2020 VISION: CULTURAL AND CREATIVE FUTURES FOR THE SOUTH WEST

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1.0 KEY FACTS AND TRENDS: THE CONTEXT

1.1 Demographic and settlement trends

- There will be an extra 500,000 people living in the South West by 2016 and a further 350,000 by 2026.

- Many of these people will have migrated to the principal urban regions of Bristol and Plymouth and, increasingly, Swindon, and Bournemouth/Poole, but there will also be a significant 'downshifting' move from urban to relatively contiguous or 'convenient' rural areas, especially for people who are wholly or partially telecommuting in knowledge and content-intensive industries.

- The South West will have the highest percentage of retired people (65+) of any region in England.

- The growth in single person households – calculated at 33% of the total by 2011 will create demand for out of home cultural and leisure activities.

1.2 Income and Expenditure trends

- There will be a 20% growth in domestic tourist spend, overseas tourist spend, and increase in day visitors in the region by 2015.

- The South West will continue to be in the top three of the English regions (excluding London) in family/household expenditure on cultural and leisure goods and services.

- There is, however, growing polarisation of incomes with the rich getting richer and the poor getting poorer. The difference between the top and bottom of the income scales is now 10% higher than it was in 1979. This will have significant implications for social inclusion and equity strategies across the cultural sector.

1.3 Employment and skills trends

- Gross employment levels will grow faster than the national trend but principally in low value-added sectors such as distribution, hotels and catering.

- Employment in knowledge and content-intensive industries will steadily increase and probably steadily migrate from those sub-regions where the employment rates are highest (West of England, Wiltshire, Bournemouth/Poole) to other sub-regions as broadband capacity rolls out.

- The South West will continue to experience a graduate ‘drain’ to other regions until a sufficient critical mass of employment and lifestyle opportunity is achieved.

1.4 Lifestyle factors

- The level of privatised cultural consumption in terms of both content and turnover through mobile ‘phones (80% of the population), personal and handheld computers, internet access (45% of the population), interactive TV and radio, has already exceeded by far collective cultural consumption in cinemas, theatres and other venues including family TV. These are not mutually exclusive activities, but they do demand a wider vision and more fluid policy architecture.

- Hybrid regional, sub-national and transnational cultural identities are likely to take precedence over national identities.

- Obesity rates have tripled over the past 20 years and the trend is for them to increase.

- There has been a 50% increase in gym and health club over the past 6 years and the trend will co ntinue.

- Work and commuting patterns are making inroads into time traditionally allocated for sporting activities and providers will need to be more flexible and responsive in their offer.

- The growing concern with health and wellbeing in both physical and mental terms will have significant implications for the whole cultural sector but there is a growing trend for people to rely more on private than on public facilities particularly in sports and physical health activities as public venues depreciate because of decreasing budgets.

2.0 DRIVERS: THE KNOWLEDGE ECONOMY AND THE CREATIVE ECONOMY

2.1 Only connect: the supply side of the creative economy

Work on and for the cultural sector will need to be strongly and strategically linked to the global, national and regional agendas for the creative and knowledge economy.

The 'creative economy', in this definition, includes copyright industries, patent-based industries, research and development, and the creative industries as defined in the UK. All are based on intellectual property and have been greatly enhanced operationally and in market growth terms by Information and Communications Technologies (ICTs)

- On 1999 figures the global creative economy was valued at US$ 2.24 trillion or 7.3 percent of the global economy.
- This economy is growing globally at 5 per cent per annum and is likely to nearly triple in size globally by 2020 to US$ 6.1 trillion.
- The UK currently has about 7 per cent of the global creative economy , valued at US$ 157 billion and projected to grow to $US 427 billion by 2020.

The comparative market size of the global, US and UK creative economy sectors is set out in the table below.

