the result of these findings have important implications for policy makers concerned with local economic development.*

#### **7.1.1. Proposition 1: That Gaelic Language Arts and Culture has a positive impact on the Gaelic economy in terms of jobs created and quality of employment**

Chapter 5 has illustrated the considerable impact of the supply side of the GLAC sub-sector on jobs in the local economy, a process often linked with a related increase in education and skills provision. In examining the non CTG/CCG sub-sector, Table

5-16 (p. 177) indicates the creation of between 82 and 98 FTE jobs (dependent on the multiplier chosen) , which together with the 131 FTEs which it is estimated are created through the activity of CTG/CCG supported activity (Table 5-15), would suggest a verifiable overall impact on jobs of between 214.29 and 230.24 .

As has been noted, this amounts to a significant impact in many of the peripheral local communities concerned (p 155), leading in addition to possible valuable knock on impacts in terms of confidence and dynamics.

The FTE figures calculated are in likelihood an underestimation given the inability to obtain complete economic figures from several key respondents including An Lanntair and Taigh ChearSabhaigh (p. 161), the present voluntary nature of projects such as Cuimhneachain nan Gaisgeach (page 162) and the under reported nature of individual activity. It is therefore likely that this thesis somewhat understates the actual impact of this sub-sector on jobs at the time of the survey. Note however, should also be taken of the time which has elapsed since the period of the survey and that developments in this sub-sector have progressed within this period (see Chapter 8 below) .

In considering the significance of this boost to employment in the Gaelic economy, note should be taken of the views expressed by supply side respondents – both those with a general economic remit, and those with a more direct GLAC remit - that jobs remain paramount in the consolidation and regeneration of communities in the Gaelic speaking areas (p. 190), a standpoint which underlines the importance of job creation in the GLAC sub sector. Additionally, as the data has indicated, examples are given of situations where success by Gaelic oriented enterprises has led to attempts at competition and emulation, and where jobs initially in one sector such as the Gaelic 'live' arts scene had led later to (potentially higher skilled) further jobs with Television and the electronic media. Although data received from the supply side was not sufficiently fine grained to confirm that jobs within the GLAC sector were of a more skilled nature than elsewhere, this view was taken by a great number of suppliers themselves, (a conclusion which would be backed by previous studies in this area – such as work by Highlands and Islands Enterprise (Highlands and Islands Enterprise 2001: p17)).

If these results are considered together with the reality of the lower relative per capita cost of providing FTE jobs within the area of the Gaelic economy (p. 175), this would suggest that the policy of investment within the GLAC sub sector is certainly sound, in terms of providing the best framework for an increase in longer term sustainability and in jobs which it would appear have the ability to become self financing to an increasing extent. It is also clear that Local Enterprise Companies and others (p. 188) are increasingly considering this activity as a factor which appears to positively contribute to community confidence.

Another point which ought to be borne in mind when evaluating these results however, is the short time scale against which the GLAC sub sector had been developed at the time of the surveys undertaken – the major investment in Gaelic TV only taking place in 1991, four to five years previously. This may in part explain the complaint by some suppliers that ‘short-sightedness’ of developers was an important contemporary constraint on the development of the GLAC sub sector to its full potential.

In considering trends in employment, although most jobs were ultimately dependent indirectly on the vagaries of government funding via the CTG/CCG, (and had thus been primarily *supply led*), Chapter 5 also evidenced a perception of *generally increasing growth* in demand, (both from within the sub-sector and outwith it), together with a *popularisation, maturity* and *professionalisation* within the sector (Table 5-17). Amongst the outcomes of this were instances of ‘stand-alone’ businesses which, benefiting originally from an injection of funds and of being part of larger organisations, were now able to forge a more independent existence. This observation would tend to re-inforce generally well acknowledge evidence from industry of new products and innovations *creating* their own demand. Having stated this, it must also be recognised however, that these developments were, and continue to be fragile, remaining very vulnerable to the impact of policy uncertainty (see Chapter 8).

Viewed from a longer term perspective however, the trend of increasing general demand is of great importance, as it would imply the likelihood of demand becoming an ever more significant dynamic in the development of the market for GLAC related goods and services.

In terms of *perceptions* of the direct impact of GLAC activity upon dimensions of the labour market such as the quality and quantity of job opportunities in the local labour market; the distribution of job opportunities across Gaelic and non-Gaelic speakers, the views of business and the public are found by the thesis to echo the overwhelmingly positive views of practitioners. These positive views on the link between Gaelic artistic and cultural activities and job opportunities and job quality show very limited variation across respondents with the exception of a split in perceptions on job opportunities between the Western Isles and Skye and Lochalsh. As previously suggested, the more positive view from the Western Isles is in all likelihood a predictable reflection of the geographical distribution of jobs directly associated with the recent growth in Gaelic arts and cultural activity.

