

Contribution to the Public Consultation on the Green Paper

UNLOCKING THE POTENTIAL OF CULTURAL AND CREATIVE INDUSTRIES

A document produced by INTELI (PT) "Creative Clusters Network partner"

Public Consultation on the Green Paper **"Unlocking the Potential of Cultural and Creative Industries"**

The Directorate-General for Education and Culture launched a public consultation on the Green Paper "Unlocking the Potential of Cultural and Creative Industries".

The objective of this consultation was to gather views on various issues impacting the cultural and creative industries in Europe, from business environment to the need to open up a common European space for culture, from capacity building to skills development and promotion of European creators on the world stage.

More than 350 public authorities, public or private organisations active at European or national level, and individuals – from more than 25 countries and representing the cultural and creative industries in their diversity – have submitted their ideas and opinions to the Commission's consultation that closed on 30 July.

The network Creative Clusters – "Creative Clusters in Low Density Urban Areas", supported by the URBACT II Programme of the EC, has presented a contribution centred on the role of creativity in promoting local and regional development, especially in small and medium-sized cities.

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1. Framework: URBACT Creative Clusters Network

The Creative Clusters network is supported by the URBACT II Programme of the European Commission (EC). The initiative is being coordinated by the Municipality of Óbidos (Portugal) under a partnership composed of INTELI – Inteligência em Inovação, an Innovation Centre located in Portugal (www.inteli.pt) and other cities and towns of the European Union (EU): Enguera (Spain), Reggio Emilia (Italy), Viareggio (Italy), Catanzaro (Italy), Barnsley (UK), Mizil (Romania), Jyväskylä (Finland) and Hódmezovásarhely (Hungary).

The baseline assumption of the project is that **creativity can act as a driving force for the**

economic development not only of large cities but also of small and medium-sized towns and even rural areas. The exchange of experiences and best practices and the proposal of policy recommendations and action plans related to creative clusters in small and mid-sized territorial areas are the main objectives of the network. The partners also intend to support policy-makers and managers of Operational Programmes to define initiatives in this field, which may be selected for Structural Funds programmes.

In addition to the development of network activities associated to a specific learning itinerary (conferences, thematic workshops, study visits, etc.), each city has to produce a **Local Action Plan** linked to creativity

but adapted to its endogenous assets, with the help of a **Local Support Group** composed of relevant local stakeholders and the **Managing Authorities of Operational Programmes**. At strategic level, INTELI is producing a **Technical Guide** centred on policy recommendations for the development of creative clusters in small and mid-sized territorial areas.

It should be noted that INTELI as an organisation and URBACT Creative Clusters network as a project are members of the EICI – European Interest Group on Creativity and Innovation that aims to evolve as the leading European network in the promotion and defence of regional and local interests in European creative industries and innovation policy. Moreover, the partnership has also established some links with European projects and networks in the area of creativity, such as: Creative Growth (INTERREG IV C), Organza (INTERREG IV C), CITIES (INTERREG IV C), ECCE Innovation (INTERREG IV B) and Eurotowns.

In order to give voice to a broad range of small and medium-sized cities and rural areas in the definition of European creativity-related policies and funding programmes and instruments, in January 2009 the network launched a political memorandum called “**The Óbidos Charter - a Pact for Creativity**” (www.obidoscriativa.com/obidoscharter.pdf). The document was signed by around 30 mayors of European cities and towns from Portugal, Spain, United Kingdom, Italy, Romania and Hungary within the “Creative Mayors’ Summit” which

Key Themes of the Network

Creative clusters: diversifying local economic base and opportunities for young people: The rise of new emergent clusters in creative industries as well as the creative issue as a form of re-thinking some mature local industries in order to foster new growth potential.

Promoting the creative city: a new range of facilities and infrastructures: From adapting public spaces and city centres to creative activities to a new generation of facilities for creative business and entrepreneurs.

Creative entrepreneurs and talented people: attraction and retaining: Packaging financial and advisory support measures specifically adapted to creative entrepreneurs and businesses. Branding the creative place.

Events and cultural agendas as catalysts: Culture and cultural life as key ingredients for addressing the creative city. To blur the limits between cultural and economic development policies at the urban scale.

Setting the basis: creative education environments at local levels: Innovative and creative local education systems at primary and secondary levels and creative learning environments.

took place in Óbidos, but is open to the adhesion of additional cities (www.obidoscriativa.com/creative_english.htm).

The Green Paper recognises that creative and cultural industries develop in a cluster basis at local and regional levels. Moreover, the document postulates that “academic research suggests that large scale industrialisation of creativity and cultural innovation occurs in large urban areas (...) nonetheless, there is no straightforward connection between cultural and creative industries and labour market size or population (...) regional distribution of industrial and innovation systems, including cultural and creative industries is much more diverse (...) in rural areas new business models can help bring innovation and sustainability to traditional forms and lead to economic viability”.

However, this fact requires the definition of European creative-based policies and financing instruments adapted to the reality of small and medium-sized territorial areas, and not a “one size fits all” approach.

2. Creative Clusters in Small and Medium-sized Towns in Intermediate Regions

2.1. Small and Medium-sized Towns in the European Territorial System

European territory is characterised by a very large diversity of spatial settlements, with considerable structural differences which represent a threat but also an opportunity to promote the innovative potential of regions and cities in an emerging creativity-based economy.