The Creative Economy – Market Size (1999 in $ billions)

SECTOR	GLOBAL	US	UK
Advertising	45	20	8
Architecture	40	17	2
Art	9	4	3
Crafts	20	2	1
Design	140	50	27
Fashion	12	5	1
Film	57	17	3
Music	70	25	6
Performing Arts	40	7	2
Publishing	506	137	16
R&D	545	243	21
Software	489	325	56
Toys and Games	55	21	2
TV and Radio	195	82	8
Video Games	17	5	1
Total	**2,240**	**960**	**157**

Total by 2020[1]	**6.05**	**2.6**	**424**

Source: John Howkins (2001) *The Creative Economy: How People Make Money from Ideas*, London, Penguin.

This table is useful in at least two ways. First, in providing the comparative data and second, more importantly, in identifying *what sort of strategic and longer term frame and game the cultural sector is in*. It also sets out their connections to the wider knowledge economy through the mechanism of intellectual property and its exploitation, now accelerated by means of ICTs. The UK is the second net exporter of cultural product after the USA, a position it moved into in 1997 when it overtook France and Germany. South West regional cultural exports, however, are low and account for only about 4.5% of sales. In terms of employment numbers in the broader knowledge economy only about half of the region – Wiltshire and West of England – is up to speed with about 40-45% of knowledge-intensive businesses but still behind London and the South East with in excess of 45%. Once you hit the Somerset border and move west the figures significantly decline.[2]

What does this mean for the cultural sector and its policy stakeholders at regional level?

- It means a positioning/re-positioning in a creative economy which is vigorous and expanding and closely linked to the wider knowledge economy.

- It means understanding the actual and dynamic network and connectivity relationships – the cultural ecology - between publicly funded and commercial agencies where the former is content-rich and the latter is content-hungry.

- It means recognising the actual and potential 'brokerage' and networking - rather than simply 'provision'- role of public sector agencies in the creative economy and as part of a wider creative infrastructure.

- It means recognising that in policy and institutional settings we are working with a 20th century (sometimes 19th century) legacy to deal with 21st century realities.

- It means focussing on issues of *connectivity* and seeing the region as part of a wider set of economic connections and institutional obligations.

This will entail – suggesting an enhanced role for the cultural sector:

> *…regional level action [which] should not focus solely on the economics of endogenous growth geared solely towards boosting competitiveness but also*

[1] Assuming 5% growth per annum on a compound basis.
[2] Mark Hepworth, Local Futures Group (2004) *The Knowledge Economy in the South West Region*, South West Regional Assembly

> *work with an economics of circulation and global linkage, that, in addition, does not reduce the problem of capacity-building to competitiveness goals.*
>
> *... Such connectivity could include international exchanges of creative people and ideas…the offer of higher education training opportunities out of the region, start up opportunities for returning graduates, and in general a cultural fabric that sustains and nourishes intellectual activity and social creativity.*[3]

This will mean bringing to the fore the concepts, and fostering through policy and planning, the realities of creative capital, the 'creative class', intellectual capital and – the ground on which these qualities grow – a rich and diverse quality of life. The South West currently has a strategic advantage in this area, being the highest rated region for quality of life according to a national MORI poll commissioned by the East of England Development Agency (EEDA).[4] The challenge will be to sustain that and fold it into the policy mix for economic, social and cultural objectives. The Regional Cultural Consortia are, in principle, well placed to meet this challenge with the right policy settings, drivers and mechanisms for brokerage and co-ordination.

2.2 New forms of cultural consumption: the demand side of the creative economy

We don't know anywhere near enough about what people are doing with culture and how they are using cultural resources in their lifestyles, identity-formation, conduct and sense of self and community. Text messaging, for example, can be an instrument of love, despair, mass-sacking or mass mobilisation – just like literacy once was. We don't yet know what this means but, for the cultural sector, there is one example – crucial for the South West – of that most intensive moment of cultural consumption and 'recreation' – tourism.

