



APULIA REGION

Unit for the promotion of territory, knowledge and abilities

CULTURE AND CREATIVITY AS DRIVERS FOR LSED

PIERLUIGI MONTALBANO

EURO MED WEALTH LSED RESEARCH GROUP
3RD SESSION

18th March 2013 – Time: 16.30 CET

Standard LD: A critique



Background

3

- LD strategies on competitiveness are traditionally focused on the creation of economic advantage through **superior productivity performance** and the attraction of firms and labour (Buck et al., 2005; Bristow, 2005, 2010)
- A major consequence is the '**ubiquitification**' of regional development strategies (Bristow, 2005; Maskell and Malmberg, 1999).
- We argue that such a particularly **narrow vision of “competitiveness”** can be harmful in the long-run for LSED
- The recent global 'credit crunch' and the accompanying increase in livelihood insecurity has highlighted the advantages **more resilient local economies** (i.e., being less dependent upon globally footloose activities, having greater economic diversity, etc., Ashby et al, 2009; Larkin and Cooper, 2009).



Drawbacks of the dominant approach

4

- **Main assumption:** capital and labour are completely mobile across regions
- This foster regions competition to provide the appropriate **business environment** for the attraction of footloose investment and highly skilled, creative labour.
- However:
 - factors of production are rarely perfectly mobile
 - Innovation and creativity are not placeless
 - increasing role of agglomeration
- See the spatial inertia of the 'new' economy industries applying distance-shrinking technologies too(e.g. Rodriguez-Pose and Crescenzi, 2008).



Territories matter !

5

- Many firms simply never relocate !

the costs and upheaval of doing so are too great, and the innate ties and preferences to particular places too strong to disregard on the basis of an unending search for lower operational costs.

Furthermore, there are a range of public sector businesses that contribute significantly to local and regional economies and simply cannot move easily from place to place.

- Standardised competitiveness strategies lack a deeper assessments of territories' institutional and cultural specificities

We lack a deeper understanding of the causal effects of the endogenous processes that generate territory-specific economic and institutional framework (Harrison, 2006; Malecki, 2004).



Possible remedies?

6

- Acknowledge that local territories are intrinsically diverse entities with **evolutionary and context-specific development** trajectories (Hayter, 2004) in contrast with the dominant argument of “placeless competitiveness” in a globalized world
- Look at **cultural heritage and creativity as key locally centered** (not replicable) factors of production
- Moving from “firm-centered” to “**community-centered**” development strategies





Rethinking Local Development



Re-thinking local development is on its way...

8

- Regional development theorists increasingly assert that ‘**place matters**’ in understanding how regions function, develop and evolve.
- **Krugman (1997)** was among the first to argue that the Silicon Valley cluster in California, owing its existence to “small and historical accidents that, occurring at the right time, set in motion a cumulative process of self-reinforcing growth”
- Similarly and more recently, **an evolutionary approach** of regions’ development have drawn attention to their cultural, institutional and social contingencies that determine their ability to adapt to changing market conditions, the emergence of new technologies and competitors, and thus their capacity to create new development trajectories (Boschma, 2004; Boschma and Martin, 2007).



Constraints.... (the CPE approach)

9

- The CPE approach asserts that the process of selection of theories gives priority to those able to legitimise actors and represent social phenomena.
- The selection of particular argument reflects their consistency with ideas and aims of particular individuals, organisations and institutions, working through particular conjunctural or institutionalised power relations.