In demographic terms, more than 20% of the EU population lives in large conurbations

(more than 250,000 inhabitants), approximately 20% in medium-sized cities (between 50,000 and 250,000 inhabitants), and 40% in smaller urban areas (from 10,000 to 50,000 inhabitants) (CEC, 2005). Furthermore, and according to the OECD definition, rural regions represent 92% of the territory of the EU-25 and 56% of its population, and 19% of the population lives in predominantly rural and 37% in significantly rural regions (EC, 2006b; SERA, 2006). Thus, in the European spatial structure, small and mid-sized towns and rural areas represent the main settlement units, constituting a vital part of Europe’s identity and distinctiveness.

Within this context, a particular territorial approach is proposed in the analysis of local and regional development strategies. Our focus of interest is the **Small and Medium-sized Towns integrated in European Intermediate Regions** close to a main urban hub, neither rural nor urban, combining the OECD (2005) concept of ‘intermediate regions’ with the remoteness/proximity duality proposed by the EU (2008). However, besides making the distinction of cities based on their *dimension* or position in the ranking-size of

the territorial system and their *distance* to a main urban hub, it is also necessary to consider their significance in the surrounding *spatial context*.

In fact, the OECD classification of regions presents three different categories based on the share of a region’s population living in rural local units (defined as local administrative units with a population density below 150 inhabitants/km²): 1) rural regions are those with more than 50% of the population living in rural local units; 2) intermediate regions have between 15% and 50% of the population living in rural local units; and 3) urban regions have less than 15% of the population living in rural local units.

The EU’s approach introduces in the OECD classification a new concept of remoteness, based on the driving time to the closest city¹. This typology includes: 1) predominantly urban regions; 2) intermediate regions close to a city; 3) intermediate remote regions; 4) predominantly rural regions close to a city; and 5) predominantly remote rural regions.

Under this framework, **intermediate regions close to a main urban hub represented 36% of the EU-27 population in 2004** (Table 1).

Table 1: Characteristics of predominantly urban, close to a city and remote intermediate regions and close to a city and remote predominantly rural regions - *Source: EU (2008)*

	Predominantly Urban	Intermediate			Predominantly rural			EU-27
		Total	Close to a city	Remote	Total	Close to a city	Remote	
Average annual % change in population, 1995-2004	0.29	0.31	0.31	0.24	0.02	0.10	-0.18	0.25
% of regions with a reduced share of national population 1995-2004	55	44	44	48	64	54	81	54
GDP per head 2004, EU-27=100	127	84	84	71	70	71	68	100
% of regions with a reduced share of national GDP 1995-2004	57	55	55	52	64	59	72	58
Population density in 2004 inhabitants/km ²	552	112	114	65	40	51	27	113
Access to flights	1 059	475	483	215	237	286	114	685
Number of NUTS3 regions	416	475	454	21	393	249	144	1 284
Share of NUTS3 regions in %	32	37	35	2	31	19	11	100
Total population in 1000s	215 022	184 143	178 463	5 680	90 506	64 516	25 990	489 671
Share of population in %, 2004	44	38	36	1	18	13	5	100

¹ A region is considered close to a city if more than a half of its residents can drive to the centre of a city of at least 50,000 inhabitants within 45 minutes.

Thus, European regions are experiencing demographic, social and economic changes which have required a new way of thinking about rural and urban relationships as well as about their territorial and functional interdependencies.

Concerning the development processes in small and medium-sized towns we can identify two demographic trends that are particularly critical. On one hand, there is the increasing urbanisation process marked by the migration flow from rural to urban areas and the stagnation, or even decrease of the population in rural areas. On the other hand, there is an ongoing process of counter-urbanisation in some parts of Europe which is considered a reverse migration flow – the movement of people to rural areas which has been influenced mainly by infrastructural improvements, progresses in transport and telecommunications. This process is described as a ‘rural revival’ where people are moving out of large cities to live in the countryside, mostly in the dense urban networks of central and north-western Europe and also in southern and Nordic countries (ESPON, 2006a).

At the same time, changes in economic functions of rural areas have also contributed to the rethinking of rural development. A visible decline of the importance of agriculture and other primary activities in many rural areas is being accompanied by a growth in the services sector. “Rural areas are diversifying their economic base from being the locations for the production of (agricultural) products to locations for production of services including tourism and recreation” (ESPON, 2006b), where small and medium-sized towns can act as development poles for the surrounding area, ensuring labour market and providing services according to their place in an

integrated and balanced territorial system (ESPON, 2006b; RePUS, 2007).

These processes have largely contributed to the formation of a new concept of ‘rurality’ that is no longer synonymous to depopulation, agriculture predominance, periphery and decline. A new approach in European policies concerning rural areas began with the publication of *The Future of Rural Society* (CEC, 1988) where these areas were defined as territorial entities with a coherent economic and social structure of diversified economic activities. Furthermore, the so-called *Cork Declaration* [EC (1996a), produced during the preparation of the Agenda 2000 (EC, 1997)] had identified desirable rural development policies for the future which include “strengthening the role of small towns as integral parts of rural areas and key development factors, and promoting the development of viable rural communities and renewal of villages” (EC, 1996).

Moreover, the OECD had published an article called *Reinventing Rural Policy* (2006) which identifies two principles that characterise this ‘**new rural paradigm**’: a focus on places rather than on sectors; and a focus on investments instead of subsidies (Table 2).