The table and figures above don't directly include the tourism factor but this is also a demand-side component of the knowledge/creative economy in so far as it is increasingly driven by 'knowledge-based tourism' in search of learning, interpretation, authenticity and, as with all tourism, difference.

> *…the new consumers want to be involved and to learn new experiences, to interact with the community, and to learn about and appreciate the destination at more than a superficial level.*[5]

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[3] Ash Amin, Doreen Massey and Nigel Thrift (2004) 'An Alternative Regional Strategy' in Association of Regional Observatories, *The State of Regional Research.*

[4] 58% of residents stating they are 'very satisfied' with the region as a place to live. MORI, *Life in the East of England*, EEDA, 2003

[5] Clive B. Jones, Economic Research Associates, ***Knowledge Based Tourism: World Tourism Organisation Round Table*** – www.econres.com.

> *Cultural tourism gives visitors the opportunity to understand and appreciate the essential character of a place and its culture as a whole. Creating a relationship between the visitor and the host community is an important feature of cultural tourism.*[6]

The figures are compelling. According to the World Tourism Organisation in 2002, 37% of all tourism (265 million international trips) was 'cultural tourism' and this is growing at a remarkable 15% per annum. According to the European Commission[7], 45-50% of tourist motivations in the world's largest single market are 'cultural' in nature and origin. The emphasis, in 'knowledge-based tourism', is on quality of experience, learning through narrative and experience, interaction and active engagement. This has significant implications for the cultural sector across the board especially in a region where tourism is such an important part of the economy and where it currently enjoys competitive advantage over all other regions.

The future challenge here is, at regional level, to both quantitatively and qualitatively map and profile the cultural assets of the South West and to provide the resources for interpretation, new narratives and stories, new learning and interaction opportunities, to ensure both quality and renewability of offer and, crucially, sustainability.

A typology of cultural tourists, developed by Melanie Smith at the University of Greenwich, is presented in the table below and this should make very clear its strategic future significance for the cultural sector and all agencies involved in Culture South West.

Heritage Tourist	Visits to castles, palaces, country houses, archaeological sites, monuments, museums, religious sites
Arts Tourist	Theatre, concerts, galleries, festivals, carnivals, events, literary sites
Creative Tourist	Photography, painting, pottery, cookery, crafts, language learning
Urban Cultural Tourist	Historic cities, regenerated industrial cities, waterfront developments, arts and heritage attractions, shopping, nightlife
Rural Cultural	Village, farm, agro-tourism, eco-museums,

[6] *Going Further: West Australian Cultural Tourism Strategy* (2004)
[7] Dr Reinhard Klein [European Commission DG ENTR Tourism Unit], 'Public Policies and Cultural Tourism – EU Activities' in *turisme i cultura: Debats del Congrés de Turisme Cultural*, Interarts Foundation, Barcelona, 2001, p. 55

Tourist	cultural landscapes, national parks, themed trails
Indigenous Cultural Tourist	Trekking, cultural centres, arts and crafts, cultural performances and festivals
Popular Cultural Tourist	Theme parks and attractions, shopping, pop concerts, sporting events, media and film sets, industrial heritage sites, fashion and design museums

These are emergent and not quite yet consolidated tourist personae – to which we should add the 'Sport Tourist' - but the literature suggests that they will become more and more important over the next 20 years as recognisable and high-yield market segments and psychographics.

What should be the nature of the response to this important demand side component of the creative economy? Clive B. Jones of Economic Research Associates suggests some directions:

- Emphasise diverse and individualised attractions and accommodations of authentic historic and cultural value.
- Promote and emphasise the value of self-improvement programmes (eg short course culture, archaeology, history, literature and ecology programmes, etc).
- Make products known to knowledge-based organisations.
- Provide high quality interpretation of historical, environmental and cultural/ethnic attractions.
- Develop a high quality computerised product database using, for example, Geographical Information Systems (GIS) software.[8]

A sophisticated and long-term strategic framework for cultural tourism should also act as a major catalyst and driver for the wider cultural sector and feed from the 'consumption' end of the value chain back to the 'creation' end as it constantly requires the generation of new content, new stories and narratives, new images and experiences and often involves, through cultural mapping, the 'discovery of resources we didn't know we had.'

