

The role of creative industries for poverty reduction

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Aim of this chapter

The aim of this chapter is to discuss:

- the new challenging situation to link strategies for conservation of urban heritage to territorial innovative systems aiming at sustainable development
- cooperation with the emerging culture and creative industries



Łódź Poland



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Investment 250 million euro



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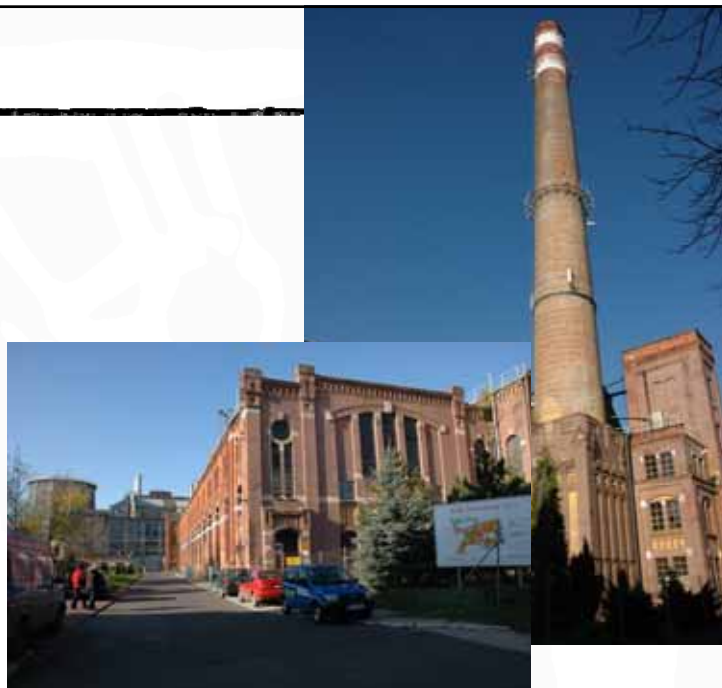
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Scenes of the American film director David Lynch's 2006 film *Inland Empire* were shot in Łódź.