BUT (the direction of causality is not unique)

- Economic crises represent significant turning points in development trajectories since they determine “break of consensus” and seek for changes in “habits, routines, conventions and politics”, not least because of the desire to mitigate or at least prepare for future crises (Hayter, 2004)
- The CPE framework thus provides a useful means for exploring not only how and why a particular notion of competitiveness has come to dominate regional development policy but also for examining actual options for breaking current consensus on competitiveness



Towards a cultural based LSED



Towards a cultural based LSED

11

- A recent strand of the literature highlight that culture and creativity are key determinant of LSED
- Investing in culture is not only a way to foster social cohesion, political identity and welfare but also a tool **for promoting creativity and local systems of innovation**

Creativity and innovations are key drivers for an inclusive, sustainable and smart growth

- This new culture based LSED foster international competition across territories (not across firms) based on endogenous resources which are the drivers of **new comparative advantages not replicable in different contexts.**

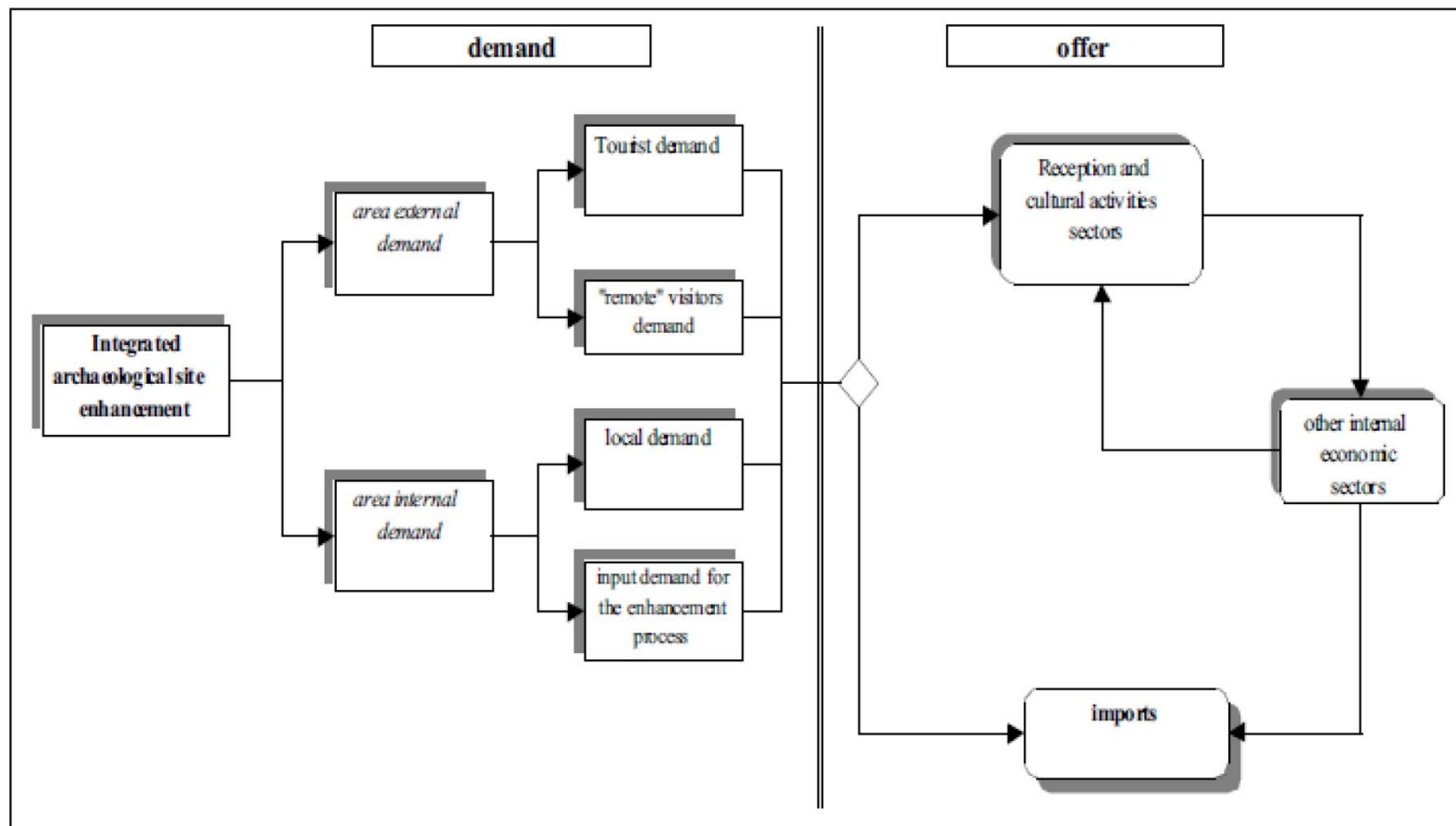
PLS NOTE: A culture based LSED approach acknowledges the relevance of comparative advantage. It rather presents **a different perspective to look at competition across territories and firms' networking and GVCs!**



