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The Creative City

Urban Revitalization

In 2004, Tianzifang, a spontaneously initiated creative cluster in the centre of Shanghai, attracted media attention and triggered controversy. *The People's Daily* even published a special report on whether or not Tianzifang should stay or be removed. Some felt it was a cheap restoration of abandoned old factories and warehouses, arguing that it would be more profitable to use Tianzifang for real estate development given that it is conveniently situated on Taikang Road in the centre of Shanghai.

Much of the controversy was due to a lack of understanding of creative industries. While relatively small in size, Tianzifang's seven hectares symbolize high architectural values: namely, an assortment of country-style residences typical of housing south of the Yangzi River, Western colonial style buildings, traditional tenements found only in Shanghai, alleyway buildings and industrial factory buildings built in the 1970s. The diversity of this architecture embodies Shanghai's social and economic development. Indeed, the current clustering of foreign and domestic enterprises in this area has awakened memories of the culture of Shanghai. The Luwan district government has designated the Taikang Road area as a milieu for creative industries rather than for business or real estate development. After several years of government initiatives and industry development, Tianzifang is a success story of urban revitalization; it exemplifies the development track of many modern cities: from efficient cities to creative cities.

Creativity concentrates and thrives in abandoned factories and warehouses in big cities across the world, in turn revitalizing regional economies. The world renowned SOHO district in New York is one of the earliest artists' clusters. It was an industrial district of New York before World War II. The declining manufacturing industry after the war left behind many vacant factory buildings and warehouses. A number of artists renovated them into venues for the production, exhibition and marketing of art. The New York

City government once attempted to demolish all the old buildings to build modern office buildings and luxurious apartment buildings. But this plan was rejected by the public. In the 1970s, the city government eventually decided to categorize SOHO as art-oriented historical and cultural reserve area. Since then, SOHO has flourished.

The site now occupied by London's prestigious Tate Modern was a thermal power plant earmarked for demolition. After redevelopment, the Tate Modern has become a model for Britain's creative industries as well as an art museum that attracts many thousands of visitors. It has helped the region south of the Thames to develop from a poor industrial area into a prosperous cultural centre. Similar cultural revitalization projects include the Hake Xin District of Berlin, the Lan Kwai Island of Vancouver and the Otaru Canal of Hokkaido.

Why then do so many creative activities cluster in old factory buildings and warehouses? Certainly, cheap rent and central location are key attractions. But an important factor is the old buildings with exposed beam structures, which stimulate memory and imagination. Furthermore, the buildings are often wide and spacious, making them easy to re-fit for their new purpose. The environment and atmosphere provided by old factory and warehouse buildings inspires imagination and creative ideas. New ideas arise from the process of exchange, learning and integration of different cultures. In short, artists naturally congregate.

Instead of exhausting increasingly precious natural resources, creative industries protect existing cultural resources; the interaction between artists and urban revitalization helps maintain historical and cultural heritage. Many creative entrepreneurs are young and have few financial resources. So it is natural for these young people to take to the abandoned old city districts to start-up their businesses. In so doing, they have brought new life to the old districts by transforming them into creative spaces.

When manufacturing industries exit the central districts of a city, they leave behind space and industrial infrastructure. How the relevant authorities deal with these resources has an impact on the transformation of urban space. One approach, very common in the new round of rapid development of many Chinese cities, is to demolish buildings and build new ones for other purposes. The problem with this approach is that it is destructive to the cultural ecology and history of a city. Although the city may look better in terms of its appearance, the cultural context is lost in the demolition.

The combination of creative precincts and old city districts can avoid the problem of cultural degradation in cities. Revitalization is not simply about retaining historical infrastructure; in combining past and future, traditional and modern, Eastern and Western, and classic and popular revitalization adds cultural features and stimulates the urban economy. From an economic perspective this approach has the advantage of low cost and high value added. To maintain a selected number of historical buildings representative of industrial society and to leave space for the further development of cultural and creative industries is a positive development concept.

The Cultural Context of the City

Culture contributes to a city's competitive advantage. It provides uniqueness, personality and charm. Without the Palace Museum and *siheyuan*, a historical type of courtyard residence surrounded by four residential buildings, Beijing would have had difficulty getting listed as a city of ancient civilization. Urbanization, characterized by renovation projects in old and structurally dangerous buildings, is driving historical and cultural heritage to disappear. Some cities demolish old buildings and construct replicas. But ancient buildings cannot be reproduced. Even the most exquisite reproductions are considered fakes. This kind of reproduction only serves to diminish a city's cultural context and image.