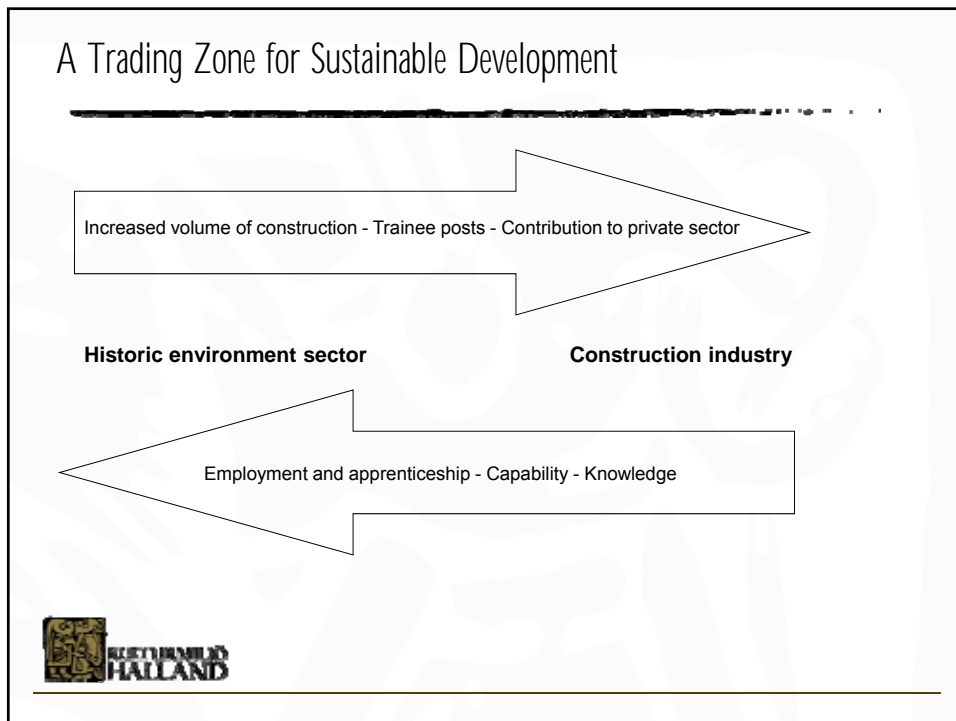
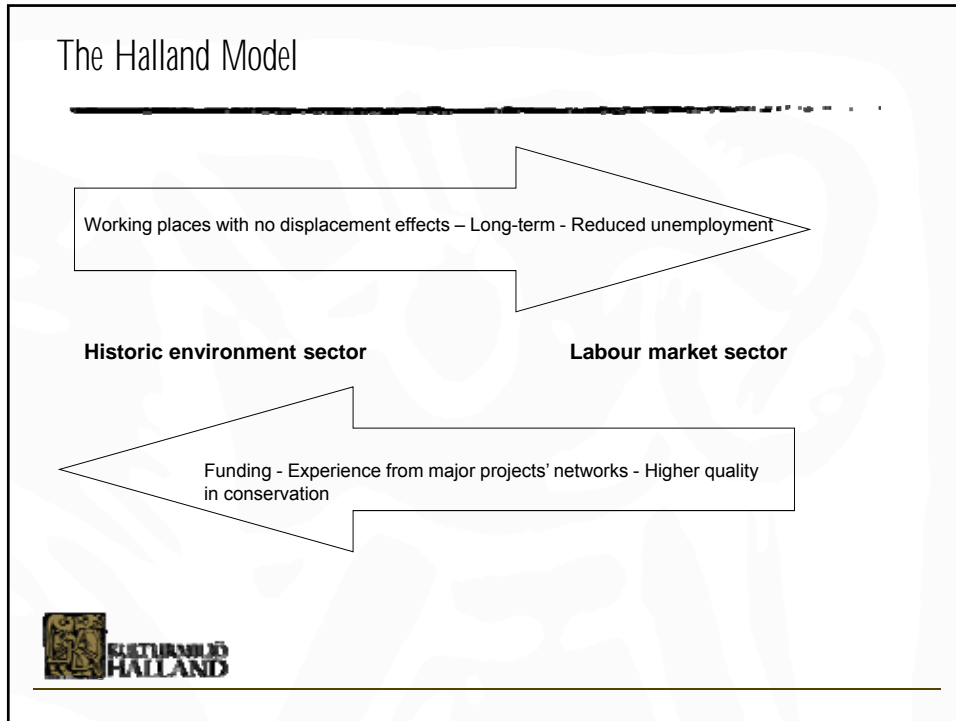
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A Trading Zone for Sustainable Development





A Trading Zone for Sustainable Development

Training - Financing - Networks

Labour market sector

The construction industry

Impact on the whole trade and industry - Vocational certificate -
Future employment



The Halland Model

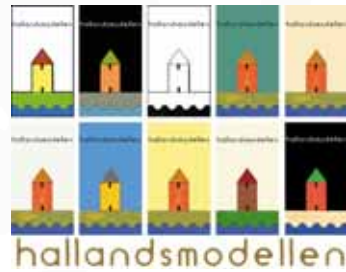
- Save the jobs
- Save the craftsmanship
- Save the buildings
- New activities on the improved premises - infrastructure



