

European cultural policies and the ‘creative industries’ turn

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Defined as a systematic collection of actions and measures taken under ministerial authority and under the aegis of a specialized administration, and associated with local and regional authority action, the cultural policies of numerous democratic European countries are now fifty years old. They are part of the history of the creation of the Welfare State. Their implementation has gone along with the invention and rise of educational policy, social policy and health policy. Comparing various countries’ policies reveals few differences between national models when it comes to the broad aims of public action. Variations appear to arise primarily from two factors which are usually foremost in comparative studies: that of the delegation of choice and action, or the direct exercise of responsibility under ministerial authority and its administration and that of the centralized, decentralized or federal nature of public action (van der Ploeg, 2006).

Even if the reality of public action is more diverse and hybrid than the classification models imply (Toepler, Zimmer, 2002; Poirrier, 2011), recent data reveals nothing of the changing philosophy behind public action, as decentralization or territorialized public action are prioritized across the board.¹ However, justifications for public action evolve in response to social, political, economic and technological changes in the cultural activity environment, and at each stage to question anew the utility of public intervention in sectors which are dominated, for the most spectacular part of their development and their hold over private consumption, by the cultural industries and by the destructive and creative powers of their innovations. From a democratizable culture to a socially and economically sustainable culture, the chosen route seems to change its fundamental aims considerably.

This chapter sketches its evolution as a four phase move towards what has been emerging as the central dual content of the current public cultural policy: preserving and promoting heritage, and bringing the creative industries at the core of the so-called knowledge society. The general evolutionary trend which I will expound upon shows four distinct phases: (1) the creation of a systematic cultural supply policy based on two principles – excellence and

democratization – and a limited definition of culture suitable for public financing; (2) the gradual decentralization of public action, which leads to an increasing disparity in its aims and functions, and which challenges the initial universalist and unanimist model; (3) a revision of the legitimate scope of public action, which opens the borders of cultural policy to entertainment culture governed by the laws of the industrial economy; (4) an increasing tendency to justify cultural policy on the basis of its contribution to economic growth and to the balance of national social diversity, which legitimizes the regulatory power of public action as well encouraging the expansion of the ‘creative industries’ and the demands for the evaluation of procedures and results. I conclude by suggesting that a city-centered approach to creative generativity challenges the state-centered doctrine of cultural policy.

<a>THE INITIAL DOCTRINE: EXCELLENCE IN THE ARTS – THE VIRTUES OF DEMOCRATIZATION

At the point at which culture entered the welfare states’ agenda in the 1950s, states initially introduced public finance systems to organize and increase previously sporadic and compartmentalized activities relating to museums and major arts performance venues (opera, theatres and so on). However a simple and resolute doctrine quickly formed the basis of public action. It consisted of two objectives: protecting and developing cultural activity, and providing citizens with equal access to it.

The initial definition of culture was homogenous, associated with high culture, with its hierarchies and classifications and its selective renewal and settling principles. The argument goes as follows: within all art there are a series of works from the past which deserve to be the subject of admiration which is both unanimous (within national boundaries) and universal (as ranked internationally). The excellence of such past production is consecrated by erudite opinion and ratified by its entry into museums and repertoire. Yet admired and sanctioned works come from periods in history in which originality and new aesthetics were defined on a very broad basis and in which the structure of artistic life was successively dominated by corporations, royal, aristocratic or religious patronage, and, since the start of the 19th century, by market forces. Indeed, throughout the 1930s, debate on the admirable universality of high culture had raged in France amongst the massed ranks of those most hostile to bourgeois democracy and market capitalism, but was divided. Faced with critics who wanted to shatter the argument for the autonomy or relative autonomy of the artistic world within the social arena, the principle of universally judged artistic merit won out (Ritaine, 1983).

A similar debate would lead the artistic and cultural value of products from the cultural industry to be challenged, as their production was likened to the strictly commercial manufacture of alienating opiates.² The arena of public cultural action was therefore defined in opposition to the arena of cultural industries and the entertainment culture, dominated by market forces. However, the history of visual arts also shows that the market has been able to favour artistic innovation against the academic arena and its state protection (White and White, 1965). Literature and cinema were moving into the marketplace and in accordance with economic principles by which innovation finds its niche.