Being aware of the economic and social disparities between and within European countries

and regions, successive policy documents referred to the necessity to achieve territorial cohesion through more balanced and sustainable development (e.g. CEC, 1999, 2003, 2004, 2008b).

In this context, The European Spatial Development Perspective (1999) has been adopted which proposed as one of the key guidelines “the development of a polycentric and balanced urban system and strengthening of the partnership between urban and rural areas” (CEC, 1999). In this polycentric structure, small and medium-sized towns and their interdependencies constitute focal points for regional and rural development “offering infrastructure and services for economic activities in the region and easing access to the bigger labour markets” (CEC, 1999), and therefore, contributing to the diversification of the rural economy. This can be done through policy measures concerned with improving interactions and links between towns and their surrounding areas, the promotion of partnerships and cooperation, the exploitation of endogenous resources and taking into account local and regional levels.

As a result of a long process of debate, the *Territorial Agenda of the EU* was adopted in 2007, which places identical focus on the concept of territorial cohesion and in the potential of territorial diversity for development. It identifies “city regions and

Table 2: The New Rural Paradigm - Source: OECD (2006)

	Old approach	New approach
Objectives	Equalisation, farm income, farm competitiveness	Competitiveness of rural areas, valorisation of local assets, exploitation of unused resources
Key target sector	Agriculture	Various sectors of rural economies (ex. rural tourism, manufacturing, ICT industry, etc.)
Main tools	Subsidies	Investments
Key actors	National governments, farmers	All levels of government (supra-national, national, regional and local), various local stakeholders (public, private, NGOs)

cities of varying size as the best available to build upon their own strengths in the context of Europe-wide cooperation with entrepreneurs as well as societal and political stakeholders”, calling for “new forms of partnership and territorial governance between rural and urban areas” (EU, 2007).

Following up, *The Green Paper on Territorial Cohesion* (CEC, 2008b) states the particular challenges but also the significant roles that small cities and towns can play in intermediate and rural regions with respect to territorial cohesion: “Towns and cities in intermediate and rural regions also provide essential services for the surrounding rural areas (...) including the infrastructure necessary to invest in the adaptability of people and enterprises, key to avoiding rural depopulation and ensuring these areas remain attractive places to live”.

The growing importance of ‘place-based economies’ also draws attention to the unique attributes and assets of small places such as culture, environment, lifestyle and quality of life, that determine their attractiveness for particular types of activities, investments and people. Local authorities seek to exploit the advantages of agglomeration or cluster economies in order to obtain market scale and to “develop sustainable niches within regional, national, and global economies” (Knox and Mayer, 2009).

Accordingly, an approach based on **territorial capital** and the type of relationships and dynamics with other places in a wider context is crucial to reveal their significance. As originally defined by the OECD, and subsequently adopted in the European Territorial Agenda process: “a region’s territorial capital is distinct from other areas and is determined by many factors” such as “geographical location,

size, factor of production endowment, climate, traditions, natural resources, quality of life or the agglomeration economies provided by its cities”. Other factors may be “‘untraced interdependencies’ such as understandings, customs and informal rules that enable economic actors to work together under conditions of uncertainty, or the solidarity, mutual assistance and co-opting of ideas that often develop in small and medium-size enterprises working in the same sector (social capital); lastly there is an intangible factor, ‘something in the air’, called the ‘environment’ and which is the outcome of a combination of institutions, rules, practices, producers, researchers and policymakers, that make a certain creativity and innovation possible” (EC, 2006b).

The characteristics, potentialities and challenges that face small and medium-sized towns in intermediate regions induce the need for specific public policies different from those designed for predominantly urban areas, at European, national, regional and local level.

2.2. Creativity as a Driver for the Development of Small and Medium-sized Towns in European Intermediate Regions

Creative Clusters and the Amenity-based Theory

According to different academic studies and public policy documents, the emergence of creative clusters is only viable in large cities and metropolis (Florida, 2002; DCMS, 2006).

Nevertheless, some countries have already begun to put on their agenda the **role of creativity as a driving force for the development of small and mid-sized towns in intermediate regions**, with it being recognized that “while much of the attention of those concerned with culture

and regeneration has rightly been focused upon the core cities, it would be a mistake to assume that smaller towns and cities do not have a role to play” (Wood and Taylor, 2004) and that “the understood wisdom on the essentially urban nature of the creative industries is complemented by their increasingly significant role in the economic development of rural areas” (BOP, 2008).

This growing interest in these territorial areas is mainly the result of the abovementioned concentration of population in intermediate regions close to a main urban hub in the EU (around 36% of the EU-27 population in 2004) and also of the opportunities they are facing in a world characterised by trends towards globalisation, digitisation and cultural diversity and where the ability to create social experiences and networking is a factor of competitiveness. In this context, creativity might have the capacity to propel a sort of leapfrog in terms of social and economic development for small towns, and represents an excellent opportunity to re-think rural development. This phenomenon is not only a characteristic of European countries and regions but also of other places, such as the USA or Canada where there are large areas of low density territories.

The attraction and retention of talent, particularly of the creative class, in small and medium-sized towns largely depend on the **quality of life and the quality of place**, which figure as the main explanatory factors for the so-called “**urban exodus**” (ESPON, 2006b). People are increasingly looking for alternative lifestyles to those prevalent in the big cities, giving priority to the wellbeing associated with sports, healthy food, preservation of the environment and sustainability, and to the sense of community and local identity.