Urban development should not be at the cost of history. The development of creative industries should be combined with the revitalization of cities as well as the protection of historical and cultural heritage so as to make every building, every street and even the whole city a piece of art, and a cultural product. Tianzifang has maintained the historical and cultural features of more than twenty kinds of tenement in Shanghai. You can find both old and new alleyways lined with buildings featuring architectural styles that include eclecticism, New England renaissance, modernism, traditional Chinese timber and brick, Spanish, British castle and Baroque architecture. But the main feature is the tenement architecture. When planning this cultural and creative industries cluster, the Luwan District government paid special attention to the preservation of the historical appearance and the original architectural styles. Modern elements were added to the redesign and renovation. The finished

product has attracted a large number of creative institutions in various industry sectors including architectural design, jewellery design, animation, design, original oil painting, Thai stone carving, folk crafts of Shanxi, Japanese fashion design, collections of Tibetan thangka and the tea ceremony. The cultural context of Shanghai has been extended and developed. Take a walk in the alleys and streets in Tianzifang and you will feel the prosperity of an international metropolis, the richness of Shanghai culture and the vitality of the modern age.

The City Brand

Brand building is usually associated with a business enterprise or a commodity. But a city has a brand and this can be shared by all its businesses and residents. Creativity plays a key role in shaping a city's cultural atmosphere and city branding. It can also help improve the quality of urban life. Ashworth and Voogd believe that creative industries play the role of 'regional marketing'¹ by integrating diverse elements and promoting the character of the city.

Three measures need to be taken to build creative city brands in China. First, there is a need to enhance the links between regions and cities and the collaborative role of creative clusters. By taking advantage of human resources, geographical positioning and investment we can construct regional creative clusters that allow complementary development.

Second, we can improve city competitiveness. The city brand represents the experience and evaluation of the city by consumers, tourists, businessmen, residents and investors. A good city brand produces and maintains reputation and the competitive advantage of the city.

Third, we need to promote urban culture. Culture is the soul of a city. The city brand can have enduring vitality if it accumulates and releases intangible urban assets. Cultural creativity serves as an important means of building a city's core competitiveness. Through planning and integration of resources, the city's image can be fostered and intangible assets increased.

¹ Ashworth, G.J. and Voogd, H. (1994), 'Marketing and place promotion', in Gold, J.R. and Ward, S.V. (Eds), *Place Promotion: The Use of Publicity and Marketing to Sell Towns and Regions* (John Wiley & Sons Ltd, Chichester, pp. 39–52).

The Structure of Urban Space

Creative industries optimize the ‘centre – periphery’ spatial layout of a city through two approaches. One approach accords prominence to the Central Business District (CBD) as the locus of culture and art, a concentration of large museums, opera houses, ballet theatres, movie theatres, libraries and concert halls. An alternative approach is to generate cultural atmosphere by gathering various kinds of creative activities in different urban and suburban districts.

Creative clusters can have positive impacts on the structural layout of urban space. Structure impacts on function. The structural layout of urban space impacts upon how a city functions, how its personality is represented, and the concentration of city industries. On the other hand, highly concentrated and efficient industry clusters optimize the spatial layout of the city.

Richard Florida, Michael Porter – and many Chinese scholars – have studied clusters from regional development and industrial economics perspectives. They believe that creative clusters have a positive impact on the continuation of a city’s history and culture and on social transformation.

Some researchers who study urban creative clusters believe that creative clusters have actually become the business card of the city. Examples include art in Florence and the audio-visual products of Wellington, New Zealand.

Some creative clusters function from the standpoint of community. They are the small ‘cells’ in the city’s spatial layout but serve as important bearers of cultural meaning. Often closely related to the lives of city residents, such clusters include museum areas in England, particularly the South Bank in London and the Century Plaza in Birmingham, the Tilburg 013 Music Centre and the performing arts at the Utrecht Theatre Square in the Netherlands, the art design for the old Nokia cable factory in Helsinki, Finland, and Irish pubs in Dublin’s Temple District.

