Creative cities: an introduction

Philip Cooke and Luciana Lazzeretti

INTRODUCTION

What is the creative city? This is not the first recent book to investigate that important and growing question. A relatively recent collection by Power and Scott (2004) explored similar territory under the rubric of cultural industries and the production of culture. While we are delighted that books of this quality and range are becoming available for study and research, we aim in this book to be clear about one thing in particular. Most treatments in this burgeoning field tend to use the terms ‘cultural’ and ‘creative’ interchangeably. As articulated with great precision for the case of Vancouver by Smith and Warfield in Chapter 12, in the book generally and in this introduction specifically we distinguish cultural economy and creative industries. This is because – as shown in a companion book to this one focusing upon *Creative Regions* (Cooke and Schwartz, 2007) – the two have almost totally distinctive modes of production, institutional bases and aesthetic content. Thus it can be a little alarming to see, as yet, inadequate recognition of these important differences.

That is not to say that the two do not engage, interact and inspire each other as represented in ‘punk’ regalia or minimalist set design gracing presentations of *Hamlet* or *Carmen*, while it is notable that two of the globally style-defining costumier companies, Gucci and Prada, retain their functional bases in the adopted home town of Leonardo da Vinci in Florence. Nevertheless, fundamentally, those apparent contradictions sum up the important fissure that exists in conceptual and real terms between cultural economy and creative industries. The former, as displayed by the operatic illustration noted above, tends to be failed by the market and is perforce usually subsidized or sponsored by industry. It is seen as a public good that states are willing to cushion, efforts to ‘privatize’ in some countries notwithstanding. Accordingly, entrance to certain cultural economy facilities like museums and art galleries, where publicly owned, may be periodically free or, depending upon political ideology, periodically to be paid for. Even in the last case, ticket revenue alone is seldom sufficient to cover all overheads, not to mention acquisitions. So the cultural part of the economy has an

aesthetic status comparable to that of many health-care systems, which are fully or partly paid for from taxation. The comparison is deliberate in that there is a strong perception that art, in particular, but also music, is a good that should be universally available since contemplation of the sublime refreshes the human spirit, rather as a brisk jog or an injection of antibiotics refreshes or restores bodily functions.

The creative industries are not like this. It is hard to think of any, certainly not many, that are cushioned like opera, the fine arts or much classical music. New media cover a wide range of creative activities from gaming to downloading images or funky music on a cellphone or increasingly ubiquitous iPod. All make money, some criminally large amounts thereof that induce re-regulation as happens with reality or interactive television programmes where premium telephone lines are the means by which the viewer casts his or her vote, is kept waiting, has to answer impossible questions or can vote only long after the contest has been decided. Welcome to interactive television from London, England – a scandal that has caused channels and programmes temporarily or permanently to be closed down to prevent their perpetrators being arrested. Or think about such phenomena as Google uploading all of Western literature onto its website despite the existence of copyright law of a kind that academics are all too familiar with as the sweat of their collective brows channels crumb-sized chunks of the revenue they generate back into their university ‘services rendered’ accounts. Not to mention YouTube, My Space and their ilk, pirating Hollywood video and classic excerpts. These more egregious illustrations are drawn merely to articulate the distinctiveness of the mode of cultural production and that of the production of ‘creative’ content. Lengthily trained artists, singers, curators and musicians characterize the former, entrepreneurship bordering upon racketeering characterizes much of the latter. Their institutional bases in the academy or conservatory followed by employment as a publicly subsidized specialist contrasts almost entirely with that in the creative industries, which may have its origins for some in higher education but for many knowledge means knowing what is ‘going down on the street’. To reflect this, in a slightly less *chiaroscuro* manner, the book is composed of 14 evenly divided chapters in two sections following this Introduction: Part I, ‘Cultural Districts, Cultural Clusters and Local Economic Development’ and Part II, ‘Knowledge, Creative Industries and Local Economic Development’. This sounds rather more rigid than it actually is, and occasionally there is a little slaloming of culture and creativity in the chapters. But the intention is clear as the book moves from the subsidized end of the aesthetic economy to its more rough and ready but largely profitable end in the creative economy.