To be a matter of public policy, culture had to symbolize a national identity whilst also claiming to embody universal values, even if, throughout the last five decades, the valuation of such works was less and less based on easily definable and legitimized aesthetic canons. At the point when public cultural policies were expanding in the 1950s, the publicly recognized values of heritage works had in some way to be stripped of the contextual conditions of their financing and selection conditions³ so that high culture's greatest works could be treated as unanimously admired public goods.

In democratic nations in the post-war period, in newly democratized countries such as Greece, Spain and Portugal in the 1970s, and in post-communist Eastern Europe, the invention of cultural policy as we understand it today presupposed an anti-institutional approach to supporting artistic creation. The public decision-making authority (whether ministry, administrative office, independent council⁴) had to learn to dissociate its support from the majority view (or that perceived as such) of opinions on aesthetic matters. In other words, whilst the universality of aesthetic values which is the basis for treating works as public goods is based on the expected support of the entire community, support for creators also had to treat as legitimate any distance or mistrust which might separate creators from their potential public. The impetus that transforms creations of uncertain value, whether controversial or not, into constituent elements of public heritage lends a particular tension to cultural policy. With the passage of time, the history of the arts looks more settled and citizens benefit from the guarantees offered by the convergence of opinion. At close range (contemporaneously with creation) citizens are exposed to the infinite variety of artistic creations in existence: they must admit that public action is affected by a strong degree of uncertainty and that the vast array of artists to support, either directly or indirectly, must reflect, at the reduced scale imposed by minimal budgetary resources, the surfeit of artistic works available at any one time.

Fundamental public action was overall more certain of its values than its procedures.

Neither John Maynard Keynes, the founder and first Chairman of the Arts Council of Great Britain, nor French statesman Minister André Malraux doubted that the guiding principles of public action should be excellence and the widest possible democratic participation in frequenting works of the greatest artistic ingenuity (Williams, 1989; Sinclair, 1995; Urfalino, 2004; Greffe and Pflieger, 2009). The situation was the same in the German Länder and Northern European democracies when, thanks to economic growth, cultural politics began to figure as a priority for welfare states (Duelund, 2003).

How did the policy of supply affect demand behaviour? In Northern Europe, there was no doubt about the aim: the social stratification of tastes and preferences, which creates huge class divisions, could be curtailed. This is the 'escalator' model of slow ascent: the various social groups stand on higher or lower steps, depending on their budgetary and educational means, but when growth is strong and its fruits efficiently distributed, the stairway elevates everyone. What is available to the upper classes at point t , will, at point $t+1$ be accessible to those lower down the social scale. The widespread application of Engel's Law should ensure this dynamic. Improvements in a society's overall quality of life and education standards favour such demand, and make it possible to predict future consumption: once basic needs are covered (food, housing, transport, health) a disproportionately higher amount of expenditure is then directed towards secondary or higher requirements such as leisure and culture, spatial mobility, personal care, domestic services and so on. The machinery of the welfare state promotes culture as a fundamental right and an essential part of personal and collective growth, ranking it alongside other rights such as education, health and social security (Duelund, 2003; Mangset et al., 2008).

France and Great Britain's philosophy relied more on the ripple effect of territorial dissemination through supply on demand, according to the principle of aesthetic shock and conversion to the benefits of high culture (Urfalino, 2004). Yet, as sociologists pointed out, social inequalities in cultural consumption were such that the virtues of a supply-based policy had to be questioned (Bourdieu and Darbel, 1966; Bourdieu, 1979; Donnat and Tolila, 2003; Grignon and Passeron, 1989; Williams, 1981). When endorsed by cultural militants, results of these sociological studies were readily turned into a rather simplistic critical stance, that of measuring the efficiency of all public investments by the yardstick of abstract egalitarian coefficients of social diversity. Also, there were genuine differences between European countries. These differences relate to the significance of those popular education traditions that help shape the concept of cultural transmission (in Northern Europe), or to the importance of amateur practices and artistic education, which distinguishes the British or

German idea of cultural action from that prevalent in France, where the ministry's action plan broke with amateur practices and community adult education networks.

