

Creativity and Innovation in Cultural/Creative Industries

Breakout group meeting: Thursday, 1 May 2008.

This note prepared by Charles Davis

The purpose of the breakout group was to discuss innovation and creativity in the cultural or creative industries. However, during an initial round of comments it became clear that the group wished to have a broader discussion about creative or cultural industries, including labour issues. This desire reflects the often-confusing use of the term “creative” in contemporary theories to refer to the “creative class” and “creative industries.” These two usages cohabit Theme 2 and they are giving rise to some ongoing misunderstandings within ISRN, which we must endeavour to turn into fruitful tensions.

The concept of “creative class” refers to Richard Florida’s theory of linkages among urban locations, economic growth processes, and a certain broad group of occupations. The term “creative industries,” popularized by the British government, refers to a group of industrial sectors that rely on copyright and produce experience goods. To make matters even more confusing, initiatives to promote “creative cities” joyfully encompass the “creative class” and “creative industries” agendas.

Despite their shared fondness for the term “creative” and their emphasis on economic and social processes in urban regions, the concepts of “creative class” and “creative industries” point in quite different directions. The “creative class” perspective emphasizes the importance of very highly skilled occupations that always require post-secondary education. Although expressive and artistic occupations are included in the definition of “creative class,” in practice the term applies primarily to scientific, technical, and managerial occupations. These are the very highly qualified, specialized occupations for which the “creative class” perspective proposes attraction and retention strategies. In the “creative class” perspective, practitioners in artistic and expressive industries are subsumed under the category of “bohemian” occupations. Bohemians play two important roles in the “creative class” perspective: they produce cultural amenities that are attractive to scarce scientific, technical, and managerial talent, and their presence suggests an environment of cultural and behavioural tolerance, openness, and diversity.

“Creative industries” are generating a quickly-growing share of employment. Furthermore, “creative industries” are of considerable interest to policymakers who see export potential in them, including use of “creative industries” to brand their city-region and attract tourists. However, research on social and economic processes in “creative industries” such as fashion, media, music, and design consistently emphasizes the precariousness of employment in these “bohemian” industries. Average incomes are much lower than in the scientific, technical, and managerial occupations that define the “creative class,” and survival at the entry level is notoriously difficult because of a superabundance of talent compared to available opportunities to generate income.

Bohemian occupations, which like other “creative class” occupations are concentrated in city regions, are extremely sensitive to the cost of housing. Bohemian districts or neighbourhoods are usually displaced by development and gentrification processes, at times ones that seek to capitalize on the

cultural amenities produced by the local presence of bohemian occupations. This explains in part why bohemian quarters are not always eager to be discovered by the outside world.

Participants in the breakout group flagged eight issues for further investigation:

- 1) We need a more thorough and critical understanding of the differences and similarities between the various “creative” industries and occupations. We also need a clearly drawn comparison between “creative class” and “creative industry” perspectives.
- 2) Why and how does geography matter in “creative” industries and occupations?
- 3) What does innovation mean and how does it work in the “creative industries” (i.e. those that produce experience goods)? What are the implications for innovation policies?
- 4) How do labour markets work in the various occupations encompassed by the “creative class” and the “creative industries”?
- 5) What is the wealth-generation potential of the “creative industries” and how can it be improved?
- 6) Clearly, within the “creative class” a process of class formation is taking place, in which scientific, technical, and managerial occupations are accumulating wealth and property much more reliably than “bohemian” occupations. What processes of social integration and exclusion are at work in these industries and occupations? Which occupations are geographically mobile?
- 7) What policies are appropriate and effective for the “creative industries”? Should they be sectoral, regional, or both?
- 8) The organization of production in the “creative industries” is characterized by a high degree of vertical integration in large transnational conglomerates along with proliferation of huge numbers of very small, poorly resourced firms. What are the growth, development, and governance implications for city-regions of such highly flexible production?