Creative clusters’ impact on the structural layout of urban space has much to do with their lifecycle. As indicated in Table 5.1, creative clusters, like any other industrial clusters, have a lifecycle that goes through the stages of parasitic – development – thriving – mature. They take on different forms at different stages. At the ‘parasitic’ stage, creative clusters need public investment in infrastructure. But with continuous growth, these clusters enjoy a more open and mature market that brings about exchange and integration between the city and its neighbouring regions and even between countries. From the micro

Table 5.1 The Evolution of Creative Clusters

Evolutionary Process	Context and Cases
‘Parasitic’	Supported by government policy and funding, a number of creative enterprises have been able to develop. Government support includes investment in infrastructure for cultural consumption, convenience for SMEs to raise money, and special allowance for sustainable development of creative clusters.
Examples	<ul style="list-style-type: none">• Creative clusters in Britain, such as the Sheffield Cultural Industries Quarter• The Cultural Industries Development Centre in St. Petersburg• The Digital Media City (supported by the Seoul government of South Korea)• Taipei Creative Industries Development• Other developing countries and regions such as the Asia-Pacific region and South America
Development	A number of independent creative enterprises have appeared, together with some privatized cultural enterprises that used to be funded by government. These enterprises are small in scale. The local market for creative enterprises is not fully developed and cultural infrastructure is not complete. There are still traces of government initiatives.
Examples	<ul style="list-style-type: none">• Creative clusters in Brisbane• Music communities in Tilburg• The (proposed) West Kowloon Cultural District in Hong Kong
Thriving	Thanks to increased government investment in cultural infrastructure, creative enterprises have increased in number and in scale. Local and regional markets have expanded and begun to reach consumers in international markets.
Examples	<ul style="list-style-type: none">• Product design, architecture, digital media in Barcelona• Film and TV in Glasgow

Mature	In some industries, large-scale creative enterprises have become the dominant force of clusters. They have highly developed domestic and international markets and carry out sophisticated sub-outsourcing business.
Examples	<ul style="list-style-type: none"> • Film and TV clusters in Los Angeles • Fashion and furniture design in Milan • Fashion in New York

Source: Strategies for Creative Spaces, www.creativelondon.org.uk

level, creative clusters start to gradually impact on and actually change the spatial structure of cities.

Creative Clusters

While there are different categorizations of creative clusters in the research literature, I identify three types in respect to impetus and function: first, those that are organically formed and are driven by aesthetic creativity; second, those that largely generate economic value; and third, those that embody social and historical significance. In the following section I will provide examples of creative clusters, and particularly creative clusters in China.

Activating artistic inspirations: organic space driven by creativity

Gathered in this typology we find mostly non-profit art organizations. The Singapore artists' village in north-western Sembawang is an independent collective formed in 1988; it is relatively isolated with minimum outside disturbance. It extends from village space to urban houses and urban offices or art design areas. Artists are the 'impetus' for this type of creative cluster. The space is based on 'organic organization' and 'live order.' As an organic process of social organization, it is replacing space based on mechanical organization. Because it is non-profit, artists' activities are not limited to studios or galleries. They rely more on public venues to do their creative work. These venues include residential houses, trade spaces, parks, cultural sites, galleries and art colleges.

This type of cluster is promoted by art groups and social groups, rather than business groups. It places more emphasis on artists' inspirations and the artistic pursuit of the cluster as a whole than on profit making. Clusters under this category often emerge spontaneously in international cities. Though small in scale, they flourish rapidly thanks to innovative milieus. The innovative environment includes diversified cultural patterns, a good IP protection system, a long-term talent strategy and tolerance of bohemian and pioneer cultural formations.

Songzhuang is a village in the outer eastern suburbs of Beijing. Ever since 1993, artists have been coming to Songzhuang and nearby villages to set up their own studios, workshops and galleries. In recent years there has been an increase in the migration of artists to Songzhuang and it has earned a reputation as a contemporary artist village; the majority of artists rent abandoned industrial buildings and residential houses. Many have built elaborate studios and workspaces. The architectural styles of the village are now very different from before, illustrating the integration of artists into the population. After eighteen years of development, Songzhuang is the biggest cluster of original artists in China; there are more than 3,000 artists in various fields, such as painting, sculpture, music, literature, film and television. Songzhuang has transformed from a residential area for artists into a cluster where artists, galleries, critics and agents concentrate. Its widespread reputation as an art cluster can be compared to that of Paris' Barbizon district, New York's SOHO, and Germany's Dachau and Worpswede.