[8] Clive B. Jones, ***Knowledge Based Tourism: World Tourism Organisation Round Table*** – www.econres.com

2.3 The Digital Revolution

Along the value chain or 'culture cycle' from the moment of creation to the moment of consumption – and back again – the advent of digital technologies in less than a decade, has revolutionised the practices and potential of the cultural sector. Sub-regional surveys of the creative industries and cultural sector workforce in the South West have clearly shown that the computer has been rapidly transformed from an inward looking 'business machine' to an outward looking tool for creation, production, reproduction, marketing, distribution and point of sale with the rapid progress and roll-out of digital interactive media and the (much slower) roll out of a broadband infrastructure[9].

> *The volume of internet traffic overtook the volume of telephony in America in 1998 and did so in other OECD countries in 2000. Internet traffic is expected to reach three times the level of telephony throughout OECD countries by 2005…around 2010 over 95% of traffic on the so-called telephone network will be internet data..*[10]

As one Penzance-based film and video production company owner put it:

> *I used to have to travel to London to do my editing and post production work. Then I had to travel to Bristol, and then to Plymouth. Now I can do it all from my own studio in Penzance.*[11]

As this would suggest, digital interactive multimedia along with a sound communications platform and creative infrastructure is crucial to:

- creating the conditions for local job self-sufficiency and raising the employment and turnover location quotient levels;
- creating the conditions for local and regional innovation and the actual or potential development of clusters;
- establishing the conditions for interregional and international connectivity; and,
- providing a base for 'import substitution': the founding principle of economic innovation at regional level.

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10 John Howkins (2001) *The Creative Economy: How People Make Money from Ideas*, London, Penguin, p.178.

11 Creative Kernow (2003), *Creative Value: the impact and significance of the creative industries in Cornwall*, Perfect Moment and The Nottingham Trent University.

This is not just about pipes and wires and boxes. It is also, and much more importantly for the cultural sector, about *content* in an amorphous industry where 'content is king'. And the cultural sector is very good at content generation: it's what it does in the form of images, narratives, stories, experiences, interpretations. The cultural sector is, so to speak, the 'Graphic User Interface' with the world.

What does this mean for cultural futures in the South West?

- It means going beyond the idea of ICTs as merely a 'technology' or 'tool' and recognising that, rather like the invention of printing in the 15^{th} century, the steam press and film in the 19^{th} century, broadcast media in the 20^{th} century, that a whole new *communications platform and infrastructure* has developed and we may not be sure where we are standing on it or what it means.

- It means a lot of things: more privatised and mobile forms of cultural consumption; more opportunities (via email, web portals, text messaging, MP3 and the iPOD phenomenon, for example) of getting the message out; more opportunities of 'many to many' communication (rather than the 'one to many' broadcast transmission mode) and therefore new delineations of the concept of 'community' – often and increasingly frequently transregional and transnational; a more hybrid and eclectic relationship to cultural offer. It is now possible to download Melvyn Bragg's erudite Radio 4 *In Our Tim*e programme to your MP3/iPOD. What kind of a weirdo would want to do that and what possibilities here for the cultural sector as a whole? It is not clear, at present that we are thinking in terms of platforms rather than tools.

- It means getting serious about the interface between culture (content – the end) and technology (the carrier – the means), recognising the dynamics of this interface like that between the creative economy and the knowledge economy and folding leisure software, video games and broadband communications infrastructure into the cultural mix rather than seeing it as a supplement or add-on. The creative infrastucture (creation, production and usage), that is to say, needs to meet the communications infrastructure(encoding, strorage, distribution and networking) to bring the parts of the digital value chain together.