Finally of great importance with regard to the impact of GLAC on jobs and employment were the factors perceived to be *constraining* progress. In addition to *short-sightedness of development agencies*, these included *inadequate co-ordination between agencies, the geographically dispersed nature of the Gaelic community; the size and structure of the sector and the inadequacy of present marketing* (Table 5-18). These issues were examined in detail in Chapter 5, with tentative conclusions drawn there (section 5.3 p.193). Of these conclusions, the most important perhaps are those related to the apparent mismatch between supply and perceived demand. Given the difficulties which are attributed to the size and nature of the sector, it is suggested that tangible rewards would be gained by targeting policy towards increasing demand for GLAC related goods, thus incentivising and enabling producers to increase supply to meet this (the possible benefits of the spatially constrained nature of the sector also being noted (p. 194)). The proposition is also stated that this is an example where the need for long term and strategic involvement by the funding authorities is crucial. Again, some practical issues are raised below in Chapter 8 with regard to events subsequent to the main period under examination in this thesis.

**7.1.2. Proposition 2 That Gaelic language development can positively influence the long term health of the Gaelic Economy through its impact on intermediate variables which are in turn linked to regional economic growth**

In drawing out the conclusions and policy implications arising from the findings of this section, the important caveat must be made that here we are dealing with much 'softer' data than the mainly quantitative data examined in section 7.1.1. Several issues that potentially influence the robustness of survey data are worth restating. For instance, if the majority of respondents have a positive disposition towards the subject under question this may consciously or unconsciously bias their responses towards outcomes which they may prefer. Similarly this may effect the relative weight that ordinary members of the community place on 'events' or perceived behaviour modification. In this regard the reality that there is a general positive disposition or goodwill felt towards Gaelic language, arts and culture by a clear majority (though no means all) of the population needs to be borne in mind when considering the significance of the finding of this thesis. In addition there is also the possibility of a difference between 'what people do and what people say they do' (p.124) As reported in Chapter 4, in aiming to minimise the likelihood of sample bias, the characteristics of the respondents have been examined in order to identify potential factors which might unduly influence their responses. Consequently it can be shown that the key characteristics of the respondents to the large scale consumer survey were within 4 percent of that of the population as a whole (p. 130) Indeed, in relation to key characteristics such as Gaelic fluency (which might be expected to elicit a positive bias) the respondents were in some cases substantially less fluent than the population as a whole (by a factor of 4 % in Western Isles and 10% in Skye and Lochalsh). This would suggest that sample bias has been minimised (although this does not effect the possibility of the 'all population' bias noted directly above). In relation to the issue of the difference between what people do and what people say they do, the advice of Marsh (see above p. 124 ) has been followed, in the construction of the questionnaires, in order to identify and take into account any contradictory responses.

Whilst the author is confident that all avoidable pitfalls have been taken into account in the questionnaire design, an element of caution should nevertheless be exercised when considering the conclusions below given the inherent limitations of survey work addressing complex issues.

In the views of practitioners (Section 5.2.13), their activities are already having a positive impact on *cultural distinctiveness* and *self confidence* of communities, with *new product ranges and openings* being sought. In the long term this was perceived to impact positively on both the *desirability of residence* in Gaelic speaking areas, and the issues of *migration* and *tourism*. Such variables are however recognised as more likely to operate over the longer term rather than on a short term timescale.

The views expressed in the supply side survey were also given substantial backing from the demand side respondents – both consumer and business sectors of the population. Some of the key points outlined in greater detail in Chapters 5 and 6, are briefly recapitulated here:

On the issue of *attracting tourists* to the area, the survey evidence again supports the view that this is significantly and substantially linked to GLAC related activity, (with a similar explicable locational split as before, within business perception).

As previously noted, the ways Gaelic artistic and cultural products and services influence tourism is both by raising awareness and appreciation of the area amongst potential visitors, via Gaelic television and products such as CDs, poetry books etc, and by enhancing the quality of the tourist experience when the visit occurs, a process that relies heavily on the range of activities categorised as ‘live events’. There is no way however, of establishing the *relative* contribution of these various activities on the basis of the data available in this thesis. However until recently (see p.112) this was an area almost totally under utilised by Scottish tourism authorities. The evidence presented in this thesis offers a clear case for a more systematic use of GLAC within the tourism field and in the promotion of the Gaelic economy as a holiday destination.

The impact of Gaelic artistic and cultural activities on *business opportunities* such as the creation of new products or services, or via new marketing strategies exploiting cultural distinctiveness, or via the general increase in local economic activity arising directly or indirectly for output and employment associated with Gaelic arts and culture was considered. It was found that broadly speaking, close to half of business

respondents were of the view that these opportunities have been positively or very positively enhanced in the area (Table 6-40).

