Scenes, Quarters and Clusters: the Formation and Governance of Creative Places in Urban China

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Abstract

This paper presents a PhD program examining the formation and governance patterns of the social and spatial concentration of creative people and creative businesses in cities. It develops a typology for creative places, adding the terms ‘scene’ and ‘quarter’ to ‘clusters’, to fill in the literature gap of partial emphasis on the ‘creative clusters’ model as an organising mechanism for regional and urban policy.

The framework is then applied to China, specifically to Hangzhou, a second-tier city in central eastern China that is ambitious to become a ‘national cultural and creative industries centre’. Drawing on in-depth interviews with initiators, managers and creative professionals from three cases selected respectively for scene, quarter and cluster, together with extensive documentary analysis, the paper investigates the composition of actors, characteristics of the locality and the diversity of activities of the three places. The findings demonstrate a convergence of the three terms. Furthermore, in China, planning and government intervention is the key to the governance of creative places; spontaneous development processes exist, but these need a more tolerant environment, a greater diversity of cultural forms and more time to develop. Moreover, the main business development model is still real estate based: this model needs to incorporate more mature business models and an enhanced IP protection system. Finally, the business strategies need to be combined with a self-management model for the creative class, and a collaborative governance mechanism with other stakeholders such as government, real estate developers and education providers.

1. Introduction
In 1998, the Blair government in the United Kingdom first announced the adoption of ‘creative industries’, ‘moving away from the traditional policy domain of culture toward the heavier-hitting and better-financed economic development domains, traditionally under the Department of Trade and Industry’ (O'Connor & Gu, 2006, p. 275). The creative industries were defined as ‘those industries which have their origin in individual creativity, skill and talent which have a potential for job and wealth creation through the generation and exploitation of intellectual property’ (DCMS, 1998, p. 3). This new growth pattern evokes great interest of both developed and developing countries for the purpose of rebranding the nation and the cities, releasing the tensions of urbanization in the post-industrialization era, or regenerating the underdeveloped region with a fashionable term.

According to the DCMS (2008), creative industries are characterized by ‘clusters’, and further ‘some creative businesses flourish particularly well when they form clusters – groups of competing and co-operating businesses that enhance demand for specialist labour and supply networks in a particular location’ (DCMS, 2008, p. 56). It is noteworthy that the DCMS uses the language of business development (rather than cultural value) to describe ‘clusters’ – it has borrowed the term from 1990s management theorist Michael Porter in his The Competitive Advantage of Nations (1990/1998), and applied it to creative businesses (especially in London), as part of an attempt to identify the ‘competitive advantage’ of the creative sector of the economy.

The formation of creative clusters has been historically ‘spontaneous’ or ‘organic’ (Mommaas, 2004; O’Connor, 1998, 2004, 2007). However, the link between urban regeneration, property development and culture has now become a central driving force in strategic urban planning, making ‘spontaneous’ clusters less likely (O’Connor, 2008). In China, there has also been a mushrooming of creative clusters (jiqun, jijuqu) in cities and the number is growing; most are planned clusters. Shanghai announced over 80 creative clusters by 2010 while Beijing nominated 30 (J. C. Zhang, 2011). On the surface it seems to be an easy and reasonable transformation from industrial zones and science parks to creative industries parks. From one perspective, it is familiar real estate development: not only the large-scale new developments with avant-garde and ‘eco-technological’ (another heated term) design, but also the reuse of obsolete industrial sites and factories with nostalgic renovation. At the same time, China is trying to upgrade its industrial structure, meaning that it is shifting its focus from low value-added manufacturing industries to high value-added sectors like media, design, and video games.

Nevertheless, can the economic clustering concept transplant to the creative industries field? Economic clustering is based on the reduction of transaction costs due to geographical proximity and positive externalities induced by formal and informal links between the entities in a value chain. However, many would argue that creativity cannot be produced by a production line, in an ‘industrial model’, given that creativity represents ‘aesthetic’ rather than ‘use’ value. Furthermore, in many instances, production and consumption happen simultaneously: consumption is ‘experiential’. These factors, which I will investigate in this paper, reveal some of the inherent weaknesses of ‘clustering’ and the problems of planning
creativity. The paper asks: what are the varieties of creative places? And what are the key actors and factors involved in forming and maintaining creative places? These reach to the central research question of the paper: how does the interplay between people and places shape the cultural landscape of a city?

To answer these questions, the paper first proposes a typology of creative places, adding ‘scenes’ and ‘quarters’ to ‘clusters’, based on the observations of place-making practices under the influences of culture-led urban regeneration and the organic agglomerations of creative individuals and fans with distinct cultural forms in urban corners that enrich city life.

Furthermore, the paper focuses on an Eastern City of China – Hangzhou. Though ranked at fifth regarding the creative competitiveness, Hangzhou is ambitious to become the ‘national cultural and creative industries centre’ (while Beijing and Shanghai are to be ‘world cities’). Thus the study of Hangzhou’s creative initiatives reflects the opportunities and obstacles in creative industries development for second-tier cities, which make up the majority of a country.