How cultural based LSED works...

Fig. 1 – The local development model founded on the cultural resources enhancement

12



Elaborated by P.A.Valentino



Empirical Applications



Empirical applications: Eco-museums

14

- Eco – museums (wikipedia): focused on the identity of a place, largely based on local participation and aiming to enhance the welfare and development of local communities.
- Ecomuseums are originated in France, the concept being developed by Georges Henri Rivi re and Hugues de Varine, who coined the term ‘ecomus e’ in 1971.
- The term " co" is a shortened form for " cologie", but it refers especially to a new idea of holistic interpretation of cultural heritage, in opposition to the focus on specific items and objects, performed by traditional museums
- There are presently about 300 operating ecomuseums in the world; about 200 are in Europe, mainly in France, Italy (Apulia incl.), Spain, and Poland.

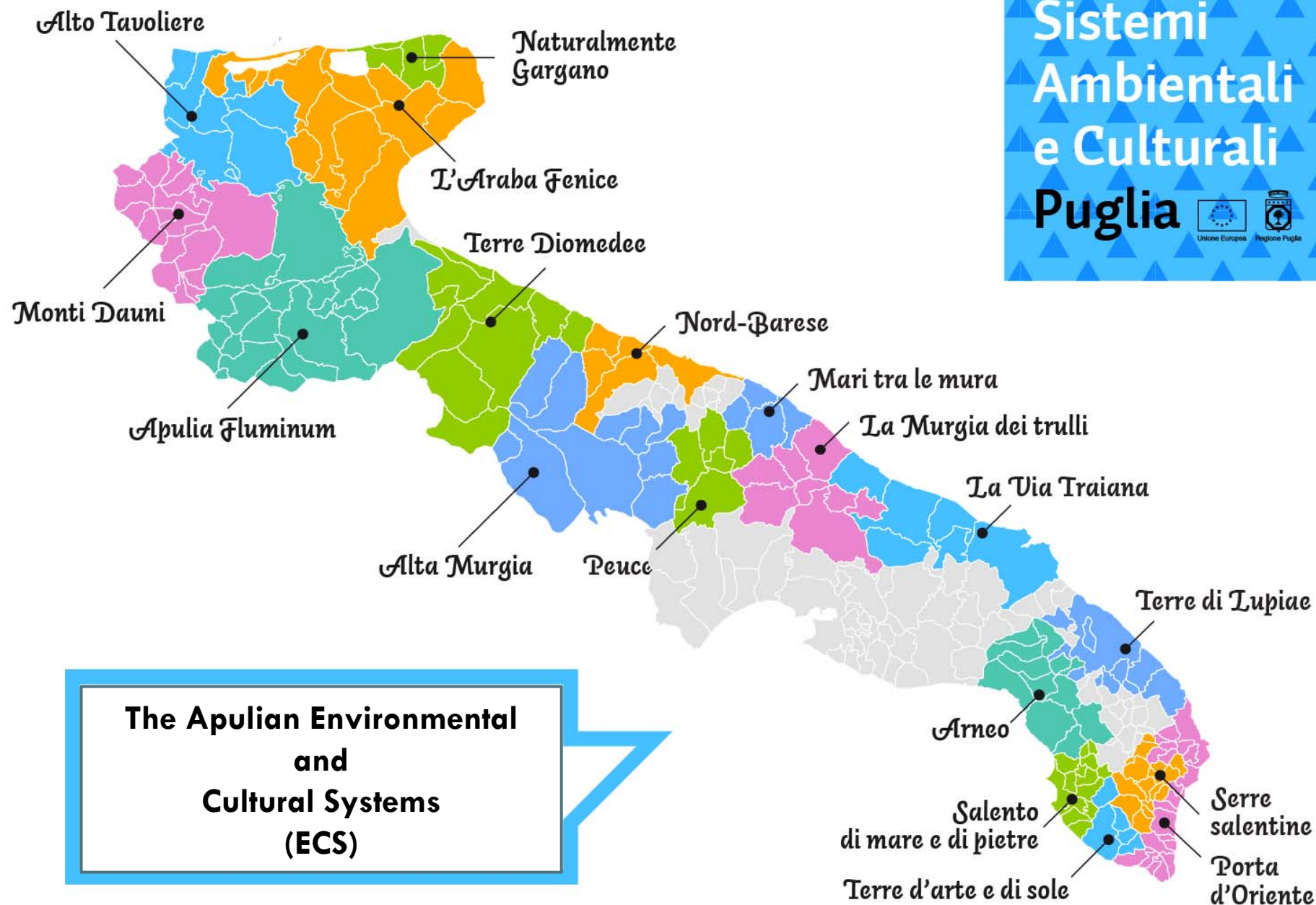


Empirical applications: Urban design and critical regionalism

15

**Urban design and Critical
Regionalism: Sustainable Project
Planning Paths as Tool for
boosting the Economic
Development of Territorial