Again there is only one sustained split across respondents on these issues and it is again by location. Interestingly however, the split is in the opposite direction to the previously reported locational splits, with the proportion of Skye/Lochalsh businesses that agreed with the view that new opportunities were created exceeding those in the Western Isles by 45% (80% to 35%). A similar variation emerged in *marketing opportunities*, with Skye and Lochalsh businesses recording more positively than those in the Western Isles. When the characteristics of these managers/owners was considered it was found that incomers to the area are 50% more likely than natives to appreciate the business opportunities referred to above. In relation to these opportunities it is useful again to recall that the majority of individual consumers reported that GLAC activities had *increased their preference* for buying Gaelic products or services where possible. Here it is worth noting that at present there is very little Gaelic or bilingual packaging, labelling, advertising etc being used within the business community. But if this process is sustained then initially some local businesses may be in a position to exploit this preference but in the long run the process would place pressure on *all organisations* with a significant engagement with the regional market to reflect the linguistic preferences of local consumers. This would tend to be less of the case in relation to for instance multi-national industry.

Again here however, it is worth noting the identification of marketing as a key constraint by the supply side respondents and one which evidence presented would suggest also calls for systematic attention (although the caveats presented below in Chapter 8 should also be borne in mind)

In consideration of more *indirect* linkages between GLAC activity and the economy, the thesis has also examined linkages which are indirect and mediated through social change *which in turn has an impact on economic variables*. Specifically they relate to the possible impact of Gaelic arts and cultural activities on population growth and retention and to possible impacts on individual and community confidence. Again it should be noted that here we are dealing with much softer data, which reflects the complexity of the issues involved.

Chapter 6 again offered substantial evidence that the majority of the respondents believe such activities have *increased the desire of young people to live and work in their home area* and had *increased the general attachment of local people to their communities*. This perception was shared across both consumer and business respondents. On the impact of Gaelic arts and culture on population growth, half of business survey respondents reported that Gaelic arts and culture had had a positive or very positive impact on the number of people now willing to return to their island communities to seek employment. Here the questions related specifically to Gaelic arts and cultural activity (as opposed to any *general* increase in economic activity). Finally on this issue, two-thirds of the business community report that Gaelic arts and culture have had a positive or very positive impact on the attractiveness of the area to incomers. (A high proportion – one third - of the business community are themselves, incomers). It is likely that these last two results reflect the pulling effect of *both job opportunities and 'quality of life' issues*. Again given evidence that past migration away of young people and their failure to return has been a key problem for peripheral areas, these findings present the attributes of GLAC based activity in a very positive light.

Turning to the other indirect linkage under investigation, in line with views expressed within the consumer survey, two thirds of the business community are of the view that Gaelic artistic and cultural activity is increasing levels of confidence within communities. One of the means by which increasing individual or community confidence translates into economic impacts is via the greater probability of confident individuals starting new businesses. Confidence is, of course a necessary but not a sufficient condition for a business start up (see Birley *et al* above). The business community were asked directly whether they perceived the revival of interest in Gaelic arts and culture as having had any positive impact on the willingness of people to start up businesses. Here the literature would suggest that two main effects may be observed. Firstly, through self employment, the creation of niche openings utilising skills or abilities which the individual was never previously able to bring into play. Secondly the impact of rising community self confidence on behavioural characteristics – for instance, the individual more willing to take risks, a reduced fear of failure etc. This latter effect is much more difficult to capture. In terms of responses just over one quarter agreed there had been a positive impact. Again the break down

of these respondents by location reveals that 53% of the Skye/Lochalsh business respondents reported positively as against 19% in the Western Isles. Here the differing percentages may represent the prevalence which exists already of Gaelic within the Western Isles, compared to the situation in Skye and Lochalsh where new Gaelic business may stand out as more distinctive thus achieving a competitive edge. It may thus reflect a greater local perception of possibilities afforded by niche marketing and possibly also the impact of rising community self confidence.

Briefly surveying events subsequent to the main period under investigation in this thesis, Chapter 8 below however, makes some additional points on the fragility of confidence in periods of uncertainty.

Given the very powerful positive impact of GLAC consumption on the views of respondents, (section 6.7), a key part of this thesis has been to identify the factors promoting and constraining consumption (demand). To this end, Chapter 6 comprehensively investigated consumer and business demand for GLAC related goods and services. In relation to consumer demand, It was found that the factors of *locality/ rurality; income; gender; age and fluency* were key to understanding consumer demand with (as outlined directly below), a rural location; a higher income; greater fluency and female gender tending to increase the odds of consumption. Age also played an important factor although one the complexity of which precludes simple generalisation. Comprehensive details of how these factors affected the demand for individual forms of GLAC are found in chapter 6, with a summary in section 6.5, (p.240 )

Of great potential interest to policy makers must be the fact that following this evidence, demand for such goods cannot be ascribed solely to levels of Gaelic fluency. Given the differential impact of the additional factors concerned, it is also clear that the issue of manipulating or promoting demand - while related to language promotion policy - can not therefore be reduced to this alone.