2. Clusters, Quarters and Scenes

2.1 Clusters

As discussed, the phenomenon of ‘clustering’ is first observed in the economic field and popularized by Michael Porter. Porter brings forward three reasons for firms to localize within the same area, i.e. the access to a local pool of specialized labour, to the local provision of non-traded input, and to the flow of information and ideas (Marshall, 1920). He furhter explains how clusters affect competition in three ways: (1) by increasing the productivity of enterprises within the cluster; (2) by stimulating innovation which underpins the future productivity growth; and (3) by incubating new businesses which expands and strengthens the cluster itself (Porter, 1998, p. 80).

Turok (2003) suggests that ‘the cluster concept has had an important influence on thinking and policy towards the creative industries’ (Turok, 2003, p. 551). Besides the support from the UK Department of Culture, Media and Sport (DCMS), Pratt argues that creative clusters are a sub-set of business clusters (Pratt, 2004). Empirical studies have investigated the local production systems of creative sectors with mixed results. For instance, Scott shows the Hollywood film cluster as a self-sufficient system supported by webs of ‘associations, institutions and social networks’ which consolidate the ‘powerful streams of agglomeration economies’ (Scott, 2004, p. 202); by analysing several factors that influence the performance of film and television industries in Scotland, Turok concluded that the economic impact of these sectors are exaggerated (Turok, 2003). Lazzeretti, Boix & Capone examined the traditional (such as publishing, music, performing and visual arts) and non-traditional (new sectors linked to digital economy, such as the software and computer services) creative
industries clusters in Italy and Spain and suggested that creative business were inclined to concentrate in big metropolitan areas and that ‘specialization in the traditional creative industries’ is still the dominant pattern (Lazzeretti, Boix, & Capone, 2008, p. 5).

A variety of correlations between the creative clusters and the urban settlement are reflected. As argued by van Heur (2007), infrastructures strengthened in creative clusters actually have a broader use for urban settlement. The massive use of creative cluster has made it more difficult to define the boundaries; and many of the creative clusters are scattered in urban settlements, which forms natural links with urban life. Therefore, creative clusters may require more than traditional economic concentration. As stated by Simon Evans on his Creative Cluster Website, ‘a cluster of creative enterprises needs much more than the standard vision of a business park next to a technology campus … a creative cluster includes non-profit enterprises, cultural institutions, arts venues and individual artists alongside the science park and the media centre’.¹ This is also indicated in the DCMS report when justifying the importance of ‘bars, clubs and public spaces’. However, Evans’ following statement has largely expanded the function of creative clusters from the economic significance to the impact on urban environment and city life:

creative clusters are places to live as well as to work, places where cultural products are consumed as well as made. They are open round the clock, for work and play. They feed on diversity and change and so thrive in busy, multi-cultural urban settings that have their own local distinctiveness but are also connected to the world.

This paper argues that it is more helpful to retain the economic attribute of creative clusters for mapping creative places; thus creative clusters can be defined simply as the agglomeration of firms and institutions engaging in creative business. However, they are different from economic clusters in a few aspects. First, creative clusters are less about the reduction of transaction costs as production usually is not standardized; cost control is still important but it mostly comes from the cheap workspaces. Second, in many cases the products and services are consumed on the spot; therefore consumption activities are more significant in creative clusters. Third, the creative clusters induce cultural/creative entrepreneurship, which is reflected not only in new business models but also in new cultural contents. In practice, though ‘creative clusters’ is widely used to describe agglomerations of creative people and business, as a ‘closed expert system’ (Hartley, 2010a), it is insufficient to cover all the possible organisational patterns.

2.2 Quarters

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Quarter is a section of an urban settlement. According to Krier, the urban quarter is a ‘city-within-a-city’; it is an epitome of the city and provides all the periodic local urban functions (Krier, 1995). Bell and Jayne (2004) equal quarters with urban villages, herein besides the ‘planned or institutionally-developed’ urban villages, ghettos, red-light zones and areas where there are concentrations of marginalized groups and activities like gay villages and Chinatown should also be included in the terrain of ‘quarters’ (Bell & Jayne, 2004).

The emergence of cultural quarters is mostly the outcome of culture-led strategies dedicated to urban regeneration dating from the 1980s in the United States and United Kingdom (Montgomery, 2003). The strategies are, on one hand, based on the recognition of arts and culture as the ‘new fuel for urban grow machines’ (Whitt, 1987); on the other hand, they are inspired by the quarters (such as those mentioned in the above quotation) grow organically in the general development of a city over time, usually with a rich settlement history. Early examples include the Sheffield Cultural Industries Quarter and Temple Bar in Dublin, dating from late 1980s, and the Manchester Northern Quarter, dating from the early 1990s. Cities such as Newcastle and Adelaide in Australia have also looked to develop certain areas or precincts as cultural quarters.