The best that can be said is that the supply policy has been effective, but within a much more limited social field than that of its systematic universalism and unrealistic voluntarist philosophy. Drawing on existing European literature on public cultural policies and other available data, it is possible to summarize the issue of the public action efficiency in three points:

1. There are winning sectors, which vouch for the success of public action: when looking at cultural outings, heritage-related activities rank highest. The culture-consuming public is now greater, and comes from more socially and geographically diverse backgrounds. Without heritage, there would be no cultural tourism, something which has considerable economic importance. This seems particularly to be the case for Southern European countries, whose cultural heritage is considerable;

2. There are trends within practices, with some starting off positively then recently falling off: reading practices and literacy levels have long distinguished the Northern European countries, where adult education and the network of public libraries have historically been the key to local and central cultural policy. The recent change in reading practice (defined, admittedly, in the traditional sense of reading books) is a result of the growing competition from digital technologies;

3. Finally, there are sectors in which supply has far outstripped demand: this is the case for theatre and other such live performing arts. These sectors embody one of the historical origins of public cultural policy throughout Europe, and remain central to them. However, these sectors have continued to remain restricted, in terms of both the size and social diversity of their public. The realm of classical concerts and opera remains particularly symbolic of the voluntarism which is always necessary, always reasserted and always disappointed. To some extent this typifies all public action-related dilemmas. Music is a learned art par excellence symbolizing a level of specialization and a mastery of knowledge and skills which only a long and precocious education and practice can bring; it is also however an art which, under certain circumstances (festivals, high profile concerts, productions of famous operas, etc) can act as a big draw for audiences other than the music-loving bourgeoisie, and which can often act as a powerful political and social symbol. Classical music remains the most potent symbol of the intrinsic limits of the aim of democratization whilst remaining the darling of public policies: no other artistic sector has recourse to such levels of subsidy, nor have they benefited from such lessons as the work of US economists Baumol and Bowen (1966) presents for the public

authorities, in their exposition of the 'cost disease' in live performance, providing proof of the necessity and legitimacy of public subsidy.

<a>DECENTRALIZATION AND DECENTERING

A supply-centered policy involved local authorities in Northern Europe and in federally governed countries, earlier and more dynamically than those in Southern Europe. However, by taking into account issues of territorial balance and spatial equity, the hierarchical and universalist philosophy of public action has gradually been undermined. The involvement of local players fairly quickly prompted the question of the definition of culture to be supported.

The centralizing model aimed to encourage interactive initiatives between cultural supply and demand which originated in major urban areas. On the one hand, these urban areas, and the capitals of traditionally centralized countries in particular, see the highest concentration of artists and professionals from the world of art, and the largest cultural organizations and those also the most accountable for the national prestige of cultural excellence. On the other hand, inner city populations have a higher-than-average proportion of upper social classes: these are the categories whose cultural consumption is both significant, addictive and focused on contemporary creation.

The welfare state and its cultural administration were certainly well equipped to disseminate the universalist and unanimist principles of their philosophy at local level and to persuade the local authorities to adopt a rational catalogue of cultural facilities such as libraries, museums, live performing arts venues, art and music schools, theatre companies, symphony orchestras, opera houses, and so on. In this form of decentralization, the unique nature of local action is perhaps down to the speed at which a coherent range of cultural facilities and initiatives are put together: here, as a straightforward scheduling process, it is assumed that the catalogue of artistic facilities and initiatives is modular and can be broken down into those components which meet local needs, but that it will be designed such that cultural life can only reach its local potential when the catalogue is amply provisioned across the board. Under this system, the spatial distribution of cultural goods and services was bound to fall short of the welfare state's egalitarian ambitions.