Therefore, the presence of **amenities** becomes a differentiating factor of the places sought by the creative class, which are affirmed as 'special places' imbued with an original atmosphere. These endogenous assets can be classified into the following categories: natural amenities (warm climate, distinctive and picturesque countryside with topographical diversity such as valleys, rivers, lakes, mountains and forests), historical and cultural amenities (architectural and archaeological heritage such as castles, churches, aqueducts and bridges, and intangible heritage such as memories, testimonies and legends), symbolic amenities (community spirit, neighbourliness and sociability, identity, authenticity, civic associations) and built amenities (health and social services, hotels, restaurants, bars, meeting places, museums, art galleries, studios, events, etc.). According to Granahan and Wojan (2007a), "despite an urban affinity, the creative class – perhaps more able and apt than others in the workforce to choose where to live based on quality of life considerations – can be drawn out of cities to high-amenity rural locations".

The importance of built amenities alerts us to the need for the existence of a minimum critical mass and density which enable the availability of the basic services necessary for the population, which can come from the dynamism of the surrounding region or from **proximity to a relevant urban centre** – as noted above, the integration in intermediate regions close to a main urban hub (EU, 2008).

Moreover, the presence of the creative class can, in itself, generate amenities: "a place that attracts artists and designers may appeal to people who like communities (...) and people may be drawn to a community by the

restaurants, stores, and other consumer services that develop in response to the consumption patterns of the creative class" (Granahan and Wojan, 2007a).

However, there are differences between the "urban creative class" and the "rural creative class", which is demonstrated by the fact that small and mid-sized territorial areas mostly attract talented young families, midlife career changers and active retired people (Granahan and Wojan, 2007a). Besides this, the kind of creative people who live in non-urban areas belong to a higher age group and tend to be married with children in relation to those that live in urban areas. Despite the possible maintenance of links between the so called "**new rural residents**" and the social, cultural and personal networks of big cities, in this kind of creative communities face-to-face contacts and local connections to the indigenous community of residents are very important. This fact contributes to the creation of a shared identity, sociability and neighbourliness, avoiding processes of social gentrification and inequality prejudicial to local and regional development.

Nevertheless, according to a study carried out by Morel Research, younger people are also increasingly seeking rural areas because of the low cost of housing, the better quality of life and the presence of good schools, which is clearly facilitated by the use of **information and communication technologies**, the emergence of **virtual networks** and the increasing **mobility** of the creative class: "businesses can now start up in small communities even if they are hundreds of miles away from big cities" (BBC, 2008).

In fact, the **entrepreneurial spirit** of the creative class inspires the development of creative businesses, and the presence of creative activities tends to attract more innovative companies and

projects. Quoting NESTA (2009), "many in-migrants tend to be entrepreneurial; they arrive with new ideas and seek to implement them". Likewise, "places with a higher concentration of creative occupations actually have more creative activities" (Granahan and Wojan, 2007a).

Moreover, creative industries provide innovative inputs for other areas of activity in local economies such as agriculture, handicrafts, furniture, textiles, tourism and gastronomy, promoting their development and prosperity. The effects of **knowledge spillovers** derived from geographical proximity provide the transfer of information, technologies, innovative business models and organization forms to the overall economy. Furthermore, findings suggest that there is a strong tendency for individuals with artistic and creative skills to work in other areas of activity (NESTA, 2008). In addition to this, several sub-sectors of the creative industries, such as architecture, design, advertising or software sell the majority of their products and services to other businesses.

Particular note should be made of the relevance of **local development policies** which could create favourable conditions, infrastructures or support programmes (such as incubators, live-work houses, and specific financing systems), inducing the attraction of talent and the development of creative businesses. The linkage between a strong leadership and public participation is essential for the success of these creative-based strategies.

These policies can be more people-oriented ("people-climate" - Florida, 2002; "traditional cluster perspective" – EC, 2010), centred on improving the qualities of the cities as a way of attracting creative talent which, in turn, induces additional investments by companies and

the emergence of start-ups, enhancing job growth and rising income; or business-oriented ("business-climate" - Florida, 2002; "occupational perspective" - EC, 2010) proposing measures and conditions favourable to the development of creative businesses as generators of jobs and wealth, such as subsidies or tax incentives. Moreover, particular focus should be given not only to cultural consumption and tourism but also to cultural and creative production.

Despite the complementarities among these approaches, we advocate that in small and medium-sized towns in non-predominantly urban regions the **amenity-based theory** best suits reality. According to Granahan and Wojan (2007b) "while developed with major metropolitan areas in mind, the creative class thesis seems particularly relevant in rural areas".

To conclude, it is important to stress that there is an effective danger of policy transfer and emulation of the development of creative clusters in small and mid-sized towns in intermediate regions (and also in big cities) all over Europe and internationally. The serial replication of this phenomenon can be avoided if creative strategies are strongly based on historic precedents ('path dependency'), in the symbolic value of place and space and in cultural heritage. According to Evans (2009), "there is a need to build on competitive advantage based on distinction/niche markets and a diversity of creative clusters, the links between ideas/design and manufacturing, as well as the diverse histories/heritage".