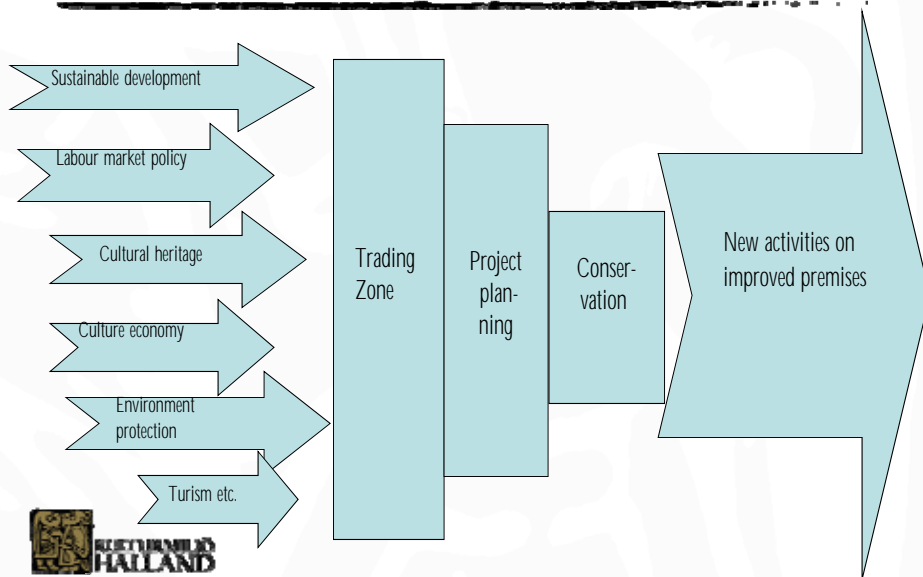
The Halland Model

Train unemployed construction workers in traditional building techniques.

Practice in conservation projects.



A Trading Zone for Sustainable Development



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Facts Halland (Sweden)

1.100 = One third of all construction workers trained in traditional techniques

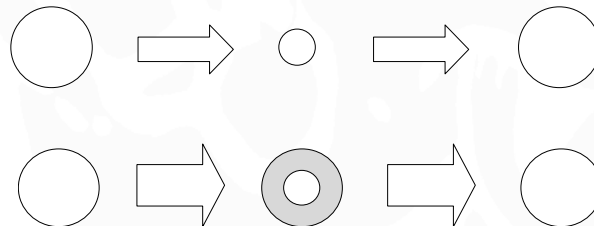
235 new permanent jobs

100 historic buildings conserved

80 Million US \$ in a period of ten years



A Trading Zone for Sustainable Development



Łódź

"the Promised Land"

1990	850.000 inhabitants
2003	782.000
2009	742.000
2000	Appr 200.000 people unemployed
2004	20 %
2008	6,5 %