While Songzhuang is a spontaneously-formed creative cluster, the important point to note is that its success has promoted the development of related industries. Art has provided the impetus. Songzhuang has the necessary elements of a creative cluster; it provides infrastructure, public services, residential and consumption environments: moreover, it has a certain industrial scale and independent R&D capacity; it has specialized service institutions and public service platforms. Artists and freelancers display products that are often original and experimental. They have an acute sense of the market and are engaged in business activities in relation to art products. As a result, Songzhuang has rapidly become a primary market for art production and has stimulated the development of a local art trade and related industries.

M50 (50 Moganshan Road) is one of Shanghai's most influential art centres with 130 artists and artist organizations from within China, and from over twenty countries and regions, on site. M50 was referred to by *Time* magazine

as ‘the fashion landmark of Shanghai’. The way M50 was formed is in fact similar to New York’s SOHO and Beijing’s 798. Established in 2000, M50 has kept intact the unique factory buildings of China’s national textile industry built between the 1930s and the 1990s. In the late 1990s, the textile enterprises started to move out of the city as a result of Shanghai’s move to readjust its industrial structure. The abandoned factory buildings were put up for rent. Attracted by cheap rent, artists moved to Morganshan Road. That was the humble beginnings of M50, one of the earliest clusters in Shanghai. Today, the clustering effect has enabled M50 to expand from an artist precinct to a creative cluster that involves a variety of sectors. It has established a complete industrial chain as well as an operating model in which similar industries concentrate, and in which different industries complement each other.

Importantly, the relationship between industries is more complementary than competitive. For example, the M50 Alliance, a loose concentration of institutions and artists, is able to use M50’s brand value for external tender. The Alliance has successfully landed a large contract for a large-scale comprehensive planning project, which could not be achieved by any individual artist. Artists are collaborative and competitive, which is healthy for the development of production and business networks. Both individual artist and the Alliance can engage in design, production and marketing. This has helped produce a culture that has brought profits for M50. On the other hand, M50 is taking the initiative to invest in infrastructure to attract more creative people. It has a plan in place to build, beyond an industrial cluster, an ‘art community’ that will ‘combine work and life’ as lifestyle.

Creating economic value: enterprise clusters that focus on cost

The natural agglomeration of enterprises represents another creative cluster model, the original purpose of which is often to reduce costs for participating enterprise. A typical example is Hollywood, which was initially formed as a spontaneous concentration of small and medium-sized enterprises. ‘Localized external economies’ identified by the neoclassical economist Alfred Marshall are produced here; namely specialized suppliers and labour markets. The final product is provided by film studios or TV networks. But it is actually the final result of a complex network that involves independent producers, actors and actresses, agents, legal advisers and special effects technicians. These people

come from different professions and use different facilities in their pursuit of professional perfection. No individual company alone can cater to this huge demand. Bringing it all together in one place became the best solution for the movie and TV industries in America. In the beginning, small and medium-sized companies came to Hollywood; individually they could not afford the infrastructure of transport, studios and outdoor locations. The concentration of film production bases, film processing plants, post-production companies and distribution companies reduced the shooting time of a film as well as crew costs. In addition, soft infrastructure such as film systems and regulations established through continuous collaboration and competition among enterprises further facilitated the growth of those companies. The prosperity of Hollywood has in turn attracted skilled people from all over the world; their participation has helped to promote Hollywood and its globalization.

The last type of cluster features large cultural institutions or business groups. These core organizations are surrounded by a large number of smaller elements leading to overall economies of scale. The Hengdian Film and TV Group, located in Zhejiang is an example. It has invested an accumulated RMB three billion in construction and has established a competitive market based around its low cost production system. By 2011, it had built thirteen film and TV sets and two super large modern studios. Engaged in the shooting, production and distribution of films and TV drama serials, the Hengdian Group has gradually extended its activities into film and TV exhibition, research, and entertainment and film tourism.

Social attributes: urban cultural districts with historical significance

The third type of cluster refers to urban areas that attract social and cultural capital. These clusters include city buildings, educational institutions, religious temples and cultural buildings, which are often architecturally and historically significant and are intended as gathering places for a range of activities.

Shanghai has a large number of old industrial buildings that have witnessed not only Shanghai's history of industrial society but also China's industrial history. In recent years, many have been abandoned due to urban transformation. But the city government has set up an initiative to protect industrial, historical and cultural heritage by attracting foreign or local business capital. The historical and cultural contexts remain intact and the imaginative space unique

to old industrial buildings can be interpreted and expanded. These buildings have become unique resources. With old building-based clusters accounting for two thirds of the city's total creative clusters, this type of cluster has become the main characteristic of Shanghai. Representative of this type of cluster are 1933 Old Millfun that used to be a slaughterhouse, Bridge 8 which was transformed from old workshops of an automotive brakes factory, and Tianzifang featuring old tenement buildings unique to Shanghai.