Case Studies and Empirical Evidence

Statistical and econometric analysis and empirical studies centred on the reality of small

and mid-sized towns corroborate the abovementioned thesis not only in countries such as USA, the UK and Canada, but also in smaller countries such as Finland or Portugal, demonstrating the existence of a **positive correlation between the presence of amenities, immigration, size of the creative class, job growth and the development of small local economies**.

Granahan and Wojan (2007b) have demonstrated that in 2000, about 11% of non-metro counties ranked as creative-class counties in the USA, and that counties high in natural amenities are more likely to be creative-class magnets. Moreover, creative-class non-metro counties tended to gain jobs between 1990 and 2000 at a faster rate than their metro counterparts. In more recent work of Granahan et al. (2010), tests confirm that the interaction of the entrepreneurial context with the share of the workforce employed in creative class is strongly associated to growth in the number of new establishments and employment, particularly in rural counties with attractive outdoor amenities.

In the UK, the BOP Consulting report of 2008 "Creative Industries in the Rural East Midlands" postulates that although creative industries in rural areas still contribute in a smaller proportion to employment than creative industries in urban areas, it is certain that this trend appears to be reversing in the so-called 'fastest growing rural areas', in which the relative size of the creative sector is approaching the average in the UK. As an example, in 2005, 3% of employment in the rural districts in the East Midlands was related to creative industries, and its respective growth was 20% between 2001 and 2005, compared to growth of 8% in the overall economy.

Several studies on this theme were also developed in **Canada**,

namely the "Developing and Revitalizing Rural Communities through Arts and Creativity" report (2009) prepared for the Creative City Network. According to national statistical data, in 2001 there were 22,100 professional artists living in 264 small and rural municipalities in Canada, which represents 17% of the 130,700 artists in the country. Moreover, in the 1996 to 2003 period, rural culture employment grew faster than rural total employment. Furthermore, it is also important to stress that between 1998-99 and 2000-01, the Canada Council of the Arts funded projects in 825 communities, 351 of which (43%) were in communities with less than 5,000 people (Duxbury and Campbell, 2009).

Huddersfield (United Kingdom)

The Huddersfield Creative Town Initiative

Huddersfield is a small town located in West Yorkshire in the UK with 121,620 inhabitants. Originally based on the textile sector, in the 1980's the town entered into a process of serious economic decline, which underpinned a strong motivation to change the situation through radical reforms where the pilot initiative called "The Huddersfield Creative Town" (closed down in 2001) was a crucial element.

Huddersfield benefits from a set of amenities upon which its creative success is founded: favourable geographical location between two major cities, Manchester and Leeds; good physical accessibilities (road and rail corridors); the presence of important knowledge infrastructures, such as a growing university; diverse and low cost housing; and the existence of several abandoned industrial sites.

Based on a comprehensive view of the potential role of creativity, this initiative has been developed under a particular governance



system which is considered the key point of its success. This system was based on several organisations with a specific contribution to the promotion of the town and surroundings as a creative milieu. Some examples amongst other organizations include: the Media Centre (managed workspace), CIDA (skills development and business support), the Beaumont Street Studios (digital production and training), and the Huddersfield Business Generator (incubator). These organizations are still working and have extended the size and scope of their activities. This local business model, due to generating a thriving creative industries sector is being disseminated more widely.

Public and the non-profit entities have been the key actors of change in the development of the project; however, the private sector has also played an important role in the process.

“The aim of Huddersfield was not simply to be creative, but to build a creative community” (Wood and Taylor, 2004). In order to attain this objective, and to attract creative people to live in the town centre, they have started a process of reconversion of abandoned buildings into creative lofts as working and living places.

Barnsley (United Kingdom) Barnsley as a “Renaissance Town”

Barnsley with a population of 218,000 people (82,000 in town) has a central position in the Northern Growth Corridor in the heart of the UK. It is located close to three city-regions: about 30 minutes by car from Sheffield (19 km to the south) and Leeds (40 km to the north) and 1 hour from Manchester, and has fast access by road, air and rail. It is served by three major roads: the M1 motorway just one mile from

the town centre which has fast efficient links to London, Leeds and other major UK cities.

The town has developed a regional reputation as a historic market place which grew as a result of its significant industrial importance based on coal mining and glass-making. When this industry effectively closed in the mid 1990’s, the local economy was severely damaged that caused great difficulties to the community. Since then, there has been a strong effort and commitment to boost county economic and social renaissance, taking advantage of its location in regional economy.

Strong political leadership in Barnsley is widely recognised. The council has engaged local people in the development of a clear strategic vision: to create a culturally inspiring, dynamic and thriving “21st Century Market Town & Borough” through sustainable growth. Given that

the local strategy is based on its endogenous assets, such as: the historic reputation as a market town; the local industrial tradition; its strategic location between the Sheffield and Leeds economies; the surrounding countryside; and the advanced technology companies already located in the borough.

Barnsley's creative industries vision resulted in 'The Creativity Works/Creative Networks' programme designed to support the development of a creative and digital industries cluster in Barnsley, Doncaster and Rotherham – the South Yorkshire coalfield area. Launched in 2003, this programme was supported by ERDF resources and was managed by Barnsley Development Agency on behalf of the programme partners: Barnsley MBC, Doncaster MBC, Rotherham MBC and the Arts Council England.