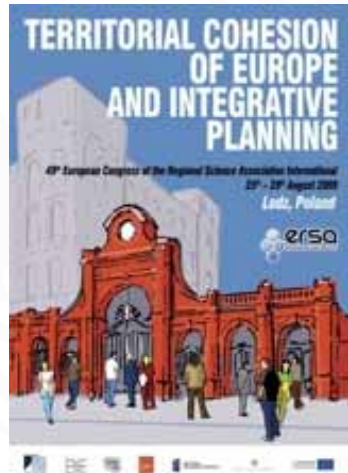


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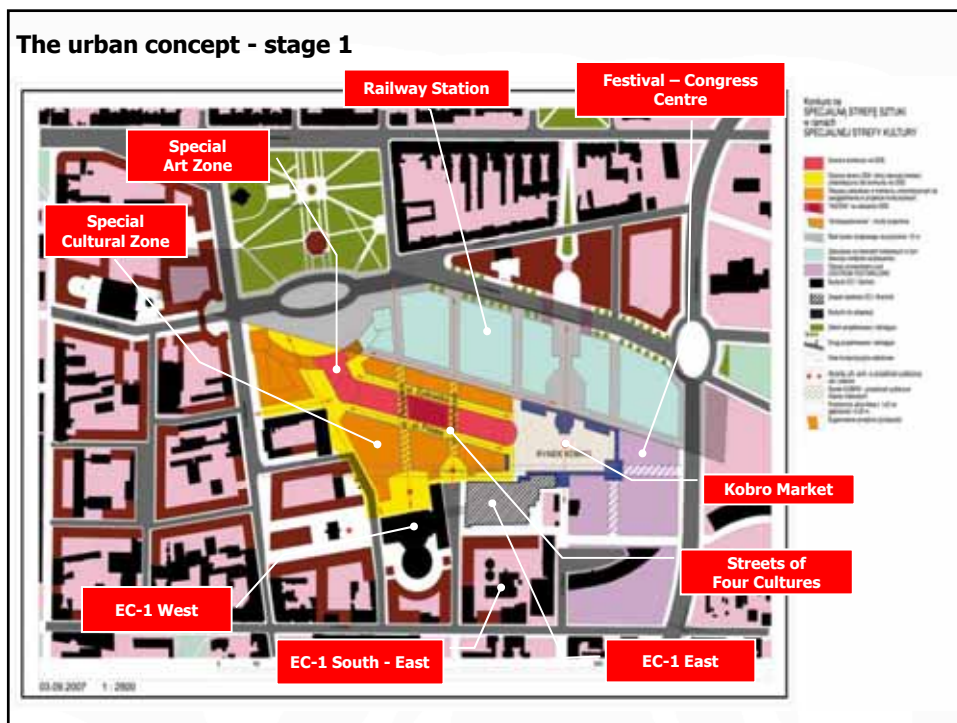


Łódź YOU LIKE
TO be creative?



Łódź Poland



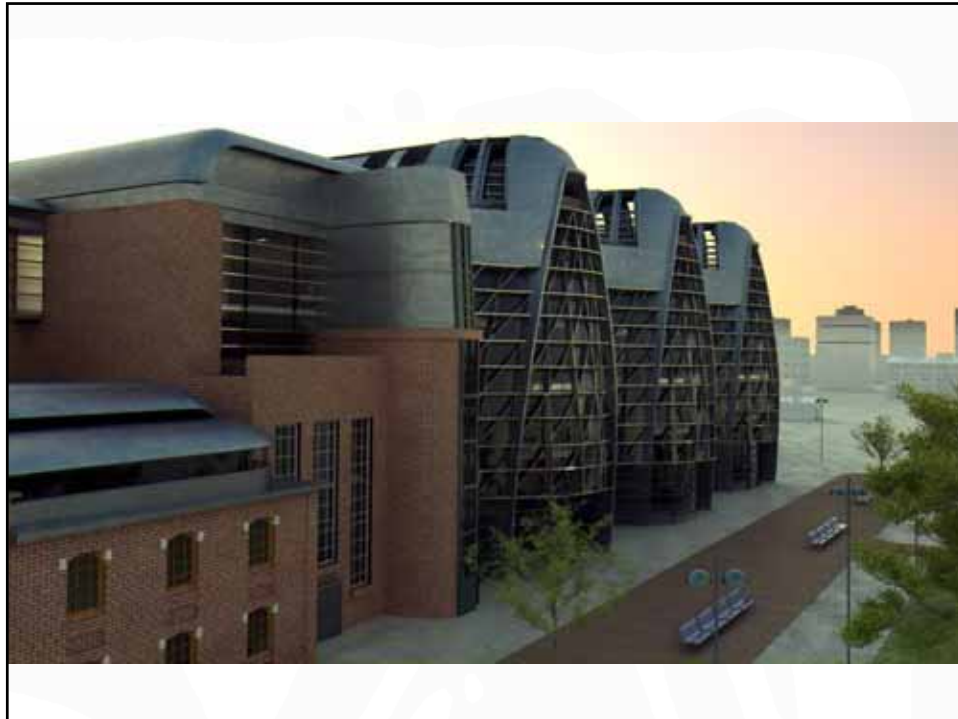


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Special Art Zone





Territorial Economic Development

Driving forces for long-term economic growth

- Innovation
- Entrepreneurship
- Knowledge economy
- Welfare and health
- Regional and territorial cohesion
- Sustainability



- Creation of jobs
- Attraction of talents
- Inclusive growth and cohesion



Territorial Economic Development

The creativity-based attraction model of Richard Florida, which emphasizes the role of quality of life and of technological infrastructure in the creation of a critical mass for the emergence of a knowledge-orientated economy (3T: Technology, talent, tolerance).