CREATIVE CITIES

Being clear analytically does not necessarily imply that such efforts are matched by reality. Creative cities are usually thought of in terms that combine the cultural economy and the creative industries even though they usually occupy different ‘quarters’. One only has to start with London and New York, with ‘high culture’ populating the South Bank of the Thames river and creativity rubbing elbows with ‘red light’ district activities in London’s Soho, while New York’s SoHo and Silicon Alley magnetize entrepreneurial creativity and nearby Greenwich Village a folksier one, unifying Dylan Thomas at the White Horse Tavern (once also a favourite haunt of nearby resident Jane Jacobs) and Bob Dylan at the Café Wha? and the other MacDougal Street venues (for example, Folklore Centre, Gaslight Café, The Kettle of Fish, The Commons and the Black Fat Pussycat). Meanwhile the Lincoln Centre, Metropolitan Museum of Modern Art (MOMA), Guggenheim, Frick and Wharton museums are all in midtown, near Central Park, Park Avenue and other well-heeled neighbourhoods. Paris combines much the same ‘countercultural’ creativity on the Left Bank of the Seine river, where the Sorbonne students, like those of New York University (NYU) around Washington Square, congregate. Soho, close by the British Broadcasting Corporation (BBC), where Dylan Thomas plied his trade, a regular at the Fitzroy Tavern – epicentre of then Bohemian ‘Fitzrovia’ – had no university until nearby Westminster University, with a globally leading Media Studies School, was so christened in the 1990s. London’s university quarter is in or near Bloomsbury, where the likes of Virginia Woolf, Roger Fry, Duncan Grant and John Maynard Keynes, aesthete as well as economist, resided, but even they, or at least George Orwell, Virginia Woolf, George Bernard Shaw and Augustus John, preferred The Fitzroy to gather to drink, argue and inspire each other. Virginia Woolf’s home was once on Fitzroy Square where she would often stand looking out of the window while she worked on her books. It was for a while in the 1940s considered to be the most famous pub in the world. But today it is simply its part in the debauched history of some creative and interesting people that attracts visitor attention.

What does this signify? It signifies the properties of *emergence* which Johnson (2001), in a tribute to the intellectual achievements of Jane Jacobs, defines as a general theory of clustering as a solution to the condition of complexity. Change, Johnson argues, occurs from the bottom up. When enough individual elements interact and organize themselves, the result is collective intelligence – even though no one is in charge. It is a phenomenon that exists at every level of experience. Clusters are at the core of this theory of self-organization:

Jane Jacobs saw it in the formation of city neighbourhoods; Marvin Minsky in the distributed networks of the human brain . . . Urban critics since Lewis Mumford and Jane Jacobs have known that cities have lives of their own, with neighbourhoods clustering into place without any Robert Moses figure dictating the plan from above . . . Thus the artists live on the Left Bank, the investment bankers in the Eighth Arrondissement.

(Johnson, 2001, pp. 18–41)

Heavy knowledge exploration, examination and exploitation practices and capabilities such as the arts combine massive complexity from their characteristic dialectic of disagreement, dissatisfaction, even alienation, that is the key trigger and subsequent driver of creative work (Cooke, 2006). This by definition seeks to be different, novel, original and innovative, a condition which exerts a psychosocial imperative towards social interaction, recognition and consideration from peers, much as discussed in the literature on ‘communities of practice’ (Brown and Duguid, 2001; Wenger, 1998) and ‘epistemic communities’ (Haas, 1992). Much of this ‘communities’ research in relation to clustering focuses upon complexity in engineering research or political negotiation and diplomacy, pointing to the problems of inadequate ‘transaction spaces’ and ‘translation zones’ where implicit knowledge cannot readily be articulated as explicit knowledge and much intermediary interpretation must go on, involving practitioners with ‘complicit’ or even ‘hermeneutic’ skills of understanding and expression.

Little attempt has ever been made to assess the extent to which artistic labour and discourse are subject to the same ‘proximity’ solutions, proximity meant consciously in terms of geographical propinquity or ‘neighbourliness’. But a novel discovery of many of the chapters contained in this book is that ‘cultural work’, or the creation and expression of ‘symbolic knowledge’, is, if anything, more demanding than that of engineering (synthetic knowledge) and even science (analytical knowledge) because of its mix of relative impoverishment, ‘freelance’ living ‘from hand to mouth’, pressures to articulate the novel idea or artefact, and a paradoxical mix of psychosocial ‘lonerism’ on the one hand, and desire for peer recognition of ‘novelty’ and ‘authenticity’ on the other. Hence clustering is a *sine qua non* of both cultural economy and creative industry and the city, especially the metropolis, has the requisite specialization as well as ‘related variety’ (Boschma, 2005) to sustain clustering for and by both. In really vibrant, creatively cultured cities there may be room for many cultural and creative clusters. This is actually a clear expression, not of the specialized form represented by the cluster but the related variety form as represented by what might be called the *creative–cultural platform* of the creative city.

THE NEW RURAL–URBAN RELATIONAL CULTURAL–CREATIVE PLATFORM

A further criticism of the new ‘cultural economic geography’ is that it is neglectful, even disdainful of rurality in its analyses either of culture or creativity. To some extent in this book Kebir and Crevoisier’s Chapter 2 may be excepted from rebuke, although even there the rustic dimension of the Swiss watchmaking industry is rather overshadowed by the quality dimension of the product. Nevertheless the ‘chronometric tourism’ adumbrated by the authors will be a somewhat desiccated affair in the absence of ‘culinary tourism’ opportunities they imply to be required (Long, 2005). Moving on, one of the newest concepts in regional theory relevant to cultural–creative analysis is ‘regional platforms’, a post-sectoral, even post-cluster formulation (Harmaakorpi, 2006; Harmaakorpi and Melkas, 2005). As may readily be understood, the concept of regional or rural development ‘platforms’ is new, although the terminology has been utilized in narrower contexts for some decades, notably in terms of ‘technology’ or even ‘industry platforms’. Eliasson (2000) coined the term ‘learning platforms’ to argue in favour of a more entrepreneurial, problem-solving curriculum in schools, given the rise of the ‘knowledge economy’ and the entrepreneurial demands a more liberal market economy might place upon society and its skills base. However, the method of thinking embodied here focuses *specifically* on the notion of rural agro-food-cultural and creative platforms. For broader, regional, reflection the word ‘rural’ is normally parenthesized in this contribution. Thus the thinking here does not simply arise upon a tabula rasa since, it will be clear, the following account of this innovative policy-supporting perspective makes reference to three key areas of literature that raise the key questions the general approach aims to answer. The questions are the following:

- To what extent do rural in relation to urban economies display potential or actual development processes that enable them fully to engage with the challenges and imperatives of the knowledge economy, with its emphasis on the formalized rather than traditional, practical use of knowledge in economic activity more generally?
- In what ways may such creative or innovative knowledges of the kind often associated with ideas of a ‘knowledge economy’ be captured in an integrated and only moderately specialized way to capture value from rural–urban synergies that diversify the rural economic offer and enable a more robust interaction to occur with urban, metropolitan and overseas tourist demand (that is, the new rural–urban relational space of organic farms–organic cuisine)?

- In what ways has policy – for example, World Trade Organization (WTO), EU Common Agricultural Policy (CAP) and ‘Convergence’ funds – assisted or hindered such processes of diversified rural development platform building by promotion of ‘placeless foodscapes’, what further reforms to policy may be envisaged to assist these processes and what policy lessons are to be learned from diverse experiences of rural diversification from within and outside the EU policy experience (Ilbery and Kneafsey, 2000)?

The state of the art from the relevant published literature addressing these questions can be summarized under the following three headings:

- The ‘worlds of production’ approach to regional development.
- The ‘related variety’ approach to evolutionary economic geography.
- The ‘regional innovation systems’ approach to knowledge utilization.

Each of these approaches theorizes contemporary regional development as an interactive, integrated and relational question of identifying rural–urban regional assets and ‘constructing regional advantage’ (Cooke and Leydesdorff, 2006; De la Mothe and Mallory, 2003; Foray and Freeman, 1993) in ways that express the key factor in the knowledge economy, which is that novel products arise from public investment in research and private investment in innovation. As Asheim and Coenen (2006) argue, neither traditional *sectoral* nor more recent *cluster* analysis and policy pays adequate attention to the important, sometimes pioneering, role of public finance and leadership in the economic development process whenever knowledge assets, particularly novel knowledge applications, are in focus. Rather, sectoral and cluster approaches share a tendency to conceive of economic activity in vertical not horizontal terms, in rather narrow and rigid ways, and in ways that industry itself rarely recognizes. Industry in the contemporary era sees itself as offering flexible, pervasive platforms around which numerous product and process innovations may occur utilizing cross-sectoral synergies.

The ‘Worlds of Production’ Approach

This is associated most with efforts to characterize the basic variety of industrial organizational forms in regional space in the *fin de siècle* era (Storper, 1997; Storper and Salais, 1997). It is the theoretical framework elaborated in these works that has proved most intellectually and practically penetrative in the decade since they were published. The central concept, of key importance to the analysis and investigational work proposed here, is that different forms of production organization are internally coherent in

Source: After Storper and Salais (1997).

Figure I.1 Regional 'worlds of production' in the contemporary era

terms of their driving institutions, network interactions and conventions. In the current era these resolve the four 'tensions' represented in Figure I.1. The first of these refers to 'Standardized' production as practised in mass-production industries such as banking and automotives. This is in 'tension' with 'Dedicated' production that is customized to certain niche requirements such as luxury consumption (for example, 'bespoke' or customized tailoring) but also software or, increasingly 'designer drug solutions' in health care or personalized services of various kinds. 'Specialization' involves generic products being produced in specialized ways, such as specialized forms of a generic 'tourism' that might include, for example, archaeological cruises. Finally, 'Generic' means specialized *processes* being used for standard products (for example, aquaculture). The arrows represent certain tensions between these in specific dimensions.

The mention of aquaculture takes us neatly into an analysis of the contemporary food landscape. Because it seems true to say that the 'worlds of production' analysis works especially well in the *agro-food* and to some extent *tourism* industries but is harder to make work elsewhere (but see Strambach, 2007, for an application of this approach in knowledge-intensive business services [KIBS]). Although this approach is utilized in Morgan et al. (2006) in their study of 'worlds of food', it is more clearly utilized by Manniche (2007) in his review of tendencies in the European and global food industry. Manniche is constrained to using a threefold categorization of 'food cultures' because of a methodological requirement to utilize three knowledge categories (analytical, synthetic and symbolic) to structure his discourse on functional foods (analytical, bioscience), conventional food

Source: Halkier (2007); Manniche (2007); Morgan et al. (2006).