Built upon the success of the 'Creativity Works' project, the council reinforced the idea of placing culture and creativity at the forefront of its economic agenda, clearly focused on the creativity of the workforce that

will underpin the growth of knowledge-based industries. Several support infrastructures and facilities were created, such as incubation work places, new and alternative gallery areas, platforms for installation and public realm work.

Barnsley aims to develop a reputation as a home for creative and digital businesses. The Digital Media Centre (DMC) nearby Barnsley College Centre provides support for entrepreneurs and start-up businesses in the creative and digital media. The Business and Innovation Centre (BBIC) supports the development of innovative technology and knowledge based businesses. Under the project of the Creative Barnsley network, artist studios were also opened in the Elsecar Heritage Centre - CB Hive Studios, as well as a new contemporary gallery - Hive Gallery.

Barnsley has been participating in some European networks supported by EU Territorial Cooperation Programmes (namely URBACT), such as "Creative Clusters in Low Density Urban Areas" and "Building Healthy Communities".

Prince Edward County (Canada)

Creative Rural Economy in Prince Edward County

Prince Edward County is a rural municipality located between Toronto and Montreal (Canada) in Eastern Ontario, with a population of 25,000 people.

By the turn of the 21st century a creative rural economy model had developed based on its former traditional resources and agricultural based economy. The beginning of the Creative Rural Economy started with the presence of new bohemians and artists who discovered Prince Edward County as a good place to live with low costs for the development of their arts and trade, resulting in an artist clustering process added by the quality of the place. Consequently, a new population, mostly artists was attracted, and a new cycle began.

In the following years the County has started to implement several territorial and economic development strategies. The main strategy proposed was based on a different kind of economic development model, with quality of place at its core and built on four pillars: agriculture; tourism; arts, culture and history; and commerce industry.

Following this strategic model the county has developed several key plans and studies, namely: "Leveraging Growth and Managing Change: A Cultural Strategic Plan for Prince Edward County" (2005); "Picton Downtown Revitalization Plan" (2005); "Tourism Destination Development Strategy" (2006); "Culinary Tourism Survey Ryerson University" (2006); "Queen's University Geography class on PEC's Creative Economy" (2008).

The study published in 2005 by Brain Hracs "Culture in the Countryside: a Study of Economic Development and



Table 3: Prince Edward County Economic Strategy - Source: Taylor and Baeker (2008)



Social Change in Prince Edward County” advocates a culture-based community economic development, which is a model still in use as a case study by other communities.

Consequently, a major study was completed in 2008 called “Growing the Creative Rural Economy in Prince Edward County”, focused on recommendations for achieving an ecological and community-based sustainability under culture-based development in growth.

Óbidos (Portugal)
Óbidos as a “Creative Town”

The municipality of Óbidos is situated in the Central region of Portugal and has 10,875 inhabitants.

Óbidos has a privileged location in the regional context being close to important urban centres such as Leiria and Coimbra, as well as Lisbon at less than one hour away, and Porto at less than two hours. It also benefits from good physical connections, such as two important highways A8 and A15, and IP6.

Óbidos benefits from a wide range of endogenous amenities, such as nature, history, culture and the symbolic capital, and

from constructed amenities, both pre-existent and those leveraged by public policies, which make the town a “special place” with high quality of life.

By combining its endogenous amenities and new factors of competitiveness such as culture,

creativity and innovation, Óbidos intends to affirm itself as a creative community in which to live, work, learn and interact – “Óbidos Creative Town”.

The most visible part of this strategy has come about in a series of public events such as the Opera Festival, the Christmas Town, the Chocolate Festival and June of the Arts, which have come to attract a significant number of visitors and tourists to the historical town. However, at the moment, over and above the conception of the designated events of the new generation, such as the Literary Festival and the Triennial of Literature and Child Illustration, Óbidos intends to link tourism and cultural (and creative) consumption to cultural (and creative) production.

Within the scope of the influence of local policies, particular note should be made of the development of anchor projects in priority support areas for the



attraction of talent, the promotion of new businesses and the improvement of the quality of life of residents, such as creative education, entrepreneurship, the creation of infrastructures (e.g. Technological Park for creative activities, incubator for creative activities, artistic residencies) and creativity support systems (e.g. Óbidos tax free for creative activities, risk capital, sponsorship) or environmental sustainability, based on a strong marketing strategy of the municipality – the “Creative Óbidos” brand.

Óbidos participates in several networks with other towns and cities at a national and European level, not only as a way of attaining critical size but also to enable international affirmation. We can highlight the national networks ECOS – “Energy and Sustainable Construction” and “Creative Economies” as well as the European URBACT network “Creative Clusters in Low Density Urban Areas”.

Fiskars (Finland)

Fiskars Village in Finland

The artisans, designers and artists who have moved into the old ironworks village have brought a new vitality to the place and transformed it into a much acclaimed centre for Finnish art and design. It was a rural village, founded in 1649, which has developed in unison with the iron industry. In the 80's, this town was abandoned and since then an innovative strategy of local development has been implemented in order to change and revitalize this reality.

The strategy is based on attracting creative people through its local distinctive amenities: a picturesque landscape in a river valley and the existence of historical and cultural heritage strongly marked by the iron industry (from its architecture to its memories). All this



creates a unique and distinctive atmosphere.

This village also benefits from its location, near the city of Helsinki (85 km), with good physical accessibilities.