The competitiveness-based urban renovation model of Michael Porter, which is focused on the transition from an investment-based industrial orientation toward a self-sustaining innovation-based economy.

The capability-based model of Amartya Sen, which underlines the central role of general social involvement in capability-building activities as a prerequisite for viable economic development.



Territorial economic development

The system-wide cultural district theory by Pier Luigi Sacco demonstrates how culture plays a dual role in regional development processes:

- as a driving factor on the side of added-value production capacities through channeling culture, cultural heritage and creative industries,
- offering a social platform for innovation and spreading the cognitive knowledge and relational skills necessary for the construction of a complete paradigm of knowledge economy.



Cultural and creative industries

The "cultural sector"

- Non-industrial sectors producing non-reproducible goods and services aimed at being "consumed" on the spot (a concert, an art fair, an exhibition). These are the arts field (visual arts including paintings, sculpture, craft, photography; the arts and antique markets; performing arts including opera, orchestra, theatre, dance, circus; and heritage including museums, heritage sites, archaeological sites, libraries and archives).

- Industrial sectors producing cultural products aimed at mass reproduction, mass-dissemination and exports (for example, a book, a film, a sound recording). These are "cultural industries" including film and video, video-games, broadcasting, music, book and press publishing.

The "creative sector"

In the "creative sector", culture becomes a "creative" input in the production of non-cultural goods. It includes activities such as design (fashion design, interior design, and product design), architecture, and advertising. Creativity is understood in the study as the use of cultural resources as an intermediate consumption in the production process of non-cultural sectors, and thereby as a source of innovation.

(KEA, 2006).



Cultural and creative industries EU 30 (KEA, 2006)

Annual turn-over

Car manufacturing industry	273 Billion Euro
Chemical industries	271 Billion Euro
ICT manufacturers	541 Billion Euro
Culture and creative industries	654 Billion Euro



Culture a vehicle for economic development

Creative industries

Cultural tourism

- 40 % of global tourism revenue (UNWTO, 2007)
- 10 % EU GDP (UWR; 2009)

Traditional livelihood

- Local knowledge and generate employment

Opportunities for economic growth through micro-enterprises

- Low capital investments

Cultural infrastructure and institutions

- Tate Modern is estimated to bring in revenues of over £ 100 Million to London every year



Smart specialisation strategies

Placing greater emphasis on innovation and having an innovation-driven development strategy in place that focuses on **each region's strength and competitive advantage**.

Based on evidence and strategic intelligence about a **region's assets and the capability to learn** what specializations can be developed in relation to those of other regions, in the globalization society