Policy makers examining the effectiveness of demand within the GLAC sub-sector of the Gaelic economy must therefore investigate a whole series of non linguistic issues which may impact on demand itself.

At the risk of some simplification, it may be of value to draw on the following observations in relation to each factor.

*The factors of locality/rurality*

The fact that irrespective of other factors, living within a non-rural setting militates against the purchase of many Gaelic goods and services, reducing odds of purchase to between a factor of 0.83 – 0.88 ( p. 161) invites comment on how this might be addressed by policy makers. The categories of goods and services concerned are:

- Concerts/ Ceilidhs
- Music in pubs/ clubs
- Choirs
- Traditional Dance
- CDs/ Tapes
- Childrens' books
- Sheet music
- Videos

Given that this phenomenon is urban/town wide and affects all categories of respondents from fluent Gaelic speakers to English speakers with no Gaelic whatsoever, would suggest that *availability* (already flagged up as a constraint) or indeed *over - availability* of alternatives in an urban setting compared to a rural setting may be a key to understanding this trend. It may also be the case that the greater concentration of non Gaelic speakers in town/ urban areas is seen to offer more potential from the English speaker market, which provision for Gaelic speakers might be thought to exclude.

If it were the case that a greater variety of substitute goods were available in an urban setting, then it is to be expected that demand would thus be relatively lower. Linked with issues of poor marketing (p. 182 and see Chapter 8 ) it may be the case that an under provisioned or under promoted Gaelic sector in an urban setting is losing out versus English language alternatives.

Again given what is known about the 'uneasy relationship between culture and economic development' (above page 82), it is valid to suggest that the business environment which dominates in an urban setting may militate against the day to day *use* of Gaelic, (irrespective of issues of fluency) and may through this have a detrimental effect on aspects of demand.

If the aim of policy makers were to boost the consumption within an urban environment of the goods and services which are perceived to have the greatest *impact* in terms of language use, community confidence and future purchase of Gaelic products, the conclusions of section 6.7.3 (p. 263, Table 6-38 and Table 6-39) would suggest that particular importance might be given to boosting consumption of *live events*. In this instance, this would signify the first four products mentioned here, together with the fifth - CDs / tapes – the one non-live good which was seen in Table 6-38 and Table 6-39 to have the highest impact .

Whether this might suggest the case for better advertising/ marketing/ promotion of *existing* resources or the *creating of more* resources in the competitive environment of the urban setting would be a detailed matter for policy analysts.

Conversely, approaching the issue from the perspectives of *rurality* – a factor which appears to promote demand, it may be the case that consolidating the base demand in rural areas would in practice be less costly, given that additional resources would be operating in an environment where already less substitutes may be on offer.

Alternatively, to tackle an overall business environment which did not encourage the use of Gaelic might suggest a policy of greater support for businesses which either used Gaelic goods and services in the production/ promotion of their goods, or greater encouragement to Gaelic entrepreneurship (see below p. 287) . At an urban local government level there may also be implications for issues such as bilingual or minority language signage, and the use of Gaelic within local government organisations, all of which may affect perceptions of those living in an urban environment and their willingness to consume Gaelic related goods. Again this can best flourish in an environment where uncertainty about the commitments of policy makers to the future of Gaelic has been minimised (see below Chapter 8).

*The factor of income*

Chapter 6 also indicated that irrespective of other factors, a lower income tended to militate against the consumption of GLAC goods and services. Here a word of caution should be expressed in terms of definitions adopted within this thesis where the measurement of 'lower' or 'higher' income refer to the simple dichotomy of above or below median income. Although this allows some broad brush conclusions to be drawn regarding income, acknowledgement must be made of the limitations of such a simplified dichotomy (made necessary by limitations of the data).

Having noted this, results from section 6.5 would however suggest that low income militates against consumption of all GLAC related goods and services, with the exception of music in Clubs and Pubs. These facts allow us to make the observation that such goods follow the path of economically 'normal' goods whose consumption rises with a general increase in income. Issues of general income levels within the Gaelic economy are linked to many factors which are outwith the scope of this thesis, although issues of the 'low road to development' – regions competing on low prices and wages, as opposed to the 'high road' are raised in the literature review by Asheim and Dunford (above p. 58). The observation that jobs within the media sector tend to be higher paid is an interesting point with the possible conclusions that the more this sector can be promoted within the Gaelic economy, the more this should directly raise local income levels.