The strategy seeks to attract and retain the creative class with a specific profile: they have to work on activities related to art, crafts or design and have to live and work on site. Among other artists, the national reference sculptor Martti Aihla lives there.

Based on these distinctive factors, other amenities have been built, through the conversion of the architectural heritage in: living and working

places, community areas, accommodation (one hotel and one “bed and breakfast”), restaurants, cafes and shops, museums, an exhibition centre and a conference centre.

These local facilities foster the promotion of events linked to creative and cultural industries, attracting small groups of tourists and other professionals for a few days, without invading the creative environment of local artists/residents.

Today Fiskars is an outdoor living museum that attracts artists as well as tourists to experience a unique creative and rural atmosphere.

3. Preliminary Policy Recommendations for the Promotion of Creative Clusters in Small and medium-sized Towns in Intermediate Regions

The recognition of “the distinctive role that creative and cultural industries can play in regional and local development when designing policies and support instruments” by the Green Paper represents, in fact, an evolution in relation to recent strategic documents published by the EU.

However, considering the need to adapt European creativity-based public policies to the specificities of the territories which have different historical paths, economic, social and institutional characteristics and are facing different opportunities and challenges, we defend the **development of specific measures and financial instruments to support small and medium-sized towns in intermediate regions in the area of culture, creativity and innovation.**

In this context, we would like to emphasize two important questions:

1) We are witnessing a ‘new rural paradigm’ that is no longer connected to the predominance of agriculture and other traditional activities, but which comprises a diversification of the economic base in small and medium-sized towns. In this context, the Green Paper advocates that “in rural areas new business models can help bring innovation and sustainability to traditional forms (i.e. local crafts) and lead to economic viability”.

However, **the creative issue is not only important to foster the**

development of historical sectors through knowledge spillovers (agriculture, crafts, textiles, gastronomy), but also to induce the attraction and retention of talents and businesses of new sectors such as ICT or cultural and creative tourism. Rural areas and small towns can be competitive through the valorisation of endogenous assets, the exploitation of unused resources and the in-migration of creative people who look for quality of life and quality of place. Their entrepreneurial spirit can be directed towards the creation of new companies or civic associations in areas such as arts, music, design, software, etc.².

2) **The difference between the cultural and creative sector in big cities and in small and medium-sized towns in intermediate regions and even rural areas it’s not only a matter of scale.** Rural arts are not smaller-scale versions of arts activities in larger towns and cities and there is no clear distinction between urban-professional and rural-amateur activities (Duxbury and Campbell, 2009). They have distinctive characteristics because they happen in specific rural communities marked by a strong civic involvement, a particular identity and authenticity and a great value put in sense of place. Arts activity and participation is intentionally inclusive and a form of **community building** in small towns and rural areas, which makes the engagement of citizens very different from that in larger centres. Besides this, many economic development strategies to harness creativity in these zones are focusing on **networked and niche initiatives** and not on large projects. In this sense, it is very dangerous to transfer urban-based creative

policies to small towns and rural locations.

As examples, we can identify **two important measures** for the promotion of the development of creative communities in small and medium-sized towns in intermediate regions:

(1) The establishment of **creative learning environments and places for experimentation** (such as artistic residencies, live-work houses, creative incubators, convergent and meeting spaces, fablabs, etc.) is a success factor both for the attraction of temporary visiting artists and new residents. There is, in fact, a need for physical spaces where artists and other people can meet and reflect on the creative processes in order to produce new ideas through an interdisciplinary basis. Moreover, people are increasingly looking for living learning experiences through, for example, the organization of creative workshops on site.

But, artists who look for these environments in small and medium-sized towns are challenged by the uniqueness of the place, the special atmosphere favourable to the creative work and enhanced quality of life, and not by the so called creative attributes of big cities and metropolis (big cultural infrastructures, technological clusters, etc.). An excellent example is the case of “Artistic Rural Residencies” in the small town of Tondela with around 8,000 inhabitants (Portugal) (arterra-residencias.blogspot.com/), or “Espaço do Tempo”, a trans-disciplinary arts organisation which supports various national and foreign contemporary performing artists, located in an old convent in Montemor-o-Velho town with 24,000 residents (Portugal)

² Particular note should be made of the example of the creative strategy of Óbidos (Portugal) which includes not only the upgrading of traditional activities (gastronomy through cake design and molecular chocolate, or agriculture through the production of biological endogenous products) but also the emergence of new businesses in the areas of ICT, environment and design.

(www.oespacodotempo.pt/en/). These initiatives encourage the international mobility of creative people as a successful learning process.

(2) The identification and training of **creative brokers** is very important for promoting the development of the creative and cultural sector at regional and local levels. These agents can function as connectors between: traditional industries and creative industries, sub-sectors within creative industries (design, media, music, theatre, etc.), and technology-based sectors and cultural and creative businesses – more generally between arts, technology and business. Interdisciplinary collaboration is essential in a hybrid world where the barriers are becoming increasingly blurred between creators, producers

and consumers (the so called open innovation), stages of the value chain (creation, production, distribution, and consumption), disciplines and knowledge domains and the public and private spheres. As postulated in the Green Paper “intermediaries or brokers between different sectors and disciplines should be encouraged”. The existence of a network of these intermediaries could be an advantage in the promotion of the territorial exchange of experiences and best practices and the transferability of creative skills among people and sectors.

