

# URBAN DEVELOPMENT & CREATIVE COMMUNITIES AS A PREREQUISITE FOR TOLERANCE AND INTERCULTURAL DIALOGUE

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*It is obviously that all over the world, mostly after 2000, a new approach for urban development and for regional development emerges. We choose Romania taking into account also the idea that it has old tradition in cooperation mostly within the areas near the borders where diversity and multicultural environment can allow more space for diversity management and for tolerance. One of the main challenges for the creative communities and for the creative industry sector and for those who engage within is how to encourage longer-term growth of these small lifestyle businesses. It seems that there is quite difficult to identifying creative workers due to their diversity (understood in a complex sense, in terms of cultural diversity that is more relevant for creative communities than ethnic, religion or other way to look traditionally for diversity).*

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## **1. Introduction – the necessity to promote, implement and develop the creative economy during crisis time**

The global crisis that has made its presence felt since 2008, has already affected to a large extent all sectors of activity, regardless of country, region or continent. It has not avoided the creative sector or creative domains. Despite the potential of the creative economy to generate wealth and create jobs and growth, the creative economies must face the same threats that all economies face. The question is to what extent it affected the creative sector and what are its prospects for development in today's context.

As the global crisis affected without exception all areas and industries of the economy, the creative economy could not avoid this major global change. The current social and economic landscape could be described broadly by the disappearance of a large number of jobs and the remaining being at risk, businesses which go bankrupt, owners that move etc. All these phenomena occur simultaneously worldwide in all industries.

Moody's (Economy.com) published a report on the recent economic activity in the United States of America. The report investigated 381 metropolitan regions, out of which 302 were already in strong recession and 64 were at risk of recession. When the research was conducted, only 15 of those 381 regions were still experiencing economic growth. The regions which were the least affected, according to the survey, were those regions rich in oil and other natural resources (e.g. Texas and Oklahoma), who were *saved* by declining energy prices. As well, the Washington DC

region still provides and creates new jobs in law and administration, due to nationalization of financial companies and fiscal expansion (Florida, 2009). At the opposite pole are the regions less associated with massive funding, which are most affected by the crisis.

In this context, sooner or later, all world regions will be affected by the recession, to some extent and for a certain period. As the crisis deepens, some regions will be more affected than others. Moreover, it is likely that certain regions or cities will have fully recover, reaching back their past performance, and others not to come back ever again. One thing is certain, however, that the world economy is deteriorating, and the response of different regions to these new conditions is various.

Similarly, *The Big Economic Crisis* or the *Great Depression* of 1929 began as a banking crisis caused by insolvent mortgages and complex financial instruments. Soon, however, the effects of this crisis widened and affected even the real economy, giving rise to a very high rate of unemployment (e.g. unemployment rate in New York was 25% and in some countries exceeded 30%). At that time, the oil industry, building railways and the steel industry were well developed. This is the context in which appeared *the dawn* of a new period of innovation and industrial growth. A similar opportunity may be identified today for the creative economy, since it can play a key role in the current crisis, its ability to revitalize, which was already proven during the periods of growth and expansion.

One of the root causes of the crisis is the increasing difficulty of the West to offset internal exhaust by attracting resources from other parties. Exhausted, the West founded the globalization of markets (especially financial markets) to attract resources from elsewhere, enabling it to maintain the same standard of living, but created a financial bubble at world scale. Everybody was interested in the fictitious and uncontrolled growth that was going: on the one hand, Western economies could maintain their growth, governments assured full employment today with the money of the tomorrow taxpayers, companies provided the required products without increasing the wages, employees were finding jobs, shareholders were getting significant value gains, the poorest had access to housing, banks gained enormous profits, United States effortlessly maintained their supremacy, the southern countries were involved in the growth with the help of U.S. imports and the world financial system stored much of the world added value.

The creative economy combines creativity with the commercial sense and research. The development of creative businesses is directly linked to the dynamics of the *new economy*, which becomes informational, global or networked. The new economy is based on knowledge – intellectual property – and contributes to the welfare of a nation. If the cultural industries were not substantial sources of revenues and economic growth before, during the past few decades they led to the revival of many European regions where the traditional industries had disappeared and left behind a desert landscape and a decaying society. It is the case of *Newcastle-Gateshead* urban conglomerate in Great Britain, former mining region; at present, this region is flourishing due to the development of the creative industries, and examples can be offered from many other geographic regions in this respect. It was thus proved that the creative economy has a major role in any society through social inclusion, urban regeneration and personal motivation they generate. Hundreds of years before art and culture did not represent productive activities, even though they used to have intrinsic value. Gateshead and Glasgow placed the creative industries and the cultural activities at the centre of their development strategies.

## **2. Creative cities, creative communities and creative regions – people and places that fire the engine of the entire economy – revitalization power**

While the concept 'creative' is ubiquitous in everyday life, the concept of a creative city reflects a variety of examples with special applications of creativity to urban economic progress. For purposes of this writing, the creative city will be viewed as engine for creative regions and as a general movement that uses the application of this concept primarily in the revitalization of cities

and whole regions in terms of strengthening the competitiveness of cities that are based on creative community potentials.

The city in the 21st century takes precedence in terms of the number of residents who live in it. Certain sociologists who deal with the phenomenon of the city go so far as to claim that the global society in the 21st century is going through great paradigmatic change, because it is making a transition from a society of the national state to a society of the city.

Cities have always been and still are the focus of modern society and they are socially, culturally and economically dynamic entities and they are the engines of regions where they are placed.