Again a caveat regarding the role of high paying industry locating in a minority language area must be stated, which is once more the dilemma of the uneasy compromise between business and culture. In some well documented cases, industry has boosted incomes but to the detriment of the minority language or culture. Any such moves to attract industry to move to the area would need to take these points into account, although by definition the Gaelic media sector should be less prone to this problem. Finally the point made earlier in relation to urban settings and boosting entrepreneurship amongst Gaelic speaking individuals remains valid.

*The factor of Gender*

Not all goods and services are found to be influenced by gender. However, those which are positively impacted by a respondent's gender being female are:

- Plays/ Theatres
- Childrens' Books
- Choirs
- Sheet Music
- CDs

The observations regarding Plays/Theatre and Childrens' books are in line with general female activity in other linguistic environments (p.242) and therefore a policy of promotion may have few Gaelic specific components.

Section 6.3.3. p. 208 offered a possible explanation for apparent high female involvement with choirs, in terms of very low English speaking male involvement, which serves to give emphasis to the figures regarding womens' attendance. However in terms of impact, as Table 6-38 and Table 6-39 have outlined, choirs lie relatively low down the 'impact' scale in relation to non Gaels (10<sup>th</sup>) and Gaelic consumers (13<sup>th</sup>). This low impact might suggest that together with sheet music (very much a minority purchase which can be seen to have the least overall attitudinal impact (see Table 6-39), these are not priorities for policy makers with limited resources.

The final good referred to – Gaelic related CDs/ tapes may be of more importance given the high attitudinal impact of purchase in both Gaelic speaking and non-Gaelic speaking communities. Therefore in terms of gender specific approaches it may be the case that policy makers would wish to focus their attention on the apparent under consumption of CDs by males (although this is not an area for which the author felt competent to suggest a solution).

*The factor of Age*

In terms of Clubs/Pubs; Concerts/ Ceilidhs; Traditional Dance; Exhibitions and Plays/ Theatres, many of the results outlined within this thesis replicated some well known features of English language activities (see section 6.5.4), which would suggest that consumption may not have a particularly Gaelic specific nature – a conclusion which may also hold for proposals to boost consumption. The importance of CDs is raised again in regard to age however. Here the low consumption amongst young people (odds of 0.70) may again represent inadequate marketing given the substitutes available. Alternatively the low number of Gaelic related CDs aimed at young people, in comparison with English language alternatives, may be the key factor.

*The factor of fluency*

Unsurprisingly, fluency in spoken Gaelic is a significant factor, with the strength of its impact categorised into 4 main groupings (see p.244). It is clearly the case that in these circumstances an increase in fluency, through increased provision for instance of Gaelic medium education would be expected in the longer term to result in a positive impact on consumption. However, it may also be of interests to policy makers to consider how to boost consumption amongst present non fluent, or less fluent individuals. Section 6.5.5 outlines the order in which *non-Gaelic* speakers are likely to consume such goods: (least likely to consume at the bottom of the list)

- Traditional Dance/ Arts and Craft Products (these are linguistically neutral between Gaelic and non-Gaelic speakers)
- Concerts/ Ceilidhs; Music in Clubs/ Pubs; Choirs
- Plays/Theatre; Story telling/ poetry/ Psalm singing
- Childrens' books
- CDs/ tapes
- Videos
- Non Childrens' books

Here, given the impact of live events in general it may be sensible for policy makers to concentrate on these events in which the fluency factor plays the least role. From this approach concerts/ ceilidhs; music in clubs/ pubs and choirs might be the line of least resistance in terms of boosting nascent demand, traditional dance, being linguistically neutral. Here the importance of events such as the Feisean and the Ceolas festival are brought into play – underlining the importance of organisations such as Feisean nan Gàidheal and the Gaelic Arts Agency.

In a similar manner to the factors seen to be *promoting* demand, the issues of *availability, price, perceived relevance, personal level of Gaelic, lack of interest in Gaelic, lack of interest in the specific event* were examined as constraints. With the exception of *availability* and to quite a lesser extent *price*, none of the factors listed appeared to have a substantial impact on constraining attendance or participation ( Table 6-28). Again for policy makers this would suggest that general policies aiming to boost supply (in tandem with the policies which have just been outlined as possible aids to boost demand), would also receive a resultant positive response in terms of consumption. As outlined above, p. 248, availability is raised as an issue to a greater extent within rural areas, so this may have implications for the funding of Gaelic suppliers/ practitioners in terms of making it possible for more goods/ services to be supplied in a non-urban setting. Again lessons of the Cèolas project would seem relevant here – where such an initiative was firstly introduced into a community by an agency (here the Gaelic Arts Agency) and then is adopted by the community itself as a longer term project. Dovetailing this approach with allied provision of long term music tuition/ arts training and the availability through associated outlets of goods such as Gaelic CDs, videos and literature would seem to be an immediate and practical approach which could be generalised in many areas.