‘Cultural quarters’ are part of urban regeneration strategies. From one perspective, they are a result of the recognition of the economic values of arts and culture. Arts and culture become the foundation of a new ‘convention industry’ – an industry without smoke-stack (Judd & Collins, 1979, p. 185). Cultural quarters utilise the people-attracting character of arts and culture to attract attendees and consumers and in turn bring money for business and the city. Secondly, they provide recognition that is of a more symbolic value. On one hand, the civilising aura of arts and culture may alleviate anger, tension and rebellions; in some cases they are responsible for rebuilding districts that have encountered socials divisions (McCarthy, 2005; Montgomery, 2004); on the other hand, arts and cultural activities animate the streets and help to brand the city. In Europe, the branding is more or less related to the annual coronation of the European Capital of Culture.

Based on the works of Montgomery (2003), Bell and Jane (2004) and Florida (2002), Roodhouse (2006) presents a definition of cultural quarter:

> a geographical area of a large town or city which acts as a focus for cultural and artistic activities through the presence of a group of buildings devoted to housing a range of such activities, and purpose designed or adapted spaces to create a sense of identity, providing an environment to facilitate and encourage the provision of cultural and artistic services and activities (Roodhouse, 2006, p. 22).

Bell and Jayne (2004) put forward an analogy of urban quarter with museums: like museum displays, urban quarter make most sense when seen as ‘staged’ or packaged, the inhabitants of quarters are like the ‘cast members’ acting out the past at heritage sites. In that respect,

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2 http://en.wikipedia.org/wiki/Quarter
quarters seek to speak to visitors, to provide a narrative of place and a framework in which difference is contained and exhibited – in other words, to gain an identity (Bell & Jayne, 2004, p. 252).

2.3 Scenes

‘Scene’ was originally popularized in the field of music study, being used to describe the gathering of musicians, promoters and fans; it refers to a particular local setting where a specific genre of music emerged (Bennett, 2004). Later the study of scene was expanded to include other cultural or lifestyle elements such as poetry, literary, club, and salsa dancing scenes. Common to such scenes is the element of bottom-up choice, where both producers (e.g. musicians) and consumers (fans) are attracted to a particular scene for ‘cultural’ rather than ‘economic’ reasons. Scenes may also be characterised by low organisational structure and impermanence, and they are more characteristics of the ‘night-time economy’ than most ‘planned’ concentrations in cities. Abundant social network and creative exchange is found in scenes.

Currid (2007) discusses the ‘creative scenes’ in her book titled The Warhol Economy – specifically ‘the social and economic dynamics of New York’s artistic and cultural world’ (Currid, 2007, p. xi). The formation of ‘creative scenes’ seems to take the following stages:

Formal and informal institutions and social events as consumption sites → nodes of creative exchange → social production system → creative scenes form in diverse, open, amenity rich neighbourhood → cultural economy (symbiosis)

Based on the former studies, I identify three attributes of scenes. First, scenes are related to specific cultural forms – music, arts, fashion and poetry, or a mixture of these. The different themes of scenes represent the ‘cultural resource’ for proponents of a particular form of cultural life to identify their ‘cultural distinctions’ (Bennett & Peterson, 2004, p. 2; Thornton, 1995, p. 151). An issue arising here is that specialisation may induce an element of secrecy, or at least of differential access to what is celebrated. For instance, outsiders or those new to the city may have no idea of a scene’s whereabouts (Blum, 2001). Meanwhile, the extensiveness – that is, the ‘hospitality’ to all tastes and visitors may rob scene of its vigour and distinctive character, and even make city and scene indistinguishable. Thus scenes are defined by elastic boundaries. Moreover, scene usually reveals a subculture in relation to a different extent of resistance (Hebdige, 1979; Malbon, 1999). To take punk scene as an example: this shows a strong resistance to mainstream culture, and reflects a variety of local issues such as racism, unemployment and political extremism (Mitchell, 1996). In addition, considering the distinctive cultural life-style, scenes are closely related to ethnic groups in terms of their customs, lifestyle and political status.

Second, scenes usually originate from a specific locality; they reveal local cultural life and even moral and ethical issues. As Blum comments, ‘the vernacular sense of scene always
seems weighted with specific and local meaning that grounds its very intimate appeal and seductiveness for those under its spell’ (Blum, 2001, p. 9). The formation of scenes follows Currid’s arrows, that is, formal institutions and social events as well as life amenities becomes ‘creative exchange nodes’ for supporting the ‘informal social networks and the flow of goods and people operating outside established channels of communication’ (Dunn, 2008, p. 202) – that is, a social production system. Furthermore, the nodes of creative exchange are expanded to the whole neighbourhood and constitute the cultural economy of a city.