Public action aimed to fulfil an increasingly diverse range of objectives. The decentralization of cultural policies which took place in the 1960s gave rise to three issues: that of coordinating the different levels of public action; the local authorities' increasingly broad definition of culture as they advocate a more anthropological definition of cultural

identity, to bring it close to an alternative conception of popular culture aimed at restoring creative self-expression to ordinary people (Looseley, 2011); and an increasingly diverse approach to promoting demand through a policy of cultural mediation and a stronger commitment to popular participation, thus changing, at grass roots level, the ‘top down’ public action model for a ‘bottom up’ policy.

In short, as territorial action progresses, the issues involved change. The public action agenda should make allowances for the growing tension between universalist principles and specific demands: how is the principle of excellence in artistic valued to be adjusted locally and, more generally, on what criteria should local cultural action be assessed? Moreover, who has the necessary expertise to establish supra-local cultural action criteria, or, conversely, to defend a particularist view of available goods and services, to disengage it from the vertical hierarchy of values? Thus the chasm of cultural relativism slowly yawns: in the face of the hierarchical classification of arts legitimately deserving of public support and the glacial speed of changing individual cultural tastes in response to newly accessible works, radical proponents of a cultural policy counter-model propose instead a re-evaluation of popular culture, or more radically still, suggest treating cultural action like an exercise in political mobilization, with its roots in community initiatives and with the theatre remaining its predominant form of expression, as the British situation in the 1970s shows (Kershaw, 1992).

Indeed, from its inception, and under Keynes’s leadership, the Arts Council of Great Britain stood for the civilizing influence of the arts, making the public support of artistic excellence its main aim, and saw the regions as proving grounds for this model, whilst prioritizing the concentration of resources on London’s finest cultural institutions. However, in the 1960s a huge regionalization movement started to gather momentum. Involvement in cultural policy became the subject of open conflict. On the one hand, Arts Council resources tripled between 1964 and 1970; on the other, a network of twelve Regional Arts Councils was set up, with the primary aim of supporting the applied arts, socio-cultural initiatives and amateur group activities, with the theatre sector being a good case in point. The major theatrical institutions certainly attract the majority of resources, under the continuing policy of excellence, but the financing of a growing number of community-based, alternative or militant theatre groups illustrates one of the effects of the territorial dissemination of culture and the involvement of a group of local actors and decision-makers (elected representatives, associations, artists and so on) whose aims are at odds with that of a consensual and unanimist democratization process (Hutchison, 1982).

The expansion of public cultural action feeds thus its differentiation and contestability.

Usually, with public spending from all sources (public and private, local and national) growing up, the change comes through piling up layers of intervention and increasing the number of targets. Budgetary increase thus mitigates the internal differentiation process sketched above. Yet, the relativist critique against the ascendancy of high culture does not just lead to a call to redefine culture and expand the range of artistic expressions and professional communities eligible for public support, but it introduces the politicization of artistic expression as the means to bring about cultural democracy.

Support for the arts can be understood and endorsed as something other than a project which showcases and gives access to the jewels of unequal, aristocratic or bourgeois societies, on condition that access to culture has the same individual and collective virtues as access to education. Once a pluralist approach to culture is adopted, the trap of default egalitarianism is set: the equal dignity of individual arts, cultures and practices only makes egalitarian progress in a society in which the knowledge, practice and production of high culture are no longer the product of a particular social class. Yet, as the Danish cultural policy implemented from the late 1960s shows (Engberg, 2011), with its move toward a pluralist view of culture, funding structures are very likely to remain far less pluralistic than the schemes' rhetoric or paradigm shifts.

<a>OPEN BORDERS: CULTURAL POLICY, THE FREE MARKET, THE ECONOMY AND THE END OF MONOPOLIES

In Europe, the first oil crisis in the mid-'70s led to an economic crisis which restricted the welfare state model to low levels of economic growth. Culture, seen as a civilizing force, would no longer remain anti-utilitarian and outside the boundaries of market forces. Social and welfare democracy had created an opening for the deconstruction of hierarchies within the arts. The cultural industries had gone through a period of formidable development around the time when the first large-scale systematic programmes of public finance for culture were implemented. How could it be that consumption of culture was so strong in the commercial sector and yet so clearly inequitable and non-progressive in the public sector? How could the intrinsic value of the traditional arts be allowed to deflate in such a symbolic fashion? What justifications were there to stop this collapse in their value being followed by budgetary deflation?