Figure I.2 Worlds of production in the agro-food and tourism industries

(synthetic, standardized, mass production, intensive agriculture) and alternative food (organic, local, specialty, fairtrade, and so on). Fortunately, Morgan et al. (2006) note specialized *processes* for generic or comprehensive foods such as 'cook-chill' for prepared meals as capturing the fourth segment of the schema in Figure I.2. To this, partly influenced by Halkier (2007), have been inserted equivalent subcategories of the 'experience economy' elaborated with varieties of tourism experience in mind (Pine and Gilmour, 1999). Standardized tourism in the form of the 'package' holiday has much in common with conventional food and intensive agriculture. Dedicated tourism is distinctively *niche*d and possibly specific to the individualized tourist requirement. Specialized tourism processes with a generic outcome would be captured by visiting 'beauty spots' by cruise ship rather than more conventional package holiday means. While, finally, the tourism equivalent of a technologized 'functional food' experience might involve culinary tourism to such 'molecular gastronomy' delights as Ferràn Adria's El Bulli restaurant in Gerona, Catalonia to compare his molecular gastronomy with that of Heston Blumenthal's Fat Duck near London and numerous imitators elsewhere. These categorizations help to locate the distinctive kinds of agro-food-cultural tourism region that might evolve in distinctive ways from a present condition in which some aspects may dominate or, more commonly, there may exist overlapping categories but profitability and rising or falling demand may point to new directions and requirements for policy assistance in institution building and targeted investment. Thus, as a case in point, Norway's Inland Region (some one to two hours north of Oslo by train) seems to combine many food and tourism types, from functional,

organic and conventional food (Hedmark County) to mass tourism (skiing, Lillehammer) to specialized culinary and niche (trekking, hiking, ice-fishing) tourism.

The ‘Related Variety’ Approach

We have seen something of the critical value and validity of this approach earlier in this Introduction, but here we briefly reprise the main arguments offered by the likes of Frenken and Boschma (2003) and Boschma (2005). ‘Related variety’ is an evolutionary concept, the use of which has moved furthest in the academic field of evolutionary economic geography. It is, usefully in the present context, a primarily laterally rather than vertically inclined concept. This means that the spatial dimension is of key importance to its theoretical force. Whereas industrial economists tend, as we saw earlier, to construct concepts in vertical fashion, such as sectors and clusters, geographers see things more horizontally. Thus Cohen and Levinthal (1989) introduced an important *vertical* concept of ‘absorptive capacity’ to articulate the knowledge challenge to a large firm by outsourcing research and development (R&D) knowledge it previously researched in-house to an outside subcontractor with comparable but probably cheaper capabilities. The challenge was to keep in the outsourcing larger firm such cognitive skills as were necessary to evaluate the outsourced results. However, if we introduce the idea of *lateral absorptive capacity*, a more spatial perspective, it becomes an opportunity more than a challenge because what are being sought are complementary *knowledge spillovers*, possibly in a region, from neighbouring industries or business activities that could enable a novel process or product innovation to diffuse rapidly among one or more firms or industries. ‘Related variety’ enhances this by virtue of a sectoral ‘proximity’ effect rather than a sectoral ‘portfolio’ (unrelated variety) effect (Boschma, 2005).

This approach also resolves rather satisfactorily an ongoing dilemma in economics dating from Marshall (1918) and Jacobs (1969). What is nowadays described as the Marshall-Arrow-Romer (MAR) thesis is that knowledge spillovers move fastest and lead to innovation most efficiently and effectively where the industrial economy is *specialized*. This view is reiterated by numerous studies such as that of Glaeser et al. (1992), which argues this to be the prime economic advantage of cities, although their argument is couched mainly in terms of the specialized human capital cities are supposed to host. Contrariwise, Jacobs (1969) argued that such dynamism as cities offered was more a characteristic of *diversification* than specialization, and the rubbing up of industries, firms and people against distinctive practices were the likelier source of novelty and innovation. This view was

later supported by research findings from *inter alia* Audretsch and Feldman (1996) and Feldman and Audretsch (1999). However, Frenken and Boschma's (2003) empirical research suggests that neither is correct and that the full set of Netherlands urban areas that they examined through the lens of 'related variety' revealed that those with most related variety grew fastest in gross domestic product (GDP) terms 1998–2006, an indicator that a related variety perspective located between the extremes of specialization (clusters) and diversification (sectors) is probably superior intellectually and in terms of policy interventions. Subsequently, Cantwell and Iammarino (2003) found the best performing Italian regions displayed 'related variety' and as yet unpublished but publicly presented research by Ketels and Porter (2006) strongly suggests the same thing from US research they and colleagues have been conducting. Accordingly, this exciting new perspective deserves further testing in the context of (rural) regions in reasonable contact with urban markets and capable of attracting or potentially attracting tourist, including 'culinary tourism' (Long, 2005), demand because of their cross-sectoral economy platforms.

The 'Regional Innovation Systems' Approach

Consistent with the evolutionary emphasis in the foregoing is that dating from somewhat earlier and known as the *regional innovation systems* approach. This emphasizes the importance for regional development of the search for usable, regionally (rurally) relevant knowledge through the articulation of a regional *knowledge exploration* sub-system. This may be centred on knowledge institutions like universities or innovation centres or, where these are absent, some special knowledge network arrangements such as that found in six rural and smaller town regions of Finland (including the Lahti region; Harmaakorpi, 2006) where *filial* networks are built up through the regional employment of research professors and their associated teams in non-university settings in the region but with affiliation to universities outside the region (Kosonen, 2006; Sotarauta and Kosonen, 2004). Paralleling the knowledge exploration sub-system is a *knowledge exploitation* sub-system. Here are the firms and some intermediaries closely associated with business innovation, like investors, management accountants, intellectual property rights (IPR) expertise, and so on that facilitate knowledge flow into local firms from wherever is appropriate globally, nationally and regionally. When these two sub-systems exist and interact appropriately, a functioning regional innovation system, well networked at home and abroad, may be said to exist (Braczyk et al., 1998; Cooke et al., 2000; 2004).