The third form of scenes is concentrations of people. Scenes are ‘informal assemblages’, and the situations where ‘performers, support facilities and fans come together to collectively create music for their own enjoyment’ (Bennett & Peterson, 2004, pp. 3-4). A ‘critical mass’ of dynamics is stressed to form a vessel for creativity to ferment and to become something serious (Currid, 2007). Though strict musicologists have brought up the necessity of differentiating a professional-based from fan-based scene, a more likely trend is to acknowledge the power of fans, or consumers. One standout example is the annual Elvis Revival Festival in the small town of Parkes, 350 kilometres to the west of Sydney, Australia. The festival began in the early 1990s, when a keen Elvis fan rallied promoters and other fans around the idea of bringing Elvis impersonators to the town for an annual celebration. Though Elvis Presley had never visited Australia, and certainly not Parkes, the fan-based festival managed to grow with notable economic impact, and brought an ‘invented’ tradition and a contested place identity to the rural town (Brennan-Horley, Connell, & Gibson, 2007).

Cultural forms, people and places constitute a scene, as shown in a shape of a wheel (Figure 1).

![Figure 1 Wheel of Scene](image)

People with specific cultural forms form cultural communities; cultural forms reflect as well as grant meanings to the locality; and people and place are the agencies or infrastructure of forming scenes. In reverse, scenes also speak back to the three elements. First, scenes generate authenticity and new forms of cultural expression; by blurring the distinction between consumers and producers/performers, scenes induce new ways of production. For
creative people, scenes are the sites for meeting gatekeepers, potential cooperators with the hope of advancing their own careers. For places – especially the cities – Blum says that, ‘through its scenes the city represents its desire for inhabitation that is both communal and pluralistic on the one hand, and on the other, exclusive, special, and intimate’ (Blum, 2001, p. 27).

The *Oxford Dictionary* defines ‘scene’ in general as ‘the place where an incident in real life or fiction occurs or occurred; specifically, it is ‘a specified area of activity or interest’. It can also refer to the representation of an incident or a social environment in a spatial sense. According to Straw, ‘scene’ will describe unities of highly variable scale and levels of abstraction. ‘Scene’ is used to circumscribe highly local clusters of activity and to give unity to practices dispersed throughout the world. It functions to designate face-to-face sociability and as a lazy synonym for globalized virtual communities of taste (Straw, 2001, p. 248). In other words, scene is the staging of culture/subculture; it appears in specific places with formal and informal amenities; it is formed by people from all walks of life. Scene is the organic buzz that can be planned, but can hardly be controlled. I take ‘scene’ as an essential component of this paper, as it reveals the bottom-up, non-economic forces, in contrast to the planned or managed source, and the recognition of the power from fans and consumers. It is a necessary complement to the economic clusters and the planned quarters.

Besides cluster, quarter and scene, terms like milieu/milieux, district, zone, precinct, park, etc. are used to describe the agglomeration of creative people and activities. Cinti (2008) argues that there is no more than regional habitual difference in the use of ‘district’ and ‘cluster’, as the former is mostly used in the United States and in Italy, while the latter is mostly used in the rest of Europe; along with ‘quarter’, they are all indiscriminately describe a ‘well-identified and labelled city area where a high concentration of culture stimulates the presence of concurrent’ (Cinti, 2008, p. 71). Therefore, the mainstream studies actually do not care much about nuances between the geographical terms; studies prefer to be led by habit or tradition, and to ‘emphasize the incredible importance that the phenomenon has reached on an international level, rapidly becoming a new instrument in the tool-box of the urban planner, whether it is called a cluster, a milieu or a place of culture’ (Cinti, 2008, p. 72; Mommaas, 2004).

Nevertheless, scholars have explored the classification of cultural and creative agglomerations regardless of the different terms used. Mommaas (2004) and Cinti (2008) both give the broadest boundaries for cultural/creative clusters/district and embrace very different situations. In their opinion, cultural/creative clusters/district can range from predominantly art- to entertainment-based, from being mostly consumption to production-oriented, from geographical combinations of various actors to basic multifunctional buildings, from being the result of top-down planning to bottom-up organic growth, from relying on closed and hierarchical to open and network-based forms of finance and management, and from aiming at enhancing cultural heritage to urban regeneration.
Montgomery (2007) suggests that creative milieux may include quarters and industrial
districts/clusters that showcase the function of a city both in arts and the everyday urban
cultural economy. In an important discussion of China, Li (2011) distinguishes three types of
‘creative clusters’: organic space that activate artistic inspirations (art communities),
enterprise clusters that create economic value, and urban cultural districts with historical
significance that reflect social attributes. With the recognition of the irreplaceable roles of
organic spontaneous creativity, urban planning forces and entrepreneurship, the paper
presents the scene-quarter-cluster framework in hopes of mapping the creative places in an
urban sphere.

Herein, scenes, quarters and clusters together form a full spectrum of urban creative places.
Upon discussion between Professor John Hartley and the author, a SQC
(scene-quarter-cluster) Model was developed as a typology of creative places; and the
diagram (Figure 2) below modifies a former version presented by Prof. Hartley at the 5th
Creative China Harmonious World International Forum on Cultural Industries in Beijing,
2010.