Cultural Policy, Industrial Policy and the Knowledge Society: From the Cultural

Industries to the Creative Industries

As the social and economic justification for public cultural action has been through a series of adjustments, the very definition of culture itself has changed. We are familiar with the distinction between a narrow definition of culture, based initially on the high arts, then incorporating all of the high arts and their popular forms (in music, literature, dance, and so on), and an anthropological, relativistic definition which comes from a long tradition of an expressive view of culture (Menger, 2003). On the other hand, bringing the cultural industries into the sphere of public policy moves it in another direction entirely, making a more far-reaching ideological revision, after all the legal proceedings against the cultural industries and the reduction of art to the status of mere merchandise.

The situation evolved rapidly when the flag was flown for the creative industries. The movement had started in Australia under the left-wing Keating government, which promoted the idea of a ‘creative nation’ in the early 1990s (Bennett and Carter, 2001; Johanson, 2011). This revamped cultural policy had two main objectives: to work towards the complete recognition of multiculturalism and to promote the creative industries, whilst moving towards the information and communication technologies sector’s industrial policy.

In Europe, this doctrine was revised and implemented by Tony Blair’s government from 1997 onwards (DCMS, 1998, 2001, 2008; Hesmondhalgh and Pratt, 2005; Pratt, 2005). Devising a cultural policy, since the 1980s, has also involved a redefinition of its scope. The UK policy distinguishes between two areas of intervention, namely heritage and the creative industries, the latter including architecture, music, live performance, publishing, the art and antiques market, music, arts and crafts professions, television and radio, film and video, advertising, design, fashion, video games, software and IT services. The argument is simple: according to its usual definition, culture as covered by policy materializes as goods, services, performances and practices all of which are of utility to the consumer. Under this definition, culture is an end product and its consumption should be as geographically and socially equitable as possible, in order that individual satisfactions coincide with social benefits. In redefining it to place greater emphasis on creativity, culture, in the sense used here, becomes a sector in which qualities that are also a resource for the economy as a whole are sought and implemented (Bakhshi, McVittie and Simmie, 2008; Potts, 2009, 2011). For this reason, activities which can be defined as both utilitarian and functional forms of production are associated with the arts, although they must be exercised with enough inventiveness to ensure a profitable quotient of originality and innovation: advertising, fashion, industrial and

software design being good cases in point.⁵ The cultural domain is certainly a remarkable hotbed of creativity, as it takes the originality, inventiveness and freedom required when working on existing models and constraints to such new levels that it seems to put the technical skills required for higher specialist activities into the shade. However, creativity must be seen as a generic part of the inventiveness common to all economic activities which constantly require knowledge, its unceasing renewal and a technical approach to the production process to ensure innovation and competitiveness, even at the expense of its original source, the artistic sphere, when it comes to redefining priorities on the political agenda (Bilton, 2006; Oakley, 2009; Pratt and Jeffcut, 2009).

It was at the point of three changes that the cultural sphere started to be seen as a ‘creative industries’ sector.

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1.Cultural policy became the product of societies whose growth model is based on technological innovation and on raising the country’s scientific and intellectual capital. Initially more or less ignored by the EU Lisbon process, culture inveigled its way into the knowledge society. However, it is cultural production which, as the Anglo-American model shows, has to prove its viability in the marketplace, by relying on the supportive public environment essential for company growth, staff training, protecting sources of financing and notably for revenues raised through the consolidated exercise of intellectual property rights (for a critical view, see Garnham, 2005).

2.This model bundles cultural policy in with economic and social policies at national and international level. As of 1998, in Great Britain, the Department of Culture, Media and Sport has charted a statistical picture of its domain, its economic performances, its social base and its contribution to domestic production. Similar initiatives have subsequently been taken in Denmark, the Netherlands and Germany. The 2006 European Commission report entitled *The Economy of Culture in Europe* shows the international scale of the operation: it likens culture to an investment sector rather than one of straightforward public patronage and thus recommends the adoption of suitable evaluation and control tools for this new model of public action. The public management of culture and the arts should no longer be this evidence-free zone in which the manipulation of statistical measurement and objectification is seen as reducing the sacred to mere figures and what Kant referred to as the ‘purposive without purpose’ to the utilitarian tools of revamped public accounting principles.