However, it has been rare for this innovation systems approach to be utilized analytically or in policy terms in rural settings, nor has it often focused

Source: Cooke and Westgaard (2007).

Figure I.3 Representation of the Rogaland, Norway Regional Culinary Innovation Platform

less upon scientific and technological knowledge exploration and exploitation than upon more traditional and cultural or creative industry. Nevertheless, as Figure I.3 provisionally shows from an initial piloting exercise, the basic sub-system concepts of mainly public knowledge generation and exploration activity (including research and vocational training) supporting the mainly private creative activity around culinary expertise and its regional and global value networks seems to hold up remarkably robustly as an institutional analysis. It points to the need to perform such institutional and evolutionary analysis in a variety of accomplished and less accomplished regional and sub-regional settings. As noted earlier there are important intellectual, analytical and practical gains to be made from such an approach (Coenen et al., 2004). There are critiques by the likes of

Bathelt (2003), Moulaert and Sekia (2003) and Mackinnon et al. (2003) but each of them seems wilfully to miss the point that by focusing on the local or regional level of analysis of intervention the researcher does not neglect or ignore the multi-level policy and conceptual levels of analysis. Nor, contrariwise, is the regional researcher constrained into a belief that only multinational corporations and supranational or state governments matter when it comes to the understanding of regional development processes and requirements (Lagendijk and Hassink, 2001).

AN ARCHETYPE OF NEW RURAL–URBAN 'RELATIONAL SPACE'

Rather persuasive of the notion of a new rural–urban relational space focused on a cultural–creative, culinary platform is the picture for the oil industry servicing region of Rogaland in which Stavanger is located. Recall Stavanger is Norway's and Europe's oil capital, hence affluent. Recent research has revealed the emergence of a globally competitive, regional gastronomy and related industry value network involving varieties of food and drinks production (organic farmed and wild seafood, livestock, horticulture, liquor, ceramics and logistics) and support institutions (canning research, the Norwegian Culinary Institute, food high schools, promotional networks, festivals, competitions, ceramics training, 'experience tourism', and so on) in both Stavanger and the nearby Sulda Fjord where UK aristocrats in the nineteenth century built 'salmon castles' that are now luxury hotels. In nearby Jaeren the platform is complemented with farming and engineering entrepreneurship (Cooke and Westgaard, 2007; Isaksen, 1997).

The 'innovation' dimension in this localized food and related industry platform arises from the manner in which locally trained chefs and other culinary professionals have become globally competitive in cuisine competitions due to entrepreneurial and innovative training, food, drinks, ceramics, legal and logistics sourcing in the region and a tradition of restaurant investment with associated interior design and equipment expertise deriving from results indicated from the premier cuisine competition, the biannual Bocuse D'Or. Named for Paul Bocuse, the celebrated Lyonnais chef this is the premier cuisine competition in the world, dating from 1987. Noticeably, Norwegian chefs and others from Nordic countries have performed commendably against a presumed Francophone elite in this contest in recent years. Many Norwegian 'starred' chefs are trained in Rogaland, the Norwegian Culinary Institute being in Stavanger, while those from Denmark include contestants from the Danish Culinary Institute, located in agricultural North Jutland at Aalborg. So, on this basis

for future cultural economic geography that might explore in more detail rural–urban cultural–creative interdependencies we turn to an outline of the content of this book.

THE CULTURAL AND THE CREATIVE CONDITION OF THE CONTEMPORARY CITY

Cooke's chapter (Chapter 1) analyses how culture is now well established as an instrument for promoting city image, city appeal and the economy of the city. Between 4 per cent and 8 per cent of employment may be accounted for by cultural industries. He speaks more of the 'cultural' than the 'creative' side of the distinction made in the Introduction. Culture must be inclusively not exclusively defined, preferably along lines proposed by Raymond Williams as 'ordinary' or by Clifford Geertz as a 'meaning transfer process', in democratic policy-making. Shopping, sports and science are thus equally valid candidates as instruments for developing a city's cultural assets. Cities need to be aware of for whom a cultural policy is meant. Particularly, 'global capture' of assets (Temple Bar, Guggenheim, Millennium Stadium, Wimbledon) and *politically expedient* 'multiculturalism' can alienate excluded citizens, including those of hinterlands. High quality architectural planning and a focus on 'cultural quarters' accompanies successful city cultural policy (for example, Bilbao, Dublin, Tallinn). The governance and funding of successful cultural policy is often multi-level in nature rather than stand alone. International benchmarking and networks of support are also key. Comparison shows many cities in Europe to have significant cultural assets. Science and knowledge are being embraced as cultural benchmarks. Thus cultural assets are both historical and creatively reproduced as modern imagery. Media is the greatest and most common cultural cluster in the modern city, but hardly seen at all in the countryside.