The diagram compares scenes, quarters and clusters through a series of related terms that can
be read downwards (paradigmatically) to characterise each type of place, and across
(syntagmatically) to indicate how the cultural and economic domains are both linked and
separated in cities. As a place, the ‘quarter’ is situated between ‘scene’ and ‘cluster’ because
places act as agencies of mediation between cultural and economic activities and values.

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<thead>
<tr>
<th>CULTURE</th>
<th>PLACE</th>
<th>ECONOMY</th>
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<tbody>
<tr>
<td>Consumption</td>
<td>Mediation</td>
<td>Production</td>
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<td>Demand</td>
<td>Platform</td>
<td>Supply</td>
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<tr>
<td>Scene</td>
<td>Quarter</td>
<td>Cluster</td>
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<tr>
<td>Novelty bundling</td>
<td>Urban connections</td>
<td>Industrial links</td>
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<td>‘Social…’</td>
<td>Network…</td>
<td>Markets’</td>
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<tr>
<td>Authenticity</td>
<td>Urban milieu</td>
<td>Entrepreneurship</td>
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<tr>
<td>Cultural community</td>
<td>Local community</td>
<td>Industrial Community</td>
</tr>
<tr>
<td>Cultural identity</td>
<td>Place identity</td>
<td>Economic identity</td>
</tr>
<tr>
<td>Play</td>
<td>Mixed-use</td>
<td>Work</td>
</tr>
<tr>
<td>Creative culture</td>
<td>Creative City</td>
<td>Creative Industries</td>
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Figure 2 Typology of creative places: SQC Model
The top row indicates the origins of the three sets of terms: ‘scene’ is in the cultural sphere; ‘cluster’ is from economic theories; and ‘quarter’ is a place identifiable from urban studies (e.g. Roodhouse, 2006). It is suggested that the exploration of the three places will facilitates the investigation of synergies and tensions between the culture and economy which always exist in a city. The abstract terms culture and economy are made concrete in terms of identity and communities. As argued by Hitters & Richards (2002), cultural developments are driven increasingly by economic considerations rather than cultural needs (Hitters & Richards, 2002). Potts (2011) contends that the arts, cultural and creative industries sectors are economically significant and interesting as part of the innovation system – they are a mechanism of economic evolution (Potts, 2011, 2). Instead of being oppositional to each other, culture and economy determine and explain each other.

Then, ‘scene’ is characterised by consumption activities via ‘play’, and thus reflects the ‘demand’ (or ‘desire’, from a cultural studies perspective) of creative products and services; ‘cluster’ is characterised by production activities via ‘work’ to supply creative products and services; ‘quarter’ shows a mixed-use development that mediates between production and consumption through amenities like coffee shops, fashion stores and clubs, and it is therefore the platform for exchanges between supply and demand.

‘Novelty bundling’ (Potts, 2011) is the ‘institutional’ form taken by ‘scenes’. It refers to any cultural form that brings different novelties to consumers’ attention without them having to choose individual items in advance, such as concerts (bundling different songs), festivals (different acts), magazines (different stories) or clubs and events that combine different cultural experiences (music, food & drink, company of other fans). Novelty bundling is appropriate for industries where supply (a new song, or band, or experience) precedes demand (we don’t know what we like till we’ve seen it). Thus cultural consumption is not the same as it is in the traditional economy where firms (or state institutions) provide goods and services according to market demand.

In addition, a scene generates intellectual capital and cultural identity for consumers; whereas a cluster is composed by institutions and firms and it stimulates economic growth by generating intellectual property. A quarter enables urban connections and it brings intellectual capital into contact with intellectual property in a community context – it thus generates knowledge. Scenes, quarters and clusters together reflect the ‘social network market’ concept, which is proposed by Potts et al (2008) as a new definition of the creative industries as those where the choices of individuals are determined by the choices of others in the network (not by classical economic ‘rational thought’). Furthermore, the three terms correspond to the four-stage model of creative industries (J. Hartley, 2010a), indicating an evolving process from CI-1 and CI-2 creative industries and services (cluster) to CI-3 creative citizens’ and culture (scene) and to CI-4 creative cities (quarter).

There are, of course, intersections and interaction among scenes, quarters and clusters; as shown in the diagram, lines have not been drawn to claim the boundaries of each term and separate its attributes. For example, one may find that consumption activities in creative
clusters (see Mommaas, 2004) and scenes are changing the traditional business model in music industries (see Bennet & Peterson, 2004). Moreover, from a geographical aspect, a (cultural) quarter as a part of city may host clusters and scenes in its region; but there are clusters and scenes outside the urban settlement, for instance, in the periphery of a city or in suburbs (see Collis et al., 2009).