With regard to the business community, section 6.8 outlined demand from this sector, examining the use of Gaelic in the areas of: *hiring of Gaelic speaking staff; use of Gaelic/bilingual documents; the use of Gaelic bilingual advertising; the use of Gaelic music as entertainment; sponsorship of Gaelic events*. Here it must be acknowledged that there was still a very limited consideration by business of the use of GLAC to give economic advantage in their home market. Although a third of business respondents

cited the use of Gaelic products or services in the delivery of their main activity, the use was very limited.

In terms of constraints to business use, this was found to link mainly to perceived *lack of consumer demand*, *scepticism about the effectiveness of using GLAC as a promoter of business*, and the *linguistic competency* of the manager/ owner. The perception that demand was lacking (which contrasts with the suppliers' perception of *generally rising demand* and the consumers' perception of *availability* as the main constraint to increased consumption) is an example of a mismatch existing within the market for GLAC related goods and services which would lend more weight to the proposition that benefits would be gained by measures which helped to increase demand and thus helped stimulate supply. Given that the mismatch may have behind it issues of perception a greater emphasis in promotion by LECs to businesses of the benefits of Gaelic friendly strategies may also be appropriate, together with a minimising of uncertainty regarding future policy support for GLAC.

**7.1.3. Proposition 3 That the result of these findings have important implications for policy makers concerned with local economic development**

The data presented in this section has summarised the evidence uncovered in the course of this thesis with regard to the scale and pattern of the actual and perceived impacts of GLAC and has also offered insights into the underlying processes. The evidence is very strong that the Gaelic arts and cultural sector within the Western Isles, and to a lesser extent, Skye and Lochalsh, has strong direct impacts on employment numbers, job quality, career options, the enhancement of tourism and the creation of business opportunities. Currently these business opportunities are under exploited. The indirect impacts via attachment to place, the desire of young people to continue to live and work in their home area, and community self confidence are all reported by high proportions of the individual survey respondents and the business community (typically between 45 and 65%). Although it is beyond the scope of this thesis to accurately quantify the extent to which these attitudinal and behavioural changes translate into changes in economic behaviour, what is apparent is that there exists a *positive feed-back process* between the direct impacts, (new job

opportunities directly in Gaelic arts and cultural activities, in tourism and in other exploited business opportunities), and the indirect effects (returnees to the islands, young people wishing to remain and work if possible, rising confidence, incomers attracted to the area). The direct labour market and other impacts are likely to act in a manner that facilitates the desires that lie behind these indirect effects. It is also clear that the increasing use of Gaelic in both domestic and social spheres, underpinned by attitude shifts and levels of Gaelic educational provision will, in the medium to long term, have significant implications for the business community in terms of the language competence of staff, labelling, packaging, advertising and so on.

The previous section 7.1.2 has briefly suggested a series of practical approaches regarding the possible mismatch between demand and supply and the benefits of increasing demand. Given the time which has elapsed since the major data gathering for this thesis, Chapter 8, offers in terms of a postscript, a commentary on elements of actual practice in the period up to the recent past. The remaining points in the next sub-section 7.1.4 are more general therefore, and serve to link issues raised within the literature review to actual practice in Scotland. They are followed below in section 7.1.5 by a restatement of the contribution to knowledge made by this thesis, and suggestions of areas where, in the opinion of this author, additional research would be merited. This latter aspect will also be approached through the prism of the main themes that have emerged from the literature review.

#### **7.1.4. Scottish economic development, seen in the light of issues raised within the literature review**

In considering the issues of diversity, growth and development in relation to the different theoretical perspectives available, evidence within this thesis has increasingly suggested that endogenous strategies, which take account of local specifics, including culture provide the best theoretical basis to help explain current experience.

From within the literature review and from practitioners' experience has emerged evidence that cultural diversity is seen as a strength for local economies and has potential to help mobilise and organise resources, particularly human resources. This

theoretical model has therefore been backed substantially by the data analysed within this thesis.

The literature review, in its identification of four main themes for further investigation – around issues of structural/ institutional conditions against which the GLAC sub-sector operates; the reasons for practitioners' involvement in this sector; the implications of cultural attributes for economic development and the importance attributed to cohesion and networking for local economic development, has also allowed some consideration of the extent to which actual economic practice in Scotland up to the period of the data collection can claim to have moved beyond a short term pragmatic approach to one driven by a more theoretical appreciation of the complex interplay between culture and economics.