Another relevant example is 2577 Creative Compound in the Xuhui District of Shanghai. Formerly the base for the Jiangnan Manufacturing Bureau, the first headquarters of China's modern industry, it later accommodated China's first institute of industrial design. Today, it has been transformed into offices championing an ecological environment of low density, low volume and landscaped gardens. It combines multiple functions including office space, exhibition, product release, leisure and sightseeing. It has turned the cultural and historical elements of old factory buildings into an inspiration, a combination of culture, history, creativity and art.

There is no strict demarcation between the three types of creative clusters, of course. Those organic spaces created by artists' inspirations may give way to other kinds of development if increased rent forces non-profit institutions to move out. And some cultural places and public space, such as popular city parks and special cultural buildings may attract the attention of artists' and become their extended space of artistic creation.

Beijing's Songzhuang, Shanghai's M50 and 2577 Creative Compound concentrate cultural spirit and carry the historical and future missions of the city. They have given new life to old buildings and new charm to a city by integrating cultural creativity into urban planning and by creating a new cultural environment. Shanghai is becoming more attractive as a creative city because of the existence of many M50s and 2577s. And China is more powerfully placed as a rising power because of the many fledgling creative cities. It proves that if creativity can change the fate of individuals and the image of cities, it is also capable of changing, and is in fact changing China.

With increasing globalization and international competition in today's world, creative industries are not simply a development concept. World-class cities, such as London, New York, Paris and Tokyo, have been revitalized. In China, the positive impact of the creative industries on cities is yet to be fully realized.

Figure 5.1 The Roadmap to Strengthening City Competitiveness through Innovation

Opportunities for Creative Industries in Urban Transformation

These changes in urban development have provided huge opportunities which can be summarized as following:

First, due to the continuous increase of urban land and labour costs, there are changes in the driving forces of economic growth. According to American economist Michael Porter, economic growth was first driven by resources and then by investment. But when the marginal benefit of investment starts to decline, innovation becomes the driving force of economic growth. Since innovation includes scientific innovation and cultural innovation, creative industries, combining cultural creativity and high technology, are the best choice for urban economic development.

Second, rising economic levels have led to changes in consumption patterns with people demanding more cultural products once material needs are satisfied. Well-known American futurist John Naisbitt once said that in modern society, people are more eager to look for the meaning of life than daily necessities and security; they are in pursuit of something abstract that is higher, deeper and

more far-reaching. One of the things creative industries can do is provide rich cultural products to satisfy people's growing and increasingly urgent need for culture. In this sense, cities have provided a huge market for creative industries.

Third, constrained by resources and the environment, cities need sustainable development. The concept of creative industries itself was developed from the attempt by old industrial cities to overcome the problems of high energy consumption, high pollution and low value added of manufacturing industries. Urban development, increasing business costs and continuous adjustment of urban industrial structure have forced industries out of urban areas. And due to limited land resources, metropolitan cities can no longer allow the development of low-end manufacturing industries. Those high value-added manufacturing industries and service industries are given high priority instead, which provides a development space for creative activities. When we are constrained by material and natural resources, we need to develop intangible resources. This plays a very important role in reducing pollution and achieving sustainable development.

Finally, scientific and technological development has expanded the development space for creative industries. The rapid development of science and technology has to some degree impacted on traditional cultural industries but has enabled creative industries to get strong, multidimensional technological support. Science and technology have created many new art forms and opened up new fields for creative industries. Information technology has created the preconditions for the development of creative industries by creating virtual spaces and changing how urban residents consume, communicate and participate in activities. The internet and digital technology have extended the industrial chain of creative industries by expanding and promoting industry convergence; boundaries between industries have become blurred.

Promotion of Sustainable Development of the Urban Economy

Creative industries are gradually replacing the manufacturing industries that consume resources and pollute the environment. They expand the economic ties of a city and enhance the service functions of regional centres. In cities that have weak natural resources creative industries can promote modern service industries. Creative industries with local characteristics can be developed to

produce high-tech, high cultural content and high value-added products and services. By taking advantage of cultural creativity to make up for disadvantage in resources and capital, creative industries can provide new impetus for sustainable economic development.