The SQC Model provides a narrative framework for describing and mapping creative places. In addition, it indicates a city governance mechanism which not only relies on designating and establishing ‘clusters’, but also takes account of the possible management patterns required for governing or managing scenes and quarters. The model also proposes that, to become a creative city, it is not enough to have economic clusters; attention must be paid to the community context in a quarter, and to the formation of effervescent scenes.

3. Three Intrinsic Cases

The paper selects three places from Hangzhou respectively as cases of cluster, quarter and scene.

3.1 LOFT49 Creative Industries Park

Located in the disused industrial district beside the Jing-Hang (Beijing to Hangzhou) Grand Canal, LOFT49 Creative Industries Park (LOFT49 for short) is identified as a cluster as it gathers together around 30 creative firms in visual design business such as advertising, interior design, garden and landscape design, arts and crafts, photography, plastic design and painting. In 2006, it is said to accommodate over 400 employees and reach an annual gross output of 273 million (Zhang, 2008, pp. 210–11). Among the other creative clusters in Hangzhou, LOFT49 was chosen because it represents the origin of creative cluster development. The place was discovered by Mr Du Yubo, who was looking for a warehouse-style workspace for the Chinese branch of Design Ideas (US) in 2002. Because of the cheap rent, comparatively quiet environment and spacious indoor structure, designers and merchandisers with an artistic sense flew in and reconverted the factory buildings into stylish work studios while retaining the industrial atmosphere. LOFT49 is branded as a ‘dream studio’, like 798 Art District in Beijing and Suzhou Creek Warehouse in Shanghai. However, the resident cultural entrepreneurs and their initiative featured in the case study are facing obstacles such as a disadvantaged geographical position and the lack of public/private investment. Thus the case study focuses on the merits and drawbacks of this spontaneous ‘clustering’ pattern.

3.2 White-horse Lake Eco-creative City

White-horse Lake Eco-creative City (WHLECC for short) is located in Binjiang district. It is identified as a quarter, as the project is about the redevelopment of a part of the city, with
purpose-designed and adapted spaces to accommodate cultural and creative activities. It is initiated by the Municipal and District Governments, with China Academy of Art as the chief designer. Mixed-used development is evident in this project, which includes the establishment of a national cultural and creative industries precinct, a tourism and recreation site, an urban aesthetics and architectural aesthetics demonstration area, and a harmonious enterprise demonstration area. The slogan is for ‘Four Comfort’ (siyi) – that is, ‘for residence, for business, for tourism, and for culture’ – which is quite similar to the slogan adopted by Kelvin Grove Urban Village in Brisbane, Australia: ‘to live, to work, to learn, and to play’.

A feature of this case is its rural locale, and thus the relocation of creative forces. It is a typical master-planned case; however, the implementation details are quite special. For instance, one of the highlighted sub-projects is to commandeer 500 farmhouses from three villages to be converted into stylish work studios – farmhouse SOHOs – for cultural and creative professionals. On one hand, this is seen as a better use of the spacious farmhouses for high value-added businesses, and on the other it is regarded as an innovative model for ‘New Socialist Countryside Construction’, through diversifying farmers’ income and levelling up their ‘civilisation’ (wenming) due to the co-residence with creative people. In all, the project aims to form a new Jiangnan lifestyle that combines cultural and creative experiences, rural animated experiences and ecological living. In five years, the project in general has progressed well, but the tension between the farmers and the construction has never been completely resolved, and new problems have emerged. Therefore, the case study investigates the initial stages of a planned ‘quartering’ process.

3.3 Ideal & Silian 166 Creative Industries Park

Not far away from LOFT49, Ideal & Silian 166 Creative Industries Park (Ideal 166 for short) is identified as an emerging scene. It might better be described as a cluster project initiated by a small but experienced advertising company – The Future Advertising (Future for short). The company rents the disused 6600 m2 warehouse from Hangzhou Silian Industrial Co Ltd (Silian for short) and has segmented the space into small work studios, which have attracted around 30 creative teams in advertising, fashion design, graphic design, industrial design and photography. What make the place popular are the Me-Too Café and its sister Chinese restaurant Qing Tao, co-opened by some residential designers, as well as the stores and work studios in a variety of fields. Furthermore, the place constantly holds music performances, exhibitions and theme parties that draw fans and visitors with similar interests. A cultural community is forming, and so is a micro social production system. Therefore, the case study examines the transformation of Ideal 166 from a cluster to an emerging scene.

In each case, the background to formation, participating agents and their mode of cooperation, as well as specific creative practices, are examined. The cases themselves are of value, and each of them shows some traits that distinguish them from others; possible interactions are also explored.
4. Findings

The comparison of the three cases in terms of their composition of actors (who), the attributes of locality (where) and different mixture of activity (what) is shown in Table 1. The cases illustrate the convergence of the terms. The classification is an ideal one but the boundaries in China are not as distinct as presented in the international literature. The reasons for this may have much to do with the ambitions of policy makers and actors to simply recombine elements from international examples, a kind of ‘cherry picking’ popular in China. In time, the distinctions may become clearer: such processes can also be observed in international examples.