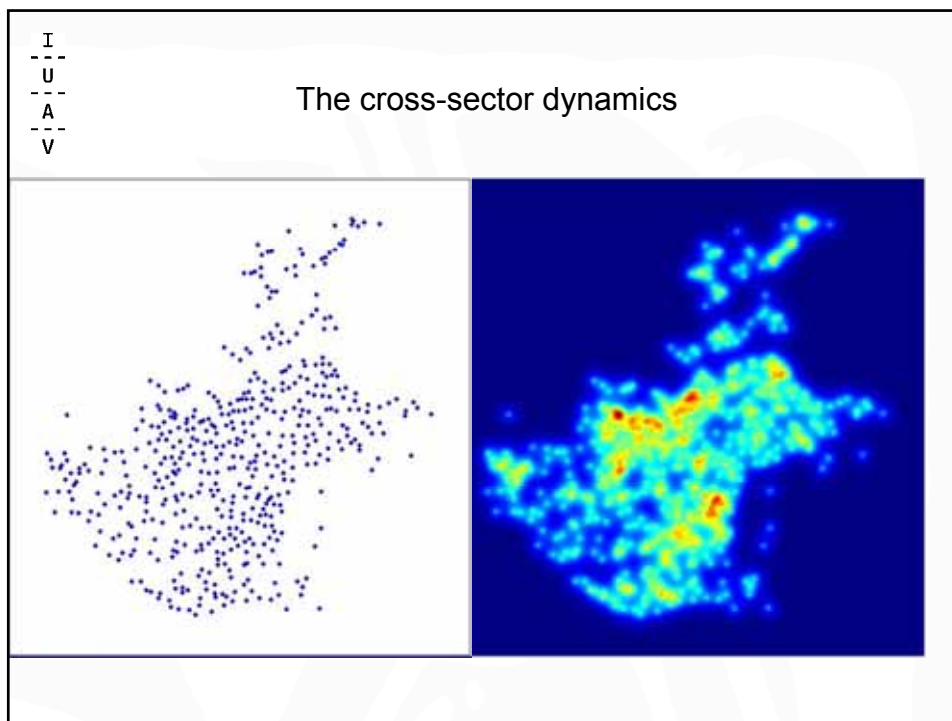
Mindful of the region's **history and territorial characteristics** and broader geographical context.

Regions should decide to invest in **areas best suited** to developing their competitive advantage and identity where clusters should be nurtured.

Regional economies should be differentiated to **avoid** waste of resources and **duplication** – creation of more diversity among regions.

Regional Policy contributing to smart growth in Europe 2020 (European Commission)





3 Cultural and creative industries – theoretical framework

- The relation between culture and industrial production - the crucial role of the design product in the market behavior (Postrel).
- The increasing interest in culture as a catalyst and as an activator of the local development processes (e.g. the Greater London Council).
- The scope of culture-led renovation processes for the urban and regional areas has developed subsequently both at the theoretical and at the policy level, fed by the evidence of the culture's positive effect on the economic (Landry, Rullani) and social (Matarasso, Everingham) aspects and on the built environment (Bianchini and Parkinson, Graham, Hutton).
- The international debate about the role of culture, and of cultural and creative industries in particular, in the development processes of the post-industrial economies (Howkins, Hartley).



1 Poverty Reduction and Sustainable Development

The global society of today is facing three major challenges: climate change; global economic competition; and poverty/social exclusion.

Poverty reduction agenda for developing countries (the World bank)

Presentation of the comprehensive concept of sustainable development: economic, social and environmental.



3 Cultural and creative industries – theoretical framework

Creativity and creative communities may be the remaining enduring resources in the developing world (Jodhpur Consensus, 2005)



Delineation of the cultural and creative sector

CIRCLES	SECTORS	SUB-SECTORS	CHARACTERISTICS
CORE ARTS FIELD	Visual arts	Costs Paintings - Sculpture Photography	<ul style="list-style-type: none"> Non industrial activities Copyright are protected and "intellectual copyright work" (all these works have a high density of creation that would be eligible to copyright but they are however not systematically copyrighted, as it is the case for most core works, some performing arts productions and visual arts, etc)
	Performing arts	Theatre - Circus - Opera Festivals	
	Heritage	Museums - Libraries Archaeological sites - Archives	
INDUSTRIAL INDUSTRIES	Film and video		<ul style="list-style-type: none"> Industrial activities aimed at massive reproduction
	Television and radio		<ul style="list-style-type: none"> Outputs are massive outputs
	Video games		
	Music	Recorded music market - Live music performances - revenues of selling tickets to live music events	
	Books and press	Book publishing - Magazines and press advertising	
CIRCLE 2: CREATIVE INDUSTRIES AND ACTIVITIES	Design	Fashion design, graphic design, interior design, product design	<ul style="list-style-type: none"> Activities are not necessarily industrial and may be services Although outputs are based on copyright, they may include other intellectual property rights (trademarks for example) The use of creativity (creative skills and creative ideas) employed in the arts field and in the field of cultural industries is essential to the performance of these non-cultural sectors
	Advertising		
CIRCLE 3: RELATED INDUSTRIES	IT manufacturers, IT/3 player manufacturers, mobile content, etc.		<ul style="list-style-type: none"> This category is loose and depends on circumstances on the basis of other others It divides many other economic factors that are dependent on the previous "culture", such as the ICT sector