One of the ideological mantras of globalization is that it does not matter where you are. The technology is "*aligning*" the playground-market and the world has become flat global village. Some authors as Pine and Gilmore (1999) argue that increasing competition in the market means that 'goods and services are no longer enough' and that producers must differentiate their products by transforming them into 'experiences' which engage the consumer. Today's global economy has its "*peaks*" of experience. Moreover, the highest "*peaks*" of experiences are cities and regions that are drivers of world economy, those that attract talented, educated people from all over the world, generate knowledge and largely contribute to global innovation, and each are very closely related activities of a group of people by Richard Florida, urban theorist, called "*creative class*." The main sources of the creative potentials in cities and regions are their people. What makes the creative city? It is people - people interacting with people (Hawkins, 2002).

'Today, we need creativity to be able to connect, collect and measure the impact of different spheres of life for a holistic understanding of the city i.e. how it materially affects our perceptions, in order to grasp the delicate ecological system of our lives and make it sustainable. We need, in other words, the skills of a broker, a person who thinks through several disciplines, which is in a network and connects - we need '*softer*' skills' (Landry, Bianchini, 1995).

Contemporary cities see their development through different models: intercultural city, environmental city, green city, slow city, cool city, etc. All these models are linked to changes with the economic and social aspects of the city starts from creative individuals and independent organizations to different administrative and policy systems.

Creativity is available to each city through their creative individuals and if the city promotes creativity and enables those individuals to show in public their creativity the city space would be enriched and more creative. Creativity is not a concept that can easily be caught. According to this in some cities and countries that are still going through transition and that are struggling with basic problems as it is lack of infrastructure and lack of sources for serious social problems, creativity is hardly acceptable. Although creative solutions usually cost very little they have big effect that shows example from the world such as Montpellier (Landry, 2000)

### **3. The stakes of the creative economy in the emerging countries of Southern and Eastern Europe. The case of Romania**

In Romania, the concept of creative economy, as well as the one of creative industries and cities, is still at the beginning of its research; there are no broad researches or specifically focused works on this topic, as it is the case in those countries that initiated and promoted this concept.

The existing statistics at national level in Romania do not allow a fine and precise classification that outlines the creative industries exclusively as it is the case in Great Britain and Australia. Rather, activities in Romania are divided according to a broader classification.

Thus, several blooming creative activities in Romania cannot be separately interpreted due to the classification procedure and statistical reporting. The general conclusion regarding the creative economy and industries in Romania is that the structure of classification of the economic activities in Romania does not particularly focus on them.

Actions aimed at developing Romanian creative economy and creative cities must take place in a wider context, an *international* one, in the South-eastern Europe space or even in the European Union. Nordic countries are the most eloquent example of such cooperation among nations, which can only lead to the development of the creative economy and cities.

One Romanian town – Iasi – was *elected the creative town in Romania*. This project was part of a larger *Central and Eastern European programme*, conducted by *the British Council*. The purpose was actually to map the creative industries in this creative town in order to create awareness about these companies and bind them all in a network. We hope soon other cities will be considered as creative cities and creative communities. Why not Oradea that is also an multicultural community where we can apply intercultural sensitivity tolerance and intercultural dialogue principles.

The measures taken in Romania in support of the creative industries are not part of a national strategy or policy. However, there have been several incentives for the software industry for some years whereby the profit was not taxed on such activities. Moreover, the crafts are supported by a national programme whereby craftsmen can benefit by financing provided the activity remains basically and mostly manual and it preserves the traditions.

In Romania the concepts of the creative economy and creative cities are still at early stage even though there is a time of discussing the creative economy on a highest level in the country.

Exploitation of knowledge and creative skills is one of the most lucrative industries in the world; the only problem is that in Romania it is not easily converted into capital. Lack of awareness of the importance of creativity in companies on the one hand, and outdated education system that does not encourage the development of creativity, on the other hand, are the main problems of the creative industries in these countries, participants emphasized the forums.

### **Conclusions and recommendations**

In the content of the new urban development perspective creative cities, creative communities and creative regions are place where we can hope to find a reliable and sustainable source for long-run sustainable competitive development even during crisis time. Like Phoenix bird recovering from its ashes, creative communities have a real potential in order to identify the real source for regional sustainable development among the creative corridors and creative cities. According to the sustainability of interventions and involvement of the population, creative cities can act properly like fire engines for the long-run sustainable development of the whole region to which they belong.

In Romania, the concepts of creative economy and cities are still in early developing stage and they are still based on enthusiasm of creative organization and individuals.

The awareness of companies and individuals in majority is not high enough and creativity is seen as waste of money and time.

Authors are optimistic and hope for the best perspective for their country, Romania.

That is why as researchers we had done our best to promote this new approach within our country and we are very happy that we obtain on competition bases some research funds for a national research project (IDEI 1224) specially dedicated to the topic of “*The creative economy & knowledge-based society. Challenges & opportunities for Romania*”. This project started in 2007 and is running also in 2010.

As teachers we also promote this topic among our students on all the Bologna Process levels (undergraduates, Master and PhD Programmes). One of the authors is a PhD candidate who had chosen to the research project topic for the PhD dissertation paper.

We are convinced that by promoting creative economy new approaches among students when these students will graduate they will do their best in order to promote this approach in Romania. Or at least they will not block other’s people initiatives that will support creative economy promotion both at the national and regional level.

The regional and territory dimensions have a special meaning for the cotemporary development. And the creative & innovative communities can make the difference also for Romanian regions on their way towards a creative & innovative economy.

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