Kebir and Crevoisier's chapter (Chapter 2) deals with questions of meaning and change in cultural infrastructures from a regional development perspective. The first part presents an approach that is structured around both the question of building resources and that of their allocation/appropriation. It then endeavours to explain the way in which objects of any kind become, at some time and some place, an economic resource. This relation is not a one-way process. The production system and its clients influence the objects and, in turn, their own reproduction. A link is established between a local community that succeeds in relating its cultural resources with a production system and its markets/clients. This link is no longer simply a commercial, functional or technological one, but is also – to a virtually complete extent – a form of cultural communication. Swiss

watchmaking products became associated with symbols, images, and so on, and became a means of communication. The watch, above all a utilitarian object, incorporates various significances from the consumers' point of view. It becomes a way of reflecting the values and messages of fashion and of luxury. Specialists in marketing, image concepts, sponsoring, advertising and marketing methods began to appear. The watch became an object to be shown, to state one's identity. For consumers, it thus became a means of distinguishing social status. Luxury watchmaking revived in the 1990s and more recently a project for regional promotion structured around the watch began to take shape. The origins of the idea were attributed to a leading figure in the region, linked to the watchmaking business, and who saw the watch as the common denominator of a composite region lacking in unity and visibility. Feedback from the tourist promotion sectors led to a first concrete product. The 'Watchmaking Route', in the form of various sectors, presents various museums (public and private) located between Geneva and Basel, with a detour via Zurich. A few months later, the concept of Watch Valley, created by a firm of consultants from beyond the region, was launched by the tourist offices in the Swiss Jura Arc that grouped together for the purpose of this project.

Chapter 3 by Cinti reviews the state of the art with respect to 'cultural clusters' and districts, giving them analytical representation before drawing conclusions. The growing resort to this form of organization is especially made in terms of territorial planning: the cluster/district is a policy instrument meant to tackle several issues related to the enhancement of cultural assets and urban regeneration. While in most countries re-qualification is thought of as reclamation of downgraded areas or abandoned industrial estates, in Italy it is deemed to make the special heritage of specific regions more visible. Therefore, district implementation can result not only from policies of institutional actors and urban planners, but also from private initiatives of non-profit and cultural organizations, firms, and so on, or else as the outcome of unprompted actions of artists, artisans, museums, and so on. A demarcation factor in such a variety of experiences can be found in the kind of approach: top down or bottom up. On this point literature divides, as top-down implementation is considered impossible by some, while others, although pointing at successful experiences of this kind, believe there must be participation from the bottom. Therefore, a participatory model of governance seems the only practicable way to develop cultural clusters and districts.

In Chapter 4 Lazzeretti presents a model for sustainable economic development based on the trinomial culture–economy–society and the resource–actors–community axis that tends to enhance the artistic, cultural, human and environmental differences of localities. The fulcrum is

represented by ‘culture as a resource’ for the economic development of European cities and regions and the perspective employed is a replication and implementation of the Becattini–Marshall approach to industrial districts. Among the artistic resources in focus are the set of artistic assets and of the artworks in the strict sense (for example, monuments, architectural complexes, artworks, buildings, archaeological sites); cultural resources refer to that set of activities, behaviours, habits and customs of life that makes one place different from any other (for example, universities and research centres, typical arts and crafts, contextual knowledge, events and manifestations or the neighbourhood ‘atmosphere’); among the human resources fall those expressly ascribable to human capital (for example, artists, writers, scientists, artisans); and environmental resources refer to typical elements of the urban, natural, and environmental landscape (for example, urban morphology, ornamental gardens, parks, streets, squares, neighbourhoods, characteristic flora and fauna).

Cuccia, Marrelli and Santagata in Chapter 5 investigate the traditional role of individual and collective trademarks. They note that these distinctive marks have a complex role when they are used as instruments for the promotion and enhancement of cultural districts. Noting the many cases of localized agglomerations of micro and small firms which may be considered as districts, which generate a network of positive externalities able to sustain an endogenous process of local development, the main reference here is to the industrial cultural districts of what is known as Third Italy which had its boom periods in the 1960s and 1970s). They also note that there are many other cases where the localized agglomerations of firms – based on the idiosyncrasies of the territory – have not been able to build that social and economic network of horizontal and vertical linkages among local producers which gives rise to the agglomeration externalities on which the district model is founded. In such cases, which may be called ‘potential cultural districts’, institutional interventions play an important role in turning the *potential* district into a *real* one, for example, through the introduction of collective property rights. The collective marks are seen as the most appropriate operational instruments to promote market incentives sustaining local development, and preserving and enhancing the common knowledge rooted in the territory and shared by public and private stakeholders. Trade-offs are the objective function of all the local stakeholders. The objective of local producers of idiosyncratic goods – whose common idiosyncratic knowledge is characterized by non-excludability as a public good – is to maximize their profits in the short run, even if that has a cost in terms of preservation of the local tradition. However, they may exploit the name or reputation of the place by introducing poor-quality products or low-idiosyncrasy products on the market.