The comparison of the actors involved in the three cases indicates that the spontaneous forces are left without much help. This could be both a blessing and a curse. For case like LOFT49, external investment is needed to improve the geographical deficiency and the lack of public space. Furthermore, arbitration is needed to resolve the tension between the property owner and cultural entrepreneurs brought by distrust towards each other. For Ideal 166, government support is not essential. The creative professionals are ready to move to other places when they feel the circumstance is no long suitable for them; or they just want new ‘momentum’. They have focused more on their own field and build up relationships with the peers, thus they are with higher level of independence and flexibility. The entities involved in WHLECC project are the representatives of top-down, mainstream culture. Therefore, the actors of LOFT49, Ideal 166 and WHLECC can be characterized as local cultural celebrities, dynamic cultural factors and the academic culture. The former two are more grass-roots; meanwhile the Ideal 166 proves its vitality with the most interactions between creative professionals and consumers and fans.

Spontaneous formed places seem to be more interesting, but with more conflicts, while planned cases usually cover up the conflicts in propaganda. The cases further indicate the importance of community participation and experienced agents in both creative industries business and precinct development.

Table 1 Comparison of LOFT49, WHLECC and Ideal 166

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<th>Ideal 166</th>
<th>WHLECC (quarter)</th>
<th>LOFT49 (cluster)</th>
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<td>(scene)</td>
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<tr>
<td>Actors (who)</td>
<td>Cultural entrepreneurs, creative individuals and fans</td>
<td>Binjiang government, enterprises, CAA</td>
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<td>--------------------------------------</td>
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<tr>
<td>Locality (where)</td>
<td>Industrial site, moderate accessibility, mobile</td>
<td>Rural locale, improving accessibility</td>
</tr>
<tr>
<td>Activities (what)</td>
<td>Creative exchange, production and consumption, cultural promotion activities</td>
<td>Mixed activities, production, animation festival, urban regeneration</td>
</tr>
</tbody>
</table>

The locality of the three cases indicates that the industrial architectures are most amicable to host the creative businesses. There are examples such as SoHo in New York, 798 Art district in Beijing and Suzhou Greek Warehouse in Shanghai. In practice, artists and designers favour the industrial structure because of the possible cheap rent, embedded sense of nostalgia and the spaciousness that imply the flexibility for reconversion. This is a great piece of news for Gongshu district that has been the industrial area and is facing the decay of those once-strong state-owned manufacturing groups. Gongshu district has benefited from the growth of LOFT49, Ideal 166 as well as other creative projects taken places in obsolete factories, with relatively low investment. However, the other districts would hate to show their white feather; in contrast, ‘when there is land, there is a way’. The White-horse Lake project has transformed the disadvantage of being covered by farmland, mountains and creeks to an advantage in highly credited projects such as farmhouse SOHOs and eco-tourism. Furthermore, it has crossed district boundaries and now cooperates with Xiang Lake Cultural and Creative Industry Park in Xiaoshan district. These initiatives show the determination and enthusiasm of developing creative industries and competition among the districts; it may also be considered as a kind of zoning practice in the name of creative industries development.

The comparison of activities involved in three places has revealed the importance of encouraging the convergence of production, consumption and creative exchange. LOFT49 has planned events and activities to attract peers and audiences to the site; but the lack of consumer options make it hard to ‘retain’ people. Due to low accessibility people seldom come to the place by accident; moreover, even if one walks into LOFT49, he/she would find not all the companies are open for visit, and except for a small café in the corner of the
exhibition room of Design Ideals, there is no other public place to sit and stay. White-horse Lake project has big plans for multi-function developments such as an animation plaza and an animation museum for hosting conventions, exhibition, conferences and entertainment. It also plans high-profile activities like China International Cartoon and Animation Festival and World Leisure Expo. These initiatives are to be expected as the project is at a stage of building up the framework; nevertheless, further development needs to pay attention to fine-tuning: small stores and smaller-scale events and activities which might fill up the small spaces in the project. Ideal 166 is a comparative successful example. It has infused production and consumption activities in the park and constantly initiates cultural events to stimulate the interactions between performers and fans.

5. Formation and Governance

In respect to formation, both LOFT49 and Ideal 166 are spontaneously formed by cultural entrepreneurs and cultural promoters with high level of autonomy. White-horse Lake project is planned head to toe by government.

The three cases indicate some interesting governance practices. Both LOFT49 and Ideal 166 are characterised by self-management. However, the self-management of the scene has led to a comparatively prosperous status while in the case of the cluster it has been far less effective.

The cultural entrepreneurs in LOFT49 did propose a business plan, that is, to establish a company as the management entity. But because the proposal is not supported by either government or property owner, they are uncertain about how long they can stay in the place. Consequently they stop further improving the place, which would require investment and manpower. This indicate that insufficiency of self-management especially in a geographically disadvantaged place.