the cultural sector
the creative sector

(KEA, 2006)

Quantifiable socio-economic impact of the cultural and creative sector (EU30)

<p>TURNOVER</p>	<p>2009</p> <p>The sector turned over more than € 654 billion in 2009. The turnover of the car manufacturing industry (11 000 € 211 billion in 2007) and the turnover generated by ICT manufacturers was € 541 billion in 2002 (EU-15 figures) (2)</p>
<p>VALUE ADDED TO EU GDP</p>	<p>2009</p> <p>The sector contributed to 2.6% of EU GDP in 2009. The same year:</p> <ul style="list-style-type: none"> Real estate activities accounted for 2.1% of contribution to EU GDP The food, beverage and tobacco manufacturing sector accounted for 1.2% of contribution to EU GDP The textile industry accounted for 0.5% of contribution to EU GDP The chemicals, rubber and plastic products industry accounted for 2.3% of contribution to EU GDP (2)
<p>CONTRIBUTION TO EU GROWTH</p>	<p>2009</p> <p>The overall growth of the sector's value added was 19.7% in 1999-2003.</p> <p>The sector's growth in 1999-2003 was 12.2% higher than the growth of the general economy.</p>
<p>EMPLOYMENT</p>	<p>2009</p> <p>In 2004 5.8 million people worked in the sector, equivalent to 3.1% of total employed population in EU25.</p> <p>Whereas total employment in the EU decreased in 2002-2004, employment in the sector increased (11.85%)</p> <ul style="list-style-type: none"> 60.8% of workers have at least a university degree (against 25.7% in total employment) The share of independents is more than twice as in total employment (28.8% against 14.1%) The sector records 17% of temporary workers (13.3% in total employment) The share of part-time workers is higher (one worker out of four, against 17.6% in total employment)



(KEA, 2006).

4 Sustainable Integrated Conservation

The role for culture and built cultural heritage as a development strategy against poverty (UN World Commission 1995)

Discussion about contemporary theory of conservation

- understanding why, and for whom, things are conserved (Muñoz Viñas).
- contemporary theory of conservation as based on negotiation, on equilibrium, on discussion and on consensus.
- the values of cultural heritage analyzed and described as values in trade and conservation should leave the expert-only zone to enter the trading zone, where the objective is to trade to reach an agreement between affected people. (see e.g. Sörlin, Gustafsson).

Integrated conservation: a well developed theoretical scholarly-professional discourse and multi-disciplinary-oriented platform, especially intangible multi-factor quality dimensions. Parallels observed between natural and cultural capital, which implies that the concept sustainable development can be applied to culture and cultural heritage (Appleyard, Throsby, Engelbrektsson and Rosvall, Della Torre, Fusco Girard).

Sustainable Integrated Conservation (e.g. Gustafsson and Rosvall).



4 Sustainable Integrated Conservation

City regeneration – productivity and growth – poverty reduction

- Density
- Agglomeration
- City management, urban planning
- Upgrading slums
- Forming city systems – city clusters
- Attracting people
- Job creation/new employment opportunities
- On-the-job training for unskilled workers



4 Sustainable Integrated Conservation

Supporting city economies

- Cities – engines to economic growth
- Increasing competitiveness
- Develop cultural heritage assets to sustainable tourism
- Brownfield regeneration and urban revitalization