Identities**





Sistemi Ambientali e Culturali Puglia



The EU Program “Creative Europe”





What's Creative Europe ?

- Investing in Europe's cultural and creative sector
- Boosting the sector's performance and contribute to the aims set out in the Europe 2020 strategy
 - Creativity – enabler for learning, innovation and inclusion
 - Creative sector - driver of economic growth and employment (4.5 % of EU GDP, 3,8% of EU's workforce)
- Simplification, Branding, Cross-fertilisation
 - Single entry point for the sector, actions' complementarity
 - Europe – the place of creation



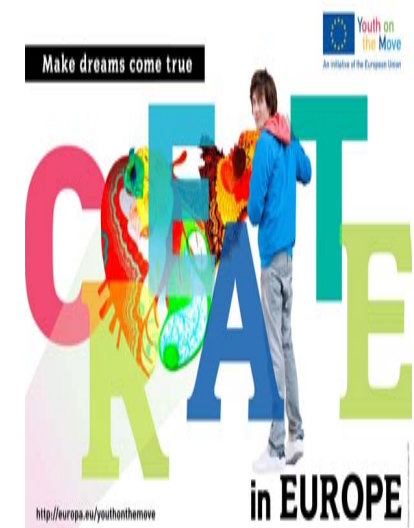
General objectives

- **Foster the safeguarding and promotion** of European cultural and linguistic diversity
- **Strengthening the competitiveness** of the cultural and creative sectors with a view to promoting smart, sustainable and inclusive growth
- **Recognizable and simple single entry point** for European cultural and creative sectors
- **Simplification of administration and management procedure** (e.g. through more flat rate funding, framework partnership agreements, grant decisions, use of online applications and reporting)