Creativity in China

International metropolises are places where creative industries are most highly developed. Creative industries and creative cities are like twins growing up together. Creative cities are nourished by creative industries while creative industries flourish in the appropriate environment provided by the creative cities. Since 2004 when China's Creative Industries Forum was held, Beijing, Shenzhen, Shanghai and some other Chinese cities have been bent on developing creative industries in their drive to achieve the strategic target of becoming 'creative cities.' Different cities have different approaches, taking into account their own strength and advantages.

Beijing

As the political centre of China and a centre of international cultural exchange, Beijing has many advantages. It has exceptionally rich cultural resources; its cultural atmosphere attracts skills, technology and advanced management concepts and ideas. It has the largest number of creative workers (more than 960,000) of all Chinese cities.² In 2009 when the Chinese economy was experiencing difficulties due to the global recession, Beijing's cultural and creative industries achieved RMB 149.77 billion in value added, accounting for 12.6 per cent of the city's GDP. The output value of its cultural content industries accounted for over 40 per cent of the national total.³ The output value of its animation and online games alone was more than RMB 8 billion in 2009, accounting for one quarter of the national total. Statistics from the first three quarters of 2009 show that of the nine sectors of cultural and creative

²Jincheng Zhang. *Chinese Creative Industries Report (2009)*, Beijing: Chinese Economic Publication House, 2009.

³Analysis on Beijing Cultural Creative Industries Development. <http://www.askci.com/freereports/2010-01/201012795324.html> [accessed 8 March 2011].

industries, software, computer network and computer services, advertising and exhibition, news and publishing, and radio and television were the best performers in terms of added value. In 2006, Beijing's municipal government established a special fund of RMB 500 million per year for the development of cultural and creative industries. Since then, RMB 2 billion has been allocated to support 365 key projects in promoting cultural and creative industries while investment capital of nearly RMB 20 billion has been raised.⁴

Currently, Beijing's creative industries have six major centres: the national art performance centre, the national publishing and copyright trade centre, the national film and TV program production and trading centre, the national animation and internet games development and production centre, the national cultural convention centre, and the national trading centre for antique art. As the capital of China, Beijing enjoys an advantage of unique competitiveness over other Chinese cities in terms of government support. For example, the Beijing International Cultural and Creative Industries Expo was supported by various ministries and departments of the central government. Beijing is also quick in implementing its cultural soft power strategy, which can be seen in the continuous expansion of development plans for cultural and creative clusters such as the Green International Port of Shunyi, the Huairou film production base and the Songzhuang art cluster.

Shanghai

Shanghai is the most economically developed city in China. Shanghai culture, a fusion of Eastern and Western cultures features tolerance, innovation and business and provides a good cultural atmosphere and rich resources for creative industries. In terms of investment and financing, Shanghai attracts most international capital. Since 2005 when Shanghai's first Creative Industries Week was held, Shanghai has become the forerunner of China's cultural and creative industries. By the end of 2009, there were eighty-one established creative clusters in Shanghai with 4,000 enterprises in residence and 80,000 employees. Around RMB 7 billion of business capital had been invested in the construction of creative clusters. It is expected that there will be 100 clusters

⁴The Official document Beijing Policies on Promoting Development of Cultural and Creative Industries was announced by Beijing Municipal Development and Reform Commission on 6 Nov 2006.

by the end of 2010 and the total output value of creative clusters will be RMB 50 billion by the end of 2012. In 2008, Shanghai's creative industries achieved RMB 104,875 billion in value added with an average annual increase of over 20 per cent, accounting for 7.66 per cent of the city's GDP. Both the industrial scale and the growth rate of creative industries in Shanghai are ahead of other Chinese cities.

Shanghai's approach to creative industries is to transform and upgrade traditional industries and to combine the renovation of old urban districts with the protection of cultural and historical heritage. Currently, the Shanghai Creative Industries Association has more than 200 members. The Shanghai World Expo 2010 was a super engine for Shanghai's creative industries. The goal is to build Shanghai into an 'international centre of creative industries' comparable to London, New York and Tokyo. In 2010, Shanghai was granted the title of City of Design by UNESCO and became the member of UNESCO Creative Cities Network. By taking advantage of its comprehensive advantages in finance, trade and shipping, Shanghai hopes to become a major force in stimulating the development of creative industries in China and throughout the world.

The World Expo 2010 Shanghai

The World Expo 2010 Shanghai provided a rare opportunity for the development of Shanghai's creative industries. The Expo inspired innovation through the exchange of scientific and cultural ideas and achievements from different countries and regions. The emblem and mascot of the World Expo Shanghai as well as the master plan and the design of major venues were based on designs from all over the world. The collection of these designs was actually a process of multicultural exchange; different countries' ideas became sources of inspiration.