- It means recognising that multi-channel TV will probably mean the end of one of the major carriers and repositories of local, regional and national popular memory and identity. Assuming this is desirable, what will we need to do to replace it? Where will the new narratives and stories come from?

- It means not being too gloomy about the power of global corporations to control media flows as every advance in digital interactive communications technology also puts more power into the hands of individuals and communities to establish and define their own presence and identity in the 'global space of flows' with their own portals, web sites and pages. But policy settings, resourcing, training and a viable and accessible communications platform and creative infrastructure at regional level will be necessary for this to mean anything to the South West.

2.4 Networked society-networked region

> *A perspective on knowledge as a mobile and relationally constituted asset of varied spatial reach (from the workplace to international IT and business networks), points in the direction of focusing on connectivity as a means of building the knowledge base and deciding on what works for local advantage, regardless of how "local" the knowledge is*.[12]

The establishment of a regional structure in the UK was not intended as an act of parochial closure but as one of opening and connectivity. Recognising that regions – especially city regions – are the fundamental units of economic and social innovation (rather than the fiction of trading nations), the regional push at national as well as European levels is about building on what demonstrably works now and has done since The Potteries became the first working industrial cluster in the world in the 18th century in a collaboration between industrialists, artists and scientists. So, it's not about defining and demarcating *this* region in relation to other regions in terms of endogenous industry growth and competitiveness (though that's an important internal stimulant), but, rather, of opening the potential to act local and go global ('glocalism') in economic, social and cultural terms. No better example of this than the products of Aardman Animation – Yorkshire born, Bristol reared, and now in global circulation with their English regional accents.

This will mean a great deal more attention, on supply and demand sides, to the 'economics of circulation' in schemes that, for example, help both commercial businesses and publicly funded institutions to boost national and international competitiveness enabling them to link into wider logistic, distribution and learning environments. Being *of* the South West does not mean simply being *in* the South West. If regional distinctiveness is to mean anything then it has to be a distinctiveness that is recognised at national and international levels through products and real and symbolic outputs in the same ways that we would normally recognise anything that is distinctively New York, California, Provencale or Tuscan. This is a strategy of image and content building which both 'exports' content and 'imports' consumers, especially from overseas.

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[12] Ash Amin, Doreen Massey and Nigel Thrift (2004) 'An Alternative Regional Strategy' in Association of Regional Observatories, *The State of Regional Research*, p. 79.

But you have to be in it to win it and the current state of play in the creative sector in the South West with only 4.5% of international exports and only 25% to other regions in the UK is not strong on this front. And here the cultural sector – and especially the creative industries – moves potentially to the front line.

This is because the creative industries are essentially what Michael Porter has called *traded industries*:

> *These industries sell products and services across regions and often to other countries. They locate in a particular region based not on resources but on broader competitive considerations.*[13]

Traded industries in the US (as distinct from local industries serving a local market) account for about 32% of employment but have much higher productivity, higher patenting rates (and therefore IP renewability) and higher wages than either local or resource-dependent extractive or agricultural industries. Traded industries, in which we can include the creative industries, especially because of the digital renewability and re-purposing of product, 'appear to heavily influence the relative prosperity of regions'[14] In some parts of this region (Redruth, for example) employment in digitally based publishing of newspapers, books and magazines has increased by 3800 per cent between 1998-2002. And there is an important 'demand side' correlation to the success of traded industries at a regional level:

> *Competitive success in traded industries creates demand for local industries serving commercial customers [as suppliers on a business to business basis to the traded industries], while the higher wages paid by traded industries heavily influence local house-hold demand.*[15]

So, potentially this is 'win-win' for the cultural sector. The more we encourage creative/traded industry growth, the more we stimulate demand for and expenditure on the categories of household expenditure classified as 'Recreation and Leisure' including admissions to museums and galleries, cinemas, sports facilities, tourism, etc.