What can be found in this statistical mapping which might provide proof of the legitimacy

of public expenditure? The cultural sector, the scope of which varies from country to country, must be able to be described in comparable terms and with a standardized set of accounting techniques and statistics: the normative aspect of the task of objectification and measurement is really put under the spotlight when the cultural sector's economic and social performance indicators form the basic technology behind international comparison and evaluation, recommendations and decisions adopted by supra-national public organizations and by their economical and statistical services such as Eurostat, OECD, UNESCO, and so on. This index-based technology, and the practice of benchmarking which it drives, applies the honours-list mentality (in its most varied forms, from lionization and the reward and prize-giving industry to the production of hit parades and best-seller lists) to the practice of wider international comparison and competition between those seeking public support. Recent thinking, although claiming to move away from the auditing culture, emphasizes that excellence, initially seen as a pillar of the cultural welfarism, should once again become a priority when allocating public resources (McMaster, 2008; DCMS, *Creative Britain*, 2008), yet under the banner of innovation, risk-taking and competitive efficiency rather than democratizing and spreading (Banks and Hesmondhalgh, 2009). In the last decade the 'excellence' motive has started to infiltrate the professed priorities of culture ministries across various countries.

What do these constructed indices measure? The economic value of the cultural sector resides in its contribution to GDP, in added value, in growth rates, in the proportion of jobs directly or indirectly related to the sector and in the quality of these jobs, in the characteristics of businesses and micro-businesses and in their competitiveness (productivity and profitability) and in the volume and structure of cultural consumption expenditure in household budgets. However, the argument that culture is also an intermediate good also leads to the attempt to pinpoint all of culture's indirect contributions to the economic growth and social cohesion of countries, territories and towns.

The simplest measure of this indirect contribution is that cited by local authorities since the 1970s: the leveraging effect of available cultural goods and services on the development of local tourism and on urban regeneration (Bille and Schulze, 2006). Valuing the exact knock-on effect of tourism has long been the subject of controversy, when the exact returns on cultural investments were being examined and compared with alternative investments (Frey, 2008; Throsby, 2004, 2010). It is regularly subject to criticism by those who see it as largely rhetorical justification for the too-high levels of public expenditure or who are alarmed at the lack of evaluation of public action (Gibson and Stevenson, 2004). However the commitment of states, towns and regions, after three decades of local cultural policy, has passed a turning

point beyond which it seemed possible to start questioning opposing models and more effective local development models. It is significant that one of the main outcomes of action supportive of the so-called creative industries was the proliferation of urban regeneration schemes and the redevelopment of industrial sites within major urban areas. Examples abound: Amsterdam, Barcelona, Bilbao, Dublin, Glasgow, Helsinki, Lille, Lodz, Manchester, Marseille, Milan and Newcastle to name but a few. Similarly, for medium-sized towns the emergence of 'creative clusters' has provided a possible response to the competing draw of large urban areas for artists and cultural enterprises. This increasing trend towards spatial concentration within major urban areas or urban districts supplies a range of justifications supporting cultural action which the local authorities now associate overtly with the economic management of their city and its social ecology. The agglomeration economy is one of the characteristics of cultural entrepreneurship, with its base of micro-businesses, flexible and interdependent resource-sharing networks and with its working population whose structural surplus makes it possible to organize a system which work on a project-by-project basis and on the basis of flexible specialization with lower fixed costs (Menger, 2006).