The World Expo 2010 Shanghai greatly promoted the development of sectors such as advertising, architectural design, fashion design, film and broadcasting, publishing, the performing arts, music and computer software services. Moreover, many of the Expo venues have become creative clusters and are expected to attract more creative people, which will help Shanghai to become a true international centre of cultural exchange. Finally, the Expo has pushed Shanghai's IP protection to a new level and this will help regulate and protect the sustainable development of Shanghai's cultural and creative industries.

The World Expo 2010 Shanghai also provided a big opportunity for the Yangzi Delta area. The diffusion effects of the Expo have assisted economic integration in the Yangzi Delta. After Shanghai's successful bid for the World Expo, business enterprises in neighbouring Jiangsu province and Zhejiang province began to use the World Expo brand. Now they are taking advantage of the World Expo 2010 Shanghai to showcase their economic, cultural and scientific achievements.

Shenzhen

In December of 2008, Shenzhen became an official 'City of Design' when UNESCO approved its application. It became the sixteenth member of the global creative city network. Shenzhen is the first Chinese city to be accepted into this global network. It has advantages in terms of export networks in toy design, software design, industrial design and architectural design. It has 60 per cent of the domestic market in industrial design. Its creative industries are mainly design-related such as printing, animation, architecture and fashion. One of Shenzhen's well-known creative industries clusters is the Dafen Oil Painting Village, known as 'China's No. 1 oil painting village,' the products of which are sold mainly to European, American and African buyers. China (Shenzhen) International Cultural Industries Fair serves to further promote Shenzhen's creative economy. Taking advantage of the international stage provided by being a global 'capital of design,' Shenzhen has combined brand management with product design in order to transform from selling products to selling design, from material products to design products and from a processing base to a design base. This approach is also providing new impetus for creative industries.

The Shenzhen Municipal government has provided generous support for its cultural and creative industries ever since 2004 when the city established the objectives of building a 'capital of creative design.' The government support includes a number of policy documents, a special fund of RMB 300 million each year for cultural industries in the forms of loan interest subsidies and incentives, a three-year exemption from corporate income tax for cultural start-ups, and the annual 'Creative December' activity that calls for new ideas for developing cultural and creative industries. In 2007, Shenzhen issued the 'Shenzhen Declaration' to further promote creative industries and included

cultural and creative industries into its 11th five-year plan for economic and social development. The rapid development of Shenzhen's creative industries has attracted international design skills, capital, exhibitions, and creative enterprises. It has also helped Shenzhen's creative design to serve the whole country and to go to the world. It is helping Shenzhen's enterprises to transform from 'Made in Shenzhen' to 'Created in Shenzhen.'

Hangzhou

Hangzhou achieved per capita GDP of US\$10,968 in 2009. After hosting the World Leisure Expo 2006 and the China Creative Industries Expo in 2007, Hangzhou has established leisure industries as its economic growth point and has built five kinds of recreational venues including leisure and holiday, entertainment, sports and fitness, dining, and shopping. Representative of Hangzhou's creative clusters are A8 Art Tribe, 433 Tang Shang, LOFT 49 and Baimahu (White Horse Lake) Eco-village. These creative clusters have the distinctive features of the post-industrial era. Following the lead of LOFT 49, the 'West Lake Creative Alley' and Zhejiang's first creative industries experimental zone was established. Under the city's development strategy of 'one city, seven centres,' Hangzhou is focused on developing cultural and creative industries into the city's new leading industries within three years. Taking advantages of its competitiveness in talent, environment, market, industry and culture, Hangzhou expects to become a world-class national centre of cultural and creative industries.

Guangzhou

Due to proximity to Hong Kong and being one of the pioneers in China's opening up and reform, Guangzhou was the first Chinese city to see a concentration of advertising, film and TV, media and IT networks. In 2009, Guangzhou achieved RMB 900 billion in GDP and over US\$10,000 in per capita GDP, retaining its third-place position among other Chinese cities. However, there is still much to improve in the municipal government's approach to creative industries and the making and implementing of related policies. The 11th Five-year Plan indicates that Guangzhou has designated a number of areas for the construction of creative parks such as the Lutheran International Centre at the 'Creative South Bay,' the Guangzhou Design Port at Liwan and the Tianhe Online Games and Animation Industrial Base.