But it's only 'win-win' if the policy settings are right. What might these policy settings be for the cultural sector? The creative infrastructure would need:

- a 'food chain' for developing and nurturing talent and the building of 'talent pools';

[13] Michael Porter (2004) 'The Economic Performance of Regions' in Association of Regional Observatories, *The State of Regional Research*, p. 11.
[14] Michael Porter (2004) 'The Economic Performance of Regions' in Association of Regional Observatories, *The State of Regional Research*, p. 11.
[15] Michael Porter (2004) 'The Economic Performance of Regions' in Association of Regional Observatories, *The State of Regional Research*, p. 11.

- seeding creative clusters and precincts to attract and foster interdisciplinary teams;
- finance for creative content developers;
- access to world scale markets; and,
- inward investment policies to encourage the regional location of content creators and distributors

There are significant implications and roles here for museums, libraries and archives and the cultural tourism sector as well as the creative industries. They all form part of the creative infrastructure and more 'joining-up' will be necessary.

> *What matters is variety and critical mass – attending to the regional knowledge base in a broad and non-utilitarian way, geared towards building expertise and excellence in schools, colleges, universities, research laboratories, workplaces, the media and the public culture in general. This is an act of building knowledge reserves…recognising that the link between knowledge formation and economic returns is non-linear and unpredictable. But that distributed plenitude improves the selection environment for innovation.*[16]

[16] Ash Amin, Doreen Massey and Nigel Thrift (2004) 'An Alternative Regional Strategy' in Association of Regional Observatories, *The State of Regional Research*, p. 79.

3.0 HUMAN, SOCIAL AND CREATIVE CAPITAL: THE 'LIFESTYLE FACTOR'

> *Content industries matter and merit special attention. They are the intersection of a significant industry development, and of the quality of life of the…community as reflected in its self-expression of culture, identity and the building of 'knowledge banks'*[17]

The qualitative dimension to all of this is given by the fact, to use a UNESCO phrase, that 'culture is a commodity like no other'. It is linked to identity, to expression, to a sense of citizenship and affiliation. It simultaneously contributes to human capital (skills and capacities), to social capital (networks and bonds of reciprocity and trust) and both of these provide the sustainable conditions for the fostering of creative capital for both economic and simultaneous social and cultural objectives.

The challenge will be to think – and operationalise – these realities together rather than parcelling them out. This is a key future challenge for Culture South West.

3.1 Human Capital

The region has problems with a 'graduate drain' to other regions, especially London and the South East and this will continue until there is sufficient critical mass and demonstrable employment and lifestyle opportunities in the region to keep them here or to attract them back. This is not an enormous problem for the region as almost all regions apart from London and the South East experience a net drain of graduates in what is an essentially uneven regional playing field based on largely arbitrary and contingent borders and where London and its hinterland will always be a major magnet.

But human capital development – in which the essentially communicative, learning-oriented and expressive cultural sector has a special role to play - will need to be taken seriously at all levels from Reception to Graduation and beyond, from community capacity building to targeted multidisciplinary training programmes and lifelong learning opportunities attuned to the dynamic and unfolding nature of the new creative economy. *Creative Partnerships*, as a national programme, is beginning to do this sort of work in primary and secondary schools in Bristol, Plymouth, Cornwall and, soon, the Forest of Dean. But there is also a need for a more concerted, sustained and broader regional contribution to this agenda. The MLA's *Inspiring Learning for All* programme which identifies five *Generic Learning Outcomes* to which museums, libraries and archives can contribute

[17] Cutler and Company (1994) *Commerce in Content: Building Australia's International Future in Interactive Multimedia Markets*.

provides another opportunity for a stronger regional push in human capital development.