A number of British studies have also been conducted which attempt to show the most intangible indirect contribution: that which attempts to imbue a country's cultural vibrancy with a power of attraction over multiple sectors of the economy and at various social levels (Higgs, Cunningham and Bakshi, 2008; NESTA, 2012). The thinking behind this is not new: it is part of the rhetorical arsenal of political persuasion. What is new is the attempt to evaluate it, inspired by economic thinking on endogenous growth and on self-sustainment through creative and destructive innovative impulses. The argument for the catalyst effect of cultural creativity fuels an entire population of consultants who beam this quasi-psychological, quasi-managerial talk about creativity at local politicians and companies. Creative indices are offered to public and private bodies to encourage the emergence of a new social ecology. Academic works offer to enrich nations' accounting tools by constructing a gauge of the cultural value of all social and economic realities, and to contribute to the definition of sustainable development policies. The commitment to an ecology of cultural diversity has thus become the cornerstone of the re-evaluation of culture as a public good.

3.The third evolution concerns employment in the cultural sector. One of the arguments of the creative industries' policy is the consecration of key values associated with creativity: a flexible and compliant personal approach, an appetite for risk, the ability to cope with the unexpected, lateral and intuitive thinking, the championing of diversity within teams (Banks and Hesmondhalgh, 2009). What do the jobs and employment markets which promote such

qualities look like? Monographs on national cultural policies as produced by the Council of Europe (*Compendium*, 2012) invariably highlight the disparity between the vigorous growth of this employment sector, which is far higher than that of the service industry, and the individual situation of those in the job market: educational qualifications are above average but there remain huge inequalities in earnings, as shown by the Paretian profile of their distribution (four fifths of earnings and amounts of work are enjoyed by less than one fifth of professionals), and has led individuals to resort more frequently than elsewhere to multiactivity). However they also value independence (there are far more freelancers or self employed individuals here than in other higher professions) and a lack of routine in their work, and take a risk management approach to employment, combining keen competition for jobs based on reputation and multiple forms of diversification of resources and intra-professional solidarity. Artists and those we shall henceforth refer to as creative workers are aiming for the high earning power of the top one fifth of professionals in the hope that the overestimation of their chances of success will end in self-fulfilling prophecy (Menger, 2006, 2013).

These characteristics indicate the mainspring of an economy whose production of artistic and cultural goods and services is endlessly differentiated and varied. Their impact on the employment situation represents a challenge for welfare state social policies, as the combination of flexible project-by-project working patterns and the individual risk of under-employment is pushed to the limit, overtaxing social welfare mechanisms. In countries actively promoting the creative industries, there is an unequal adoption and application of specific protection measures. Denmark, the champion of flexicurity, does not accord artists special status, to ensure that all sectors are treated equally. The Netherlands trialled a long-term artists' wage scheme, but had to downgrade the scheme's ambitions radically in order to avoid overspending. The UK and Germany have implemented some special measures, with limited scope (*Compendium*, 2012).

However no other country treats the unique and exceptional nature of cultural employment as favourably as France, which came up in the 1960s with a proposal for bridging the employment/unemployment gaps experienced by artists and workers in the performing arts sector. For the last three decades, this artistic flexicurity mechanism has been so successful in supporting the live performing arts and entertainment industry that the growth of employment has started to work paradoxically. Work sought and remunerated by employers in the live entertainment, audiovisual and cinema industries has increased continuously, but compensated unemployment has grown even faster, against all the usually observed

employment markets trends. Indeed, this system would make a fine model if it didn't actually have the effect of spreading the risk of unemployment which it is there to protect against, by speeding up the fragmentation of employment and encouraging the dispersal of demand for work across a professional population that is growing faster than the work available for it (Menger, 2012).

<a>CONCLUSION

The emphasis on creativity and creative industries has gained ground in the public cultural discourse and political agenda as a way to narrow the gap between the top-down approach of the state-centered cultural policy doctrine, and the bottom-up approach of spatial agglomeration-driven generation and exchange of ideas and increasing returns to skills in the knowledge economy. At a nation level, a usual social welfare function implies that inequality in income and in various kinds of resources should be reduced. In essence, this implies a more egalitarian distribution of human capital. Human capital development (mainly through a rise in average educational level) translates into rising cultural consumption and rising demand for cultural amenities, leveraging therefore increasing supply of culture.