Chengdu

Chengdu has the double resources of creativity and vitality. No online games developer can afford to ignore Chengdu which is one of the leading top three cities in the digital entertainment industry in China, followed by Beijing and Shanghai. The city has intangible cultural heritage (such as the Jinsha Site) and traditional cultural resources (such as the cultural heritage of Romance of Three Kingdoms, a classic of Chinese literature). With a view to becoming China's leading city in original animation, the municipal government has established the target of building 'two centres and four 100'⁵ to strengthen its R&D in digital entertainment. The city's first cultural and creative industries park, the Red Star Road 35, was established in September of 2007. It is regarded as the beginning of Chengdu's creative industries and is expected to become Chengdu's 798.

Chongqing

China's Creative Industries Forum was first opened in Chongqing in January, 2005. The following year saw the establishment of a special task group and an office by the municipal government to promote creative industries. In June, 2007, the first batch of nine designated creative industries demonstration bases was established. The Huangjueping Graffiti Art Street became the longest designated street for graffiti art in China at 1.25 kilometres. In the same year, Chongqing held its first Creative Industries Week at which, products of modern art, architectural design, creative advertising, arts and crafts, and animation were exhibited. On the other hand, the Sichuan Academy of Fine Arts, an incubator of modern art, reflects the development of Chongqing's creative industries.

Wuhan

Wuhan has the reputation of a city with a large number of institutions of higher learning, giving it a talent advantage for cultural and creative industries. Wuhan

⁵Four 100 refers to the goal of Chengdu government initiatives, namely 'To establish 100 digital entertainment R&D centres, to develop 100 products with independent IP rights, to attract over 100 high-end representatives of talent, to reach economic output driven by digital entertainment over 10 billion yuan by 2010 in Chengdu.'

started with animation and has sought to position itself as one of China's key training bases for animators and persons working in animation sectors. In an attempt to build the 'creative centre' of China, the city plans to divide its digital creative industries parks (represented by the Optical Valley) into five areas including the National Animation Industry Park, the National Digital Media Centre, the IC Design Park, and the Industrial Design Industry Park. However, lack of overall planning and lack of investment have contributed to the relative slow development of Wuhan's cultural and creative industries which are still largely in the initial stage.

Xi'an

Xi'an is an ancient city with a rich cultural heritage. It has the fourth largest number of institutions of higher learning in China; its per capita education index is among the highest in China. The film and TV sectors are well represented, numbering more than 200 enterprises and institutions. The output and influence of Xi'an in these sectors is second only to Beijing. Currently, under the banner of 'imperial revival,' Xi'an is striving to build a modern metropolis to showcase the 'new Silk Road' while maintaining the historical legacy of the former capital of four dynasties. Xi'an will be rebuilt into two urban areas (the old and the new) and different approaches will apply. In the renovation of the old urban area, ancient cultural elements will be maintained and regenerated. In the construction of the new urban area, the combination of modern and ancient culture is emphasized. This combined approach will make the two areas showcases of distinctive and unique features, highlighting the relationship between ancient and modern civilization and between cultural and ecological resources.

Nanjing

As a city of rich historical and cultural resources, Nanjing is well equipped to develop creative industries. In 2007, Nanjing's cultural and creative industries generated RMB 30.265 billion in value added, up 18 per cent from the previous year; the contribution to the economy was 9.22 per cent. There are now forty-one cultural industry parks, including Creative East 8 District, Yinkun West Temple Digital Network Cultural Park, Stone Castle Modern Art Creative Park, National Animation Industrial Base at Nanjing High-tech Development

Zone, and four animation industrial incubator bases. They are engaged in cultural and performing arts education, architectural and decorative design, aviation design and the development of high technology, advertising design, and creation and exhibition of art. In 2004, Nanjing successfully hosted the third 'Nanjing Cultural Industry Fair of China' and the 'Nanjing Historical and Cultural Cities Expo of China.' The two cultural platforms not only showcased the rich context and achievements of cultural industries but also attracted investment and business for Nanjing's cultural and creative industries.

Creativity is widely recognized as an economic driving force for wealth creation, employment, sustainable urban development, technological transformation, industrial innovation, and a driver for urban and national competitiveness. In the past few decades, the economic development of cities globally has turned from focusing on ordinary service industries to paying more attention to the ability to innovate in the knowledge-based creative economy. For China, creative industries are a strategic choice to increase urban competitiveness and to achieve sustainable urban development.

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