3.2 Social capital

There is a strong and growing evidence base of the links between cultural participation, including sports, and social capital ('bonds and networks of trust and reciprocity') in communities. Robust connections have been established between a range of forms of cultural participation and communication (and access to cultural capital) in:

- civic participation and volunteering rates (Canada[18]);
- increased literacy, writing, numeracy skills (OECD[19] and Australia [20]);
- increased skills in the Key Competencies of Problem Solving, Planning and Organising, Communication, and Working with Others (Australia); and,
- sustainable and innovative economic development (World Bank, Putnam[21]).

Social Capital is seen by many agencies (DCMS[22], ONS[23], OECD[24], World Bank [25]) not as an 'additional' or supplementary factor in sustainable development but as a fundamental condition for development *simultaneously* in social and economic fields. The author most associated with the term, and former Clinton Policy Advisor, Robert Putnam, discovered in his research, for example, that there was a close correlation between the levels of cultural participation – in choral societies

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[18] Jeannotte, M. Sharon, (2002) 'Singing Alone? The Contribution of Cultural Capital to Social Cohesion and Sustainable Communities', *Proceedings of The Second International Conference on Cultural Policy Research*, Victoria University, Wellington, New Zealand.

[19] OECD (2001), *Knowledge and Skills for Life. First Results from the OECD Programme for International Student Assessment (PISA) 2000*.

[20] Australian Government (2004) *Department for Education, Training and Skills, Evaluation of School-based Arts Education Programs in Australian Schools*.

[21] Putnam, Robert. (1993), "The Prosperous Community – Social Capital and Public Life." *American Prospect* (13).

[22] Department for Culture, Media and Sport (2004) *A Research Strategy for the DCMS to 2005-06*

[23] Office of National Statistics (n.d.) 'Social Capital Assessment Module' of the *General Household Survey*, 'Assessing people's perceptions of their neighbourhood and community involvement', London, HMSO. (http://poverty.worldbank.org/library/view/8150)

[24] OECD (2001), *Knowledge and Skills for Life. First Results from the OECD Programme for International Student Assessment (PISA) 2000* .

[25] Edwards, Michael (1999) 'Enthusiasts, Tacticians and Skeptics: The World Bank, Civil Society and Social Capital' (http://poverty.worldbank.org/library/view)

and other forms – and the 'Italian Miracle' of successful industry restructuring towards the new economy in the Emilia Romana region[26].

The challenge for Culture South West is to begin to test and prove these connections at the regional level through concerted research and mapping activities and the development of a robust and evidence-based framework for cultural indicators that will persuade the hard-nosed pointy heads in the ODPM and other central government agencies. Bristol City Council's innovative work on Quality of Life Indicators has gone some way towards this by incorporating cultural indicators within its framework. This is the sort of work that will need to be rolled out at both sub-regional and regional levels and the case made for Quality of Life as both an *economic driver* for inward investment, attracting skilled employees for stable talent pools) and as a *social driver* (addressing social inclusion, community cohesion, etc).

If there is one thing that mobilises and interests a population which is increasingly individualised, hybrid and postmodern in its cultural tastes and dispositions, it is the concept and reality of *lifestyle.* The challenge for the cultural sector as a whole is to recognise that reality and to realise that in a multi-channel, portable, interactive and digital cultural environment, things might be happening which current institutional and policy arrangements and settings are either unaware of or structurally blind to.

Sport and physical activity are important parts of this lifestyle orientation and also contribute to human and social capital development. As a Henley Centre report put it: "sport could potentially occupy a strong position in the well-being spectrum".[27] In a context where obesity rates have tripled over 20 years and sport has also been shown to contribute to the building of human and social capital among at-risk and marginalised young people[28], there is a combined health and social agenda to be vigorously pursued here.

3.3 Creative capital

This is the end game in the strategic vision into which human, social and cultural capital feed. I'm going to let John Howkins explain what it means and its implications for cultural futures:

[26] Putnam, Robert D., Leonardi, Robert and Raffaella Y. Nanetti. 1993. *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton: Princeton University Press.
[27] The Henley Centre(2003) *Drivers affecting levels of participation in sport and physical activity*, Regional Drivers Workshop.
[28] Home Office Drug Strategy Directorate (2004) *Positive Futures Impact Report: Engaging with young people*.