The reason for an effective self-management in Ideal 166 may due to the integrated planning and loose management supplied by Zhou Qing and his advertising company, though these practices are asked to be and in fact acted as simple as possible to ensure the cheap rent. Furthermore, business plans on café and restaurant cooperatively initiated by some of cultural entrepreneurs. In their words, at first those are simply to solve their own dining problem; but the embedded artistic and design elements popularize these dining places, and bring in economic profits unexpectedly.

The White-horse Lake project is governed by district government through a White-horse Lake Eco-creative City Construction Headquarter. China Academy of Art has engaged in the first stage management, however it is withdrawing from the latter stages. And the Headquarter has been focusing on construction project and attracting business to the stage two farmhouse SOHOs, without further services provided to the start-up business introduced in. The indigineous residents – farmers’ voice were not heard. They are persuaded to believe
that their farmhouses are better used when accommodating the creative businesses. Thus collaborative governance is not formed.

The governance of the three cases indicates that business strategy, self-management are combined used in spontaneous cases. However, a local community-led collaborative governance is yet to form.

6. Conclusions

The paper is concluded with the answers to the research questions.

For the first sub-question, the paper argues that scenes and quarters are necessary complements to clusters. In reality, the boundaries are not as explicit as presented in the literature and I’ve stated the reasons before. The significance of the SQC Model is that it connects different disciplines and offered a new perspective in place-making especially to those top-down planned forces and offers tools combing the business strategy, collaborative governance and self-management.

For the second sub-question, I identify government, real estate developer/property owner, enterprises and education institutions as key actors based on the case data.

Government intervention is often loved and hated by spontaneous forces; and gaps are found in the announced supports and the accessibility to these supports. Based on the interviews, a way forward would be for government to reverse the dominant land-based development pattern; to allow diversified forms of culture and a slow-burn process; to stimulate collaboration among government departments; to devise financial tools to fund the start-up business rather than to provide tax refund to well-performed firms; and finally to reinforce IPR protection.

For real estate developers, as suggested by the interviewees, ‘renovated real estate’ especially those reusing industrial heritages should be concerned. Art and creativity would facilitate this renovation. The industrial property owner are often threatened by the growth of cultural forces in their property as they are afraid to be forced to change the original plan for land-use, which usually targeting at higher economic returns. A solution for the property owner is to ally with government or the indigenous cultural forces, and to allow the spontaneous forces to grow.

For the economic entity, i.e. enterprises, it is not as simple as ‘enterprises to take the lead’, which appears in many government slogans. The cultural entrepreneurs from LOFT49 and Ideal 166 both have a strong sense of ‘place-making’. However as they cannot control the resources they do not own, they are facing obstacles in taking part in the planning and managing practices of the creative places they reside in. In White-horse Lake project the enterprises cares more business as government is making the place. A suggestion to them is that they do need to play an active role in city formation. Ideally, if enterprises not only interested in making profit, but also interested in offering new lifestyles to the people through
their production, or their ‘work’ – this would change the ways of shaping the cultural landscape in a city!

For education providers, art colleges like China Academy of Art (CAA) see themselves as ‘city builders’ and Bauhaus is often cited as a dominant example (Yu, 2008). CAA has represented a mainstream culture and has many collaborative projects with government; the other art schools and colleges of media and communication also play important roles in training and encouraging the graduate to start up new businesses. A suggestion to them is to initiate research projects and develop new disciplines to provide more career options to the students. As a differentiation between art students and the other students is perceived, I suggest a better art education to a wider range of recipients. Furthermore, it should not preclude the engagement of research-intensive institutions. The future of the creative industries will become ever more closely tied to new technologies and the styles of enterprise and innovation that they will facilitate.

Finally, the actors are connected to each other. It is not saying that every project should include all of them; but it is important for them to bear in mind their roles not only in their own specialties, but also in the cultural and economic life of a city.

In terms of the key factors for shaping the city cultural landscape, I suggest a reference with the SQC Model. Therefore, the method for examining the shaping process is to examine how it brings together culture and economy. In details, how is a city acting as ‘mediation of consumption and production’ and ‘platform of demand and supply’, forming ‘an urban milieu with authenticity and entrepreneurship, and promoting ‘the mixed-use of play and work adding live and learn’, forming local community including cultural and economic communities, and finally establishing an city identity.

Therefore, for the central research question ‘how does the interplay of people and place shape the cultural landscape’, the answer is, it will not be done by only clustering the businesses, but by crafted urban plans oriented at culture and creativity, namely, quartering; and by making scenes through the self-organizing of hundreds of creative agents.

7. Further Studies

More effort can be dedicated to develop the SQC Model into a creative cities index. Production and consumption, demand and supply, links, community, sense of identities can be used as the scale of the dynamic of city life thus the creativity of a city. Furthermore, the SQC Model didn’t reflect the digital environment, which will be another direction for the further studies.
References