In Chapter 6 Palma Martos and Palma Martos concentrate on fixed book pricing (FBP) in Spain. This has been an attractive though controversial instrument of cultural policy given its widespread use also among other European countries. By means of this system the various players have contributed to reaching the goals set, without having to establish bureaucratic structures, thereby reducing possible government failure to a minimum. This is the principal advantage of this instrument. Thus it is arguable that the FBP system is justifiable solely on cultural policy grounds, notwithstanding the concomitant economic costs. Nevertheless, in view of the actual technological conditions of the sector, it is increasingly being questioned. Two key topics are: the existence of an extensive network of bookshops, which allows the 'all-inclusive service' aim of cultural diffusion to be realized, and the publication of high-quality books, thereby avoiding the risks of a selection determined by economic considerations unrelated to any cultural objectives. There is a consensus among experts that the use of the Internet may reduce the need for an extensive network of bookshops, contributing to the 'all-inclusive service' of cultural diffusion that is declared as a political objective. What the FBP would do is hamper innovation in more efficient channels of distribution. The authors note that in the case of Spain, compared with bookshops and bookshop chains, which account for 49 per cent of sales, sales via the Internet are less than 1 per cent. Contrariwise, new technologies have brought about an appreciable reduction in printing costs allowing à la carte editions, together with low-cost electronic editions, which could substantially improve the profitability of high-quality books.

Chapter 7 by Lorenzen and Frederiksen explores why although the distribution and marketing of cultural products spans globally, the development of them is highly clustered in a few major cities. This conceptual chapter investigates the reason for this clustering of parts of value chains in cultural industries, by looking at the organization of cultural product innovation. The chapter analyses the two categories of economic externalities that may make industries cluster: localization and urbanization. It also analyses three types of product innovation in cultural industries: variety, novelty and radical innovation. It argues that because the cultural industries oscillate between these types of product innovation, cultural industries are dependent upon not just localization, but also urbanization.

Costa's chapter (Chapter 8) marks the turn from deliberation about the nature of culture in the city economy and society, to the creative dimension that both sustains the cultural inheritance of cities but also supports the creative impulse of the present moment, and for future creative industry and activity. This chapter contributes to systematizing and improving knowledge on the creative and innovative dynamics verified in cultural-activities led

territorialized production systems. Costa provides a conceptual discussion delineating the main contemporary debates on these issues, concerning territorial agglomeration of cultural activities and creativity. The diversity of experiences and the variety of regulatory mechanisms which support those territorialized cultural-led creative dynamics are indicated. Subsequently, a brief panorama of Portuguese empirical cases and research studies is provided, surveying key dynamics and reviewing research analyses conducted recently in Portugal. The issues raised in Costa's chapter set important challenges to public policy and to the governance of cultural-centred territorial-systems dynamics. Foremost there is a need to move from thinking of benefiting from the isolated effects of each particular action to the effective construction of the creative city. The success of various recent experiences points to the importance of issues like the articulation among agents, regulation and the effective insertion of the events, facilities or institutions that are promoted along with the implementation of these strategies in the life of the city. Costa concludes that an integrated strategy for intervention must embed in the specificity of local community and must exploit a combination of resources, within a specific governance mechanism, in order to promote territorial competitiveness and achieve sustainable development.

Chapter 9 by Trullén and Boix focuses on the Metropolitan Region of Barcelona as one of the most interesting exponents of cultural knowledge and the creative metropolis. In 1986 the Metropolitan Region of Barcelona began a process of economic and territorial expansion that led to it becoming one of the ten largest urban agglomerations in Europe, and ranked as one of the thirty largest metropolises in the OECD. They argue that this territorial expansion has arisen not from a process of hierarchical decentralization but rather as an effect of the increasing interaction between the urban continuum of Barcelona and a group of medium-sized cities that were old industrial centres. The unit used for metropolitan planning has a current population of some 5 million inhabitants. The metropolitan region is structured as a polycentric network of cities looking like a constellation of stars, where the most important city is Barcelona. The recent process of growth and metamorphosis from a collection of industrial cities to a knowledge-driven and creative metropolis is related to the existence of intense increasing returns of a territorial nature. These increasing returns are associated with internal economies and new organizational models, external agglomeration and network economies, and the transformation of the productive model towards the knowledge economy.

Belussi and Sedita in Chapter 10 focus on 'event management' in Veneto, Italy's musical performance cluster. They adopt a comprehensive approach, which takes into consideration the interplay between different agents involved in the realization of a musical event. So, at least at empirical level,

they seek to disentangle the apparent contradiction existing between long-standing music institutions and volatile project organizations. They identify the two main important elements which constitute the architecture of the performing music sector in the Veneto region: the permanent organizations devoted to music, which often promote and are in charge of preparing the event, and the latent networks of artists informally linked together by a reputation-driven mechanism. The project-based organization emerges when an event has to be carried out, and it works as a bridge between permanent organizations and latent networks, which are mainly territorially embedded. Latent networks formed by groups of artists are found, including the network of workers attached to the activity of permanent organizations in symphonic music. Using the social network methodology of analysis they map the groups of workers which, at the same time, share their working time in one of the four permanent organizations identified, who also collaborate with many other symphonic music organizations in the region. This approach overcomes the sterile discussion about the segmentation of the labour market in creative industries. Temporary contracts are not a simple negative aspect of cost-cutting strategies by firms, but a way of sustaining flexibility with diversified and enriching working experience, sought by workers through connections with various employing organizations.