- "It seems reasonable to treat creativity as a capital asset…It results from investment…and it is a significant input to future creativity and creative products. It is a substantial component of human capital.[…]

- Treating it as capital helps us to understand the nature of the creative marketplace….Capital markets are spheres of speculation…rather than the open arena of mass production. […]

- It is a world of personalities and promises, incidents and accidents. Creativity happens when we take intellectual property, our own or somebody else's, and make something new and original. […]

- Creative capital gains most when it is managed and made *purposive*. It flourishes best in small, flexible structures, which allow for the prevalence of full-time thinkers, the network office and the just-in-time worker. […]

- The raw material [of the creative economy] is human talent: the talent to have new and original ideas and to turn those ideas into economic capital and saleable product. […]

- The most valuable currency is not money but ideas and intellectual property, which are intangible and highly mobile. […]

- Investments in education, research and thinking increase creativity's value and effectiveness as surely as do investments in other capital assets increase theirs. […]

- Creative products are the basis not only of information and new technologies but of the entire modern economy, from software to shoes."[29]

4.0 ANALYSIS AND OPTIONS: RESOURCES FOR INNOVATION

I'm going to be brief and concentrate on bullet-pointed options here as there is a good deal of analysis above and the agenda, notwithstanding and *pace* the futurologists, is both wide open and manageable within a big picture.

- Creativity has a wider and less suspicious currency than culture (nobody ever said 'when I hear the word creativity I reach for my gun') and it applies to all forms of human inventiveness so let's put that at the centre of the long-term vision and have a *Creative South West* long term vision,

[29] John Howkins (2001) *The Creative Economy: How People Make Money from Ideas*, London, Penguin, pp. 211-213.

structure, policy and operational framework. Much better than 'Living East', 'Yorkshire Forward' or 'Advantage West Midlands'.

- Let's concentrate on the main game in the implications of the digital communications and creative infrastructures for the cultural and wider sectors. This is the key driver for every commercial and public funded cultural and content-rich sub sector and most others in the knowledge economy.

- Let's make sure that the names of the games in regional development are connectivity, circulation and export enhancement (to overseas and to other regions in the UK) building on (but not resting on) regional distinctiveness and strategic and competitive advantage. A work of opening and networking rather than of closure.

- Let's make sure that we are dealing with the contemporary realities of the modalities of increasingly individualised, hybrid, and mobile cultural consumption – and the uses to which it is put for identity, affirmation, affiliation, distancing and demarcation – rather than relying on 19^{th} and 20^{th} century definitions of the policy field and remit.

- Let's ensure that we have a full understanding of the 'ecology' of culture and the interactions between publicly funded institutions and the wider creative and knowledge economy.

- Let's ensure that we have a big-picture comprehensive and strategic approach to the importance of skills and capacity development from creation to consumption and the diverse 'venues of validation' in which that can happen from the arts, through heritage, museums, libraries and archives, to sport and tourism.

- Let's recognise the extraordinarily important catalytic opportunities provided by the exponential growth of 'knowledge-based tourism' for this region and use that as a lever at the demand side of the cultural value production chain towards sustainability.

- Let's ensure that we can know and map and prove the connections between human, social, cultural and creative capital and put those connections at the forefront of regional development strategies.

- Let's ensure that we can think and manage economy, society and culture in the same breath in the ways that culture does best.

- Let's ensure that Culture South West is the pre-eminent 'broker' in this field and game where broker is defined as '*one who makes available the resources for innovation to those who need them'*.[30]

[30] Kahrs, Kristin ed, (1995) *Business Plans Handbook*, Gale Research Inc., Detroit

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