Creative brokers working in small and medium-sized towns must have specific characteristics which differentiate them from the ones active in big cities. They must create interactions between talents to stimulate ideas and

creativity, not only among new creative visitors and residents but also integrating the local community in the process. It is necessary to gather talents who have open minds, a strong sense of sociability and neighbourliness and the capacity to connect economic, cultural and social values.

To conclude, public policies and instruments oriented to the development of intermediate regions cannot be identified merely with sectoral policies such as agricultural or territorial cohesion policies. These **small and medium-sized towns must also be the target of R&D, innovation, culture, and environmental policies** in order to induce the development of **creative and sustainable communities where people can live, work, learn and play.**

Specific Proposal: European Creative and Sustainable Small Communities Network

Based on the experience of the “Covenant of Mayors” launched by the EC which is a commitment by signatory towns and cities to go beyond the objectives of EU energy policy in terms of reduction in CO2 emissions through enhanced energy efficiency and cleaner energy production and use, we propose a similar initiative in the area of creativity.

The first step of this initiative was launched last January, 2009 when a group of European Mayors mainly associated to the URBACT Creative Clusters network signed the abovementioned “**The Óbidos Charter - a Pact for Creativity**” (www.obidoscriativa.com/obidoscharter.pdf) open to the adhesion of additional small towns and rural areas and also regional organisations in Europe (www.obidoscriativa.com/creative_english.htm).

The result might be the creation of a **European Creative and Sustainable Small Communities Network** with the aim of sharing experiences and best practices, developing joint projects and promoting the mobility of creative people between cities and regions.

In addition to URBACT Creative Clusters’ partners, we can also start by inviting cities and regions involved in a few projects linked to urban and regional creativity supported mainly by Territorial Cooperation Programmes, such as URBACT or INTERREG. We also acknowledge the importance of cooperation with already established and complementary networks or initiatives, such as Eurotowns or European Regions of Culture Campaign (EROCC).

Related to this initiative, a “**Creative Communities Award**” could also be launched to distinguish creative and sustainable communities in Europe.

The completed Technical Guide centred on policy recommendations on the development of creative clusters in small and medium-sized towns in intermediate regions will be published in November, 2010 by INTELI - Inteligência em Inovação (PT) within URBACT Creative Clusters network.

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Information Session on "Towards a European Creative Industries Alliance", 9 September 2010, Brussels (Belgium)

This session will present the approach and structure of the initiative for establishing a "European Creative Industry Alliance". The event will, in particular, discuss how interested parties may benefit from it. The proposal for this new initiative builds upon the recommendations of the Amsterdam Declaration. The information session is organised adjacent to the Seminar "Creativity, Culture and Innovation: Looking for New Links" organised in the framework of the Belgian EU Presidency, which starts on 8 September and ends at lunchtime on 9 September.

www.europe-innova.eu/web/guest;jsessionid=8A39105A8AF1D01DA05AB3FD2E471722



International Conference "Creativity the Energy of Success", 9-10 September 2010, Kosice (Slovakia)

The non-profit organisation Kosice 2013, responsible for the implementation of the European Capital of Culture project, is preparing a series of events to highlight the examples of European cities which used culture and creativity as a basis for their development. The conference will be a space for discussion and cooperation among the participating partners to serve as a basis for the development of new projects.

www.kosice2013.sk/sk/information



**8th European Week of Regions and Cities
Brussels
4 - 7 October 2010**

PROGRAMME

**Europe 2020:
Competitiveness, co-operation
and cohesion for all regions**

EUROPEAN UNION
Committee of the Regions

EUROPEAN COMMISSION
DG Regional Policy

"Open Days, 8th European Week of Regions and Cities", 4-7 October 2010, Brussels (Belgium)

Around 100 seminars, workshops or debates plus exhibitions and networking opportunities will take place, organised in partnership with regions and cities from all over Europe. The Open Days - 8th European Week of Regions and Cities - will concentrate on "competitiveness, co-operation and cohesion" and present best practices from regional development programmes across Europe.

ec.europa.eu/regional_policy/conferences/od2010/doc/pdf/pgr_full.pdf

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The *Creative Brief* is the newsletter of the URBACT network on “Creative Clusters in Low-Density Urban Areas” [<http://urbact.eu/en/projects/innovation-creativity/creative-clusters/homepage/>] lead by the Portuguese city of Óbidos. It is an added value cooperation project with the goal to perform a collective “learning by doing” exercise in the field of urban creative clusters. The fundamental assumption is that creative issues in local economic development are also a functional pattern beyond the frame of big metropolitan hubs. Even more, creativity as source of innovation should act as a cross cutting approach to re-think economic

and social development in middle-sized and small towns given new opportunities related to accessibility, community life, culture and creativity-based business models.

During the period 2008-2011 this URBACT network is working on five key sub-themes: i) creative clusters: diversifying local economic base and opportunities to young people; ii) events and cultural agendas as catalysts; iii) promoting the creative city: a new range of facilities and infrastructures; iv) creative entrepreneurs and talented people: attraction and retaining; v) setting the basis: creative education environments at local levels.

The URBACT Network on Creative Clusters is opened to further collaborations with networks, cities and organizations operating with creative clusters and related fields. This newsletter is also opened to any information and contribution concerning creative industries and economic development.

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