Chapter 3 thus indicated how actual practice has progressed from a rather simplified 'carrot and stick' approach ( page 91), to one where a more sophisticated and holistic appreciation of local economic development has emerged, relying more on community based strategies which aim to 'combine traditional strengths with an appetite for change' ( page 99). Within this evaluation, and based on the data examined within this thesis, a case has been made for cultural diversity through the overall impact of Gaelic language, arts and culture helping provide a situation of economic *development* as compared to simply *growth*.

Several problematic issues were identified with this approach however. Asheim and Dunford (above page 58) have outlined the debates current amongst regional development practitioners which illustrate the wide spectrum of views regarding possibilities of *any* regionally based growth strategies within an increasingly globalised world.

In defence of the potentialities of the GLAC sub-sector, evidence outlined in this thesis has suggested that the geographically bounded nature of the supply side may offer intrinsic advantage at a local level, the difficulties of externally based competition resting upon the cultural/ linguistic nature of the sector itself. In addition to this, the failure of the capital market ( above, page 73) does not make the economic terrain conducive to global competition. Again, this substantially

strengthens the case that is made for an endogenous, community based strategy as the most sensible alternative to business driven strategies. In all likelihood, given the comparative shortage of profitable incentives for outside investors, this places a larger responsibility on the public purse and public policy makers than might be the case in other areas of the UK.

In considering the dynamics of small firm formation and entrepreneurial activity the literature review correctly identified differences between entrepreneurial and lifestyle firms, and employment packages and enterprise packages. However, this thesis indicated at an early stage its interest in all types of business given their impact on employment and issues such as community confidence ( above page 63) .

Considerations of the practical issues around business start up and maintenance - Birley and Westhead's five reasons for starting a business – *the need for approval; the need for independence; personal development; welfare considerations and tax reduction/ indirect benefits*, have found partial confirmation in conclusions from the supply side regarding reasons for practitioners involvement in the GLAC sub sector: *filling the gaps/making a living; searching for the feel good factor; and to a lesser extent geographical issues* – work availability. Similarly in practical terms, although from in some cases a limited level, it is likely that issues such as niche creation and economies of scope (see page 64) will begin to increasingly serve as important signals to the supply side of the GLAC sub sector, particularly if issues of differing perceptions of demand and continuing uncertainty regarding the future of GLAC can be resolved. Success with this could be expected to impact positively upon the rather low present perceptions by 25% of businesses that GLAC production offered benefits to outside firms in terms of business location.

In terms of the long term development of small enterprises in this market, Deakin's typology of the issues affecting the growth and development of SMEs ( page 64) has illustrated the complexity of the process of growth for small firms, an approach which has been given weight by the supply side data presented within this thesis and which demands a holistic appreciation by policy makers at all levels of the specific needs of those operating within this complex market.

A final theoretical approach examined in the light of the new data examined within this thesis is the question of *cultural* impact in the light of Throsby's approach (see above p.45 ) with its resultant implications for network led development. It is clear that strong social and cultural networks do exist and retain great importance within the geographical area under study. However, little evidence has yet emerged from this research of a coherent, shared approach to business development arising from these shared characteristics and based on a Gaelic cultural outlook in the widest sense. It may of course be the case, that given the short time scale against which this research has evaluated development that it would be unrealistic to expect this. It may also be the case that the absence of such a discernible approach only substantiates Morgans's point (p.61) regarding the difficulty of network led innovation in peripheral economies. Although differing estimations of this can be made at present, the overall evidence outlined within this thesis has strongly endorsed the case that the overall impact of GLAC (as an endogenous resource based upon community strengths and attributes ) upon the Gaelic economy can be counted as positive in the aspects outlined above and may have potential to offer more if correct policy prescriptions are made.

#### **7.1.5. Additions to knowledge within this thesis and suggested areas for further research**

Amongst the additions to knowledge with which this thesis can be credited are:

- Quantification of the impact of the supply side in terms of jobs, with associated evidence of elements of increased competition and emulation of successful practice within the sector
- Identification of trends both promoting and constraining further supply of GLAC related goods and services
- Identification of the extent of demand for GLAC related goods and services, and the perceived constraints on demand
- From the identification of supply and demand, recognition *inter alia* of an apparent mismatch between a greater demand and a lesser supply

- Whilst acknowledging qualifications regarding the ‘softer’ data being used, the perception of the positive impact of consumption on a whole range of variables acknowledged as impacting the development of a local economy over the longer term. That this positive impact of consumption is not reducible to linguistic fluency alone.
- Identification of the extent of use by the business community of GLAC related goods and services, and perceived constraints to increased use
- Identification of the factors behind demand for GLAC related goods and services – only one of which is linguistic fluency in Gaelic
- Constraints to increased consumption of GLAC related goods, (namely availability and to a lesser extent price).