However, things go differently at a local level. Spatial inequality, with a few urban metropolitan areas and cities dominating the economic and demographic scene, has proven itself as a means to drive the connection between human capital and growth. In a nutshell, the 'agglomeration economy' or 'demand for urban density' argument claims that returns to skills (productivity) and to creative undertakings (innovativeness) correlate highly with the size of the city workers and consumers live in. Why this is so has been investigated extensively for about three decades, especially by economists and economic geographers like Edward Glaeser (Glaeser, Kolko and Saiz, 2001; Glaeser and Maré, 2001; see also Duranton and Puga, 2004; Scott, 2006) in his numerous publications since the 1990s.⁶ Large cities serve as forges of human capital and incubators of innovation, due to human capital spillovers: individual productivity appears to depend on the density of smart and well educated people, due to higher inventiveness generated by higher and faster exchanges of ideas, and due to the concentration of workers in those industries requiring high levels of human capital and high demand for innovation (Glaeser, 2008; Glaeser and Resseger, 2010). Accordingly, dominant cities specialize in business services – law, finance, accounting and consulting – but also in creative industries' production of goods and services (arts, entertainment, media, fashion, design, advertising). Occupational breakdown of workforce composition according to the size

of the metropolitan area and to the dominance of world cities provides a glimpse of this urban specialization and generativity process (Markusen and Schrock, 2006).⁷ Moreover, major centers are likely to be more densely connected to each other across the world, and to build a tight network of world cities, as shown in numerous recent studies (Sassen, 2002; Alderson and Beckfield, 2004; Derudder et al., 2010).⁸

Taken together, the several factors of an agglomeration-driven cultural growth lead to a conclusion that hurts the basic philosophy of a nation-level defined cultural policy. They may boost creativity and cultural generativity in cities up to the point where they generate increasing social costs (Friedmann, 1986; Sassen, 1994; Scott, 2006). While concentrating the best jobs, high levels of innovation and high-status consumption, the major centers do also generate polarization, with large numbers of migrants attracted and housing prices distribution even more skewed than wage distribution of the population of residents. Multiculturalism and cosmopolitanism may be key ingredients of a diversity-driven creativity, yet at the price of potentially increasing social segregation.

These are major dilemmas cultural policies have to address when it comes to the net contribution that creative undertakings and human capital accumulation provide to enhance economic growth and social welfare, as well as to ensure dominance in the globalization process.

<a>NOTES

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¹ See the comparative table of national profiles drawn up by the Council of Europe in its cultural policy *Compendium* (2012), which provides data on the relative proportion of local and central expenditure on public cultural action and gives a good snapshot of individual profiles.

² Theodor Adorno and Max Horkheimer's *Dialectic of Enlightenment*, originally published in 1947, was the earliest and most influential proponent of a radical critical view of industrialized culture after WWII (Adorno and Horkheimer 1972).

³ Competition for the attribution of value to works and for public recognition of their authors follows a typical trajectory: uncertainty as to quality and originality encourages a varied output and the coexistence of an infinitely varied range of artists. This system of ruthlessly

selective hierarchical rankings and classifications results from a multitude of differently argued appraisals and decisions, which are controversial, revisable and subject to trend-driven re-evaluation and devaluation (Haskell, 1976; Menger, 2013).

⁴ This approach made its way into all public action models. In the ‘arm’s length’ model, based on delegation to independent bodies, it was the composition and decision-making procedures of expert committees which were responsible for asserting the principle of representing the diversity of artistic communities under the remit of public action. In the model based on the direct political exercise of decision-making power, with or without expert guidance, it is the disputability of choices which has gradually embodied the legitimate principle of anti-institutional criticism and which has always overshadowed centralizing public action.

⁵ It would be interesting to see if this political innovation does not bear some relation to Ruskin’s aesthetic and social philosophy and his commitment to the idea of art as a socially useful and progressive activity.

⁶ See in particular Glaeser, Kolko and Saiz (2001)..

⁷ See Markusen and Schrock (2006).

⁸ See in particular Alderson and Beckfield (2004) and Derudder et al. (2010).