Chapter 11 by De Propris and Hypponen explores the impact of concentrated governance and globalization on Hollywood's creativity. Film-making is one of the main forms of art and is therefore considered to be a creative industry. The chapter briefly explores the concept of creativity and what characterizes creative industries with a special focus on the film industry. As centripetal forces lead creative industries to concentrate in specific places, so the film industry has witnessed the emergence of Hollywood as one of the world's most visible film-making centres. The authors explore whether the studio system that emerged in the 1980s and 1990s through a process of production disintegration and flexible specialization together with concentrated governance, is still capable of delivering creative outputs. The transformation of a creative activity into 'show business' and mass entertainment has, on the one hand, made cinema available to a wider audience than ever but, on the other hand, it has homogenized contents and ideas to appeal to very different tastes and cultures. De Propris and Hypponen suggest that globalization and concentrated governance have suffocated the risk-taking and path-breaking nature of creativity in Hollywood film-making in favour of a 'blockbuster mentality': recycled subjects, disappearance of film genres, creation of culture-neutral content and, finally, the control of marketing needs over creativity.

Chapter 12 by Smith and Warfield anatomizes Vancouver, Canada, as a creative city. Making the all-important distinction between the cultural and

the creative economy, the one public, tending to be subsidized or sponsored, the other much more market-facing but with clear interactions between them, they hold that this clarified conception of the term 'creative city' in Canada, enables them to compile the various 'creative city formulae', suggested by Canadian urban policy theorists and analysts, as well as practising 'creative' Canadian cities. These formulae – methods by which it is suggested the creative Canadian city may be fostered – can be categorized broadly into two categories: creative governance and direct support for creative ventures.

To transform theory into practice, the last section of the chapter considers creativity in Vancouver. With the conceptual clarification of 'creative city' on the one hand, and the simplification of the various 'creative city formulae' on the other, the purpose of the case study of Vancouver, is an attempt to demonstrate that in practice, Canadian cities continue to muddle through this conceptual divide between culture-centric principles and econo-centric principles towards creativity. The case of Vancouver illustrates that within the Canadian urban context, to foster creativity – whether for well-being or profit – governance, citizenry and industry need to, themselves, become creative agents of change.

A comparator chapter on a modern Pacific Rim city is presented for Singapore in Chapter 13 by Hing Ai Yun. She shows how Singapore is currently grappling with numerous problems associated with growing a knowledge-based and creative economy. Intensive efforts put in by the state are geared towards changing both infrastructures and personhood. The successful advancement to a high-technology manufacturing centre is one measure of this transformation. Part of this success should be attributed to a conjuncture of global trends, including the adoption of supply-chain manufacturing which is heavily dependent on precision and efficiency. Arts as both commodity and entertainment have flourished, as reflected in comparative indicators for preferred expatriate location. Top current affairs and financial magazines rank Singapore 'funky' and 'cool', something of a surprise given a recently inherited image of a city where one could be incarcerated for spitting gum onto the street. The Singaporean state fosters profit-oriented creative industries that it understood from practical experience elsewhere would basically function in ways similar to any other industries. They require the same fundamentals of good management and governance to help generate an acceptable rate of return, although different segments of the knowledge economy have their own peculiar requirements for survival.

However, Singapore's poor record of management and authoritarian political structures will have to be transformed. Hing notes that while the Singapore state realizes that creativity cannot be mandated and top-class

talents working for global markets have choices, the solution seems to be to enhance the environment for the reproductive needs of creative labour. Global talents interviewed have never failed to mention how Singapore's clean and safe environment, good schools, health facilities and other enrichment facilities have helped their decision to accept job relocation in Singapore. The easy availability of foreign creative/innovative expertise has worked both ways to dilute and strengthen pressures on Singaporeans to accommodate and reject the state's definition of arts as commodification.

In the final chapter (Chapter 14) Capone analyses the rise of creative industry systems in Italy. The aim of this contribution is to identify concentrations of creative industries in Italy and to investigate the kind of creativity diffused in the country, that is, to answer the question of whether Italian creative systems are mainly influenced by technology-related creative industries or by traditional cultural industries. In these pages, Capone seeks to answer the following questions: where are the creative industries in Italy, how can they be singled out, by which kind of creativity are they characterized and what are the effects of these creative industry concentrations upon the overall local economy? In this process, Capone concentrates on the economic actors (enterprises) of a local system and the resultant structure of its industries.

The chapter was inspired by Florida's contribution to the study and analysis of the creative economy and joins the wider debate about the role of culture and creativity as factors promoting local development. The empirical analysis differs from the creative economy concept in two ways: the first regards the territorial unit of analysis, usually the metropolitan area or the province, and the second regards the occupational categories used to define the creative class (artists, engineers, designers, entrepreneurs, and so on). In this chapter Capone instead uses as territorial units of analysis the local labour systems and uses the creative industries as proxies for analysing the creativity of a locality.

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