**Areas that suggest themselves for further research:**

*Openings for further research in the area of structural institutional conditions for businesses operating within the Gaelic economy.*

Although evidence has been presented of a perceived positive impact of consumption upon community and business confidence, the issue of culture and artistic production serving in general as part of a wider ‘index of development’ suggests itself as a topic for further research. Using concepts drawn from the *United Nations Human Development Index* approach and Todaro’s general framework, it would be instructive to see whether a model of cultural/ artistic development could be constructed which could offer insights into wider fields including economic development. Similarly, Church and King illustrated the benefits of multilingualism and treated language as a merit good and therefore it would be useful to further investigate cultural and linguistic production from this standpoint.

Taking into account the elapse of time between the original collection of data and the recent establishment of the Bòrd Gàidhlig na h-Alba in January 2003, a further important area for investigation would be whether there has been a change in perception of economic actors such as LECs and Local Authorities in regard to the importance of GLAC. Deakins outlined a useful framework for assessing small firm support. It would be helpful to consider how art and culture might fit in to this

framework in an area marked by linguistic diversity. Likewise it would also be informative to consider whether policy makers are beginning to treat GLAC seriously in this regard. Interestingly the data disclosed some differences in perception between business in the Western Isles and Skye and Lochalsh. This may be a fruitful area for further examination from several of the perspectives above.

In the period since the collection of the survey data, the use of the internet has transformed access to information. In the last year alone a score of GLAC related sites have appeared on the World Wide Web raising further issues of how the significance and impact of this can be estimated.

Within the issue of the impact of GLAC related goods, the greater attitudinal impact of 'live' events was noted. Again, this is an area where further research may be justifiably carried out in order to better develop policy prescription.

*Further research around the practitioners' reasons for involvement in the production of GLAC related goods and services.*

A key finding of this thesis is the apparent mismatch between supply and demand in the period under study. A comparative study of present attitudes within the supply side to GLAC related provision and the use of GLAC related goods in the supply of goods would be informative given the impact of the World Wide Web over the last 5 years (particularly on the Hotel and Catering sector, in which a large percentage of 'reluctant' users were found)?

Within the literature review Naisbit and Porter utilised the concepts of 'economies of scope' and 'niche creation'. Early indications, from data analysed within this thesis, were that music producers were beginning to appreciate the use of the Internet for marketing. Intuitively, one would imagine that given the contemporary adoption by many consumers of on-line purchasing, this practice may have developed substantially. A fruitful area for further research would therefore be how this may have impacted GLAC related music sales and sales of Gaelic books - an additional sub sector of provision which voiced concern at issues of poor marketing.

Following the change of Government in 1997 (and the establishment of Scotland's Parliament), Gaelic Medium Education has become more securely established. Given its undoubted fundamental long term importance and impact on language regeneration, the impact of this on contemporary business consumption of GLAC related goods and services and the willingness of business to become involved in the supply of GLAC related goods would be a useful area in which to conduct future research.

Issues of tourism are seen as key to the seasonal fortunes of many peripheral areas. Again, the impact of the World Wide Web (linked to the attractions of GLAC portrayed through the Internet), is an area where additional investigation may prove fruitful.

Finally the issue of the long term impact of GLAC upon migration is one where robust models are difficult to construct, but one where missing parts of the 'jigsaw' of local economic development remains. If it were possible to construct a robust model mapping the impact of GLAC on migration this would be a substantial further addition to knowledge regarding economic development in peripheral areas.

*Further research on issues surrounding networking*

An important suggestion by Throsby and others is the possibility of a common cultural approach leading to network led innovation and development. This thesis has been unable to find any robust evidence of such an impact within the area of the Gaelic Economy – although as Morgan has indicated, conditions of extreme peripherality would tend to make this unlikely. It would appear that an area for useful future research would therefore be to identify the extent of conscious networking between GLAC related businesses or businesses using GLAC related goods and services in their day to day provision, and how LECs, Gaelic promotion agencies and Local Authorities might work to develop this. Again this links to issues raised by Price regarding culture conscious management. Within this theme Bower makes the point that despite the growing benefit of 'virtual networking', face to face networking remains vital. It would be instructive to examine the extent to which both

forms of networking are used successfully towards economic ends by GLAC related firms and organisations within the Gaelic Economy.

*Developments in the most recent period*

In the period since the main empirical data underpinning this thesis was gathered, a series of important developments have taken place in the field of policy towards Gaelic language, arts and culture. Chapter 8 briefly assesses the main lines of these developments, considers their direction against that of previous policy towards the language, arts and culture and evaluates some implications of these changes from the standpoint of the evidence gathered in this thesis.