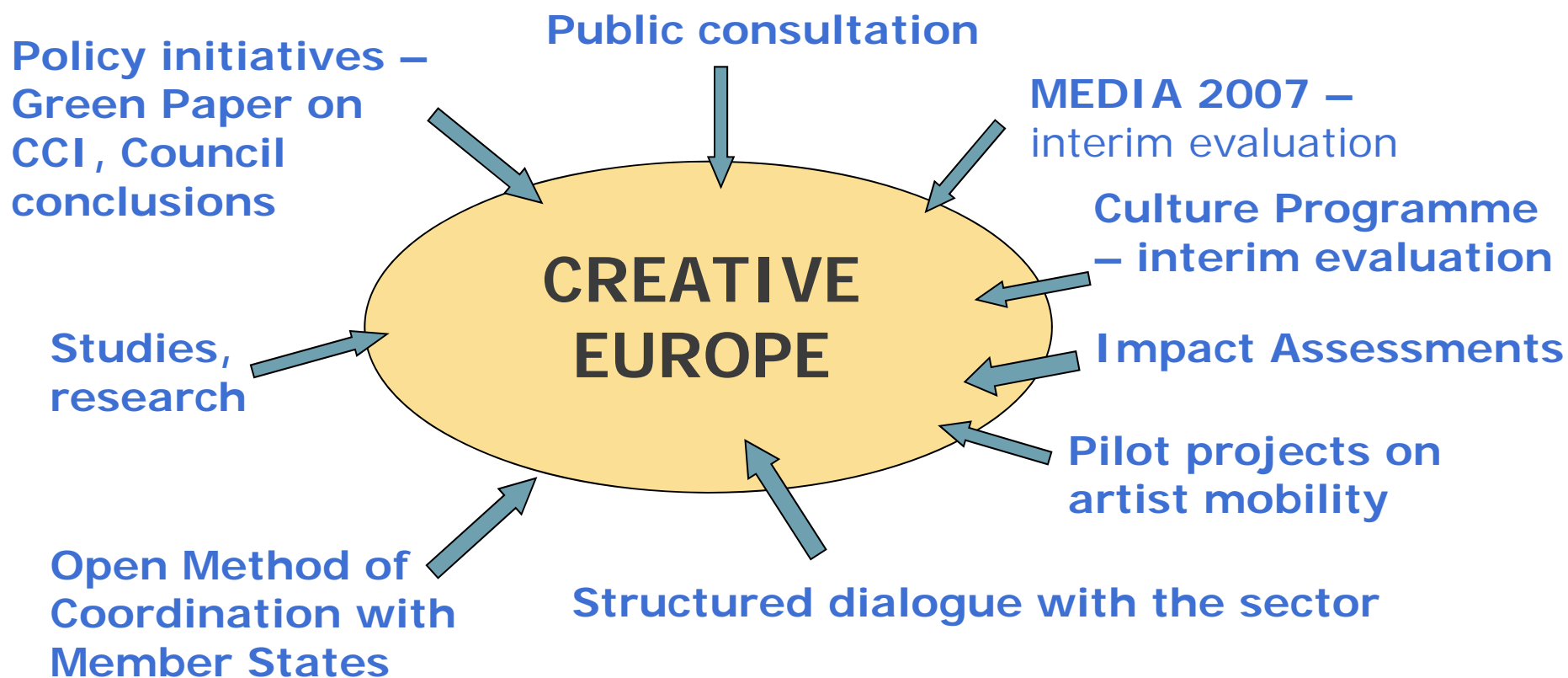
Specific objectives

- **Support the capacity** of European CCS to operate transnationally
- Promote the **transnational circulation of cultural and creative works** and operators and reach new audiences in Europe and beyond
- **Strengthen the financial capacity** of CCS, in particular SME
- **Support transnational policy cooperation** in order to foster policy development, innovation, audience building and new business models





Building Creative Europe-on long term experience



Creative Europe framework

Culture aprox. 30 %	MEDIA aprox. 55 %	Cross-sectoral aprox. 15 %
--	--	---



Towards EU2020: in a nutshell

24

General Obj:

The EU effort towards a more competitive economy with higher employment.

Specific Obj:

The EU 2020 strategy is about delivering:

- **smart growth**: through more effective investments in education, research, **creativity and innovation**;
- **sustainable growth**: thanks to a decisive move towards a low-carbon economy;
- **inclusive growth: (not simply pro-poor growth)** but a stronger emphasis on job creation.

The strategy is focused on five ambitious goals in the areas of employment, innovation, education, poverty reduction and climate/energy.

