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Urban economic growth through creative economy: insightful perspectives

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Introduction

- The United Nations (UN) Conference on Trade and Development (2010) refers to creative economy as the use of creative assets to potentially foster economic growth and development.
- Creative industry includes: graphic design; advertising, film and video, music, performing arts, fashion and jewellery, product and surface design, industrial design, news media, publishing, radio and television, visual art, architecture and crafts
- Culture and creativity is seen as an increasing driving force in the international market

Introduction

- Florida (2008) asserts that creative economy is correlated with higher level of human capital and higher rate of economic growth in urban areas.
- Urban economic growth is achieved when entrepreneurship is promoted & tolerance; talent; and technology is enhanced in creative industries.
- Culture and creative industries generated US\$ 2.2 trillion worldwide in 2000 and growing at an annual rate of 5 percent

Literature review

- The importance of creative economy in urban areas has received a lot of attention around the globe
- Smith (2005: 33) asserts that the role of creativity in the development of cities and tourist spaces is of increasing importance
- Yum (2016) reported that creative industries have a positive effect on urban economy in Miami metropolitan.

Literature review

- Boccela and Salerno (2016) argued that there is need of links between creative and cultural industries development and territorial (social) capital to promote urban economic growth
- Florida (2002) believes that creativity is a fundamental source of economic growth for all economies around the world
- (Blahovec, 2012) suggests that creative industry within the region or urban area requires a high-quality base of creative workers.

The role of creative economy in urban economic growth

- Creativity and innovation are recognized as driving the new economy in this era of globalization.
- The creative economy promotes income generation, job creation and export, whilst promoting social inclusion, cultural diversity and human development in urban areas.
- Culture and creative industries play a key role to create new jobs, make towns and regions more attractive at the local and regional levels

The role of creative economy in urban economic growth

- Cultural and creative industries accounted for 5 million jobs and 2.6 % of the European Union's GDP in 2006.
- The creative economy is able to transform towns and regions into economically more active to stimulate urban economic growth through trade export of cultural goods and services
- Entrepreneurship in the creative industries is seen as a catalyst for urban economic growth
- Creative economy is a powerful source for new firm's creation, job creation, innovation, and productivity
- Beijing's creative economy generated \$37 billion in 2013, equating to 12.3% of GDP

Factors for enabling creative economy

- The urban economic growth and creative economies are seen as drivers of sustainable economic opportunities and livelihoods for local communities.
- **The local strengths-** successful creative economies are found in close proximity to academic, research and cultural centers, allowing ideas and people to mingle.
- **The technological enablers-**digital technology enables creative ventures to be launched from any location at scale, and successful creative entrepreneurs have been able to harness technology to their advantage.

Factors for enabling creative economy

- **The inspiring entrepreneurs:** the catalysts in creative hubs are successful individuals who demonstrate what is possible while inspiring and training other creative entrepreneurs.
- **The role of government-** by using regulation and incentives wisely, governments can help create the right conditions for creative economies to flourish.
- **The power of place-**creative economies are in places where people want to live due to location and amenities

Conclusion

- The term cultural industries refer to industries, which combine the creation, production and commercialization of creative content, which are intangible and cultural in nature.
- The creative economy is a vital and growing engine of growth and employment in many economies.
- Local and regional governments are faced with the need to formulate policies that includes the idea of creative cities to promote urban economic growth and development

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