

## **Creative Industry Policy in Shanghai**

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Cities are a nation's innovation hubs and Shanghai looms large in 21st century discourses of China as the nation's largest, richest and most liberal city. Common narratives both in and out of the Middle Kingdom place Shanghai as an ignited firecracker of the future, an urban centre with limitless potential and appeal on the global stage. If Shanghai is without doubt a world or global city, how are the city's recent creative industry reforms contributing to this status? In other words, can we now call Shanghai not just a world city, but a *creative* city of the world?

The idea of the global city is still in its infancy but the interchangeable term world city is a stalwart, being made popular in 1915 by Patrick Geddes when he referred to cities expanding into new or vaster groupings or conurbations. For the purposes of this article we will claim that cities are global cities if they are concentrate and accumulate international capital; are points of destination for domestic and international migrants; and their growth generates social costs impinging on the state's fiscal capacity.

Shanghai has a trajectory atypical of its class. Most global cities have a linear trajectory: they begin by developing a purely local economy, then become the central city of their nation before graduating into a key node in thoroughly transnational financial and cultural flows. This simplistic narrative simply cannot be applied to Shanghai, with its mixed history of globalising and re-globalising. We should remember that although Shanghai's recent rise to prestige as a global city has been rapid, it has not been the first time in its history, or necessarily the quickest.

What is unique about Shanghai's most recent attainment of global city status is that it has been concurrent with its courting of the creative city moniker. The creative city concept was developed by Charles Landry in the late 1980s and finalised some years later in his book *The Creative City: a Toolkit for Urban Innovators*. The idea is now pervasive, internationalised and attractive to those seeking rapid economic development in the post-industrial landscape.

The creative city as accepted lexicon is part of the wider creative industry framework, a classification of industries that have their origin in individual creativity, skill and talent. Creative industries have potential for wealth and job creation through the generation and exploitation of primarily intellectual property. Some circles of scholars tend to emphasise the fluidity and contradictory nature of the creative industries rather than rigidly propagate a definition. But in government creative industry policy is firmly taking off, especially in China's large coastal cities, partly fuelled by the Chinese Communist Party's anxiety at Japanese and Korean popular youth culture and partly because the Asian financial crisis of the late 1990s prompted municipal governments region-wide to seek out alternative economic strategies to fuel their aspirations for becoming global cities.

Although a normative creative industry policy script has been identified throughout most large urban centres in Asia, China diverges from its regional, largely democratic counterparts in that its economic planning is often influenced by political (party)

considerations. Shanghai also differs from most of its competitors in the fact that China still retains developing nation status. Although 400 million people have moved from rural to urban areas in China since 1978, only seven percent of Shanghai's population hold post-secondary qualifications, half of the city's GDP still comes from manufacturing and only 12% of households in Shanghai earn more than 6250 RMB (\$900 USD) per month. What Shanghai shares with other world cities in Asia is that it is under threat from the same global economic challenges and wants to offer distinctive products and creative services to the world market.

Creative industry policy uptake started for Shanghai in 2004 with the establishment of the Shanghai Creative Industries Centre, whose mission is to coordinate resources, formulate development targets and strategies, provide guidance, construct a platform for the exchange of ideas, and promote the formation and establishment of a structure for the creative industries. The SCIC's first proactive step was to contribute to the publishing of an Economics Commission paper entitled *Shanghai Creative Industry Clustering Parks*. This was soon followed by two Shanghai delegations being sent to the United Kingdom and Hong Kong in an effort to gather knowledge (or somewhat ironically "rote-learn creativity"). Although creative industry policy is wide-ranging and innovation occurs on many levels this industrial clustering has most physically contributed to Shanghai's global city status.

Shanghai was the first Chinese city to adopt the idea of clusters and now boasts at least seventy-eight creative clusters of its own, with this figure increasing from study to study. Some of the clusters created or brought into guidance by the SCIC include Tian Zi Fang (Taikang Road), Tong Le Fang (The New Factories), the Creative Warehouse, Red Town and M50. We will focus on the latter two, Red Town and M50, in order to illustrate how their transformations into creative industry clusters is contributing to making Shanghai a creative city of the world.

M50 began as a bunch of bedraggled buildings located at 50 Moganshan Lu Rd built between the 1930s and 1990s. The buildings had a variety of uses over time as engineering and textile factories before being vacated and settled by artists in 2001. The artists settled there because of the spaciousness and affordable rents and in the last ten years have turned 50 Moganshan Lu Rd into one of the pre-eminent creative spaces in Shanghai. Since then, the site has attracted more than 130 artists, including a sizeable international community. This growing phenomenon eventually attracted the municipal government's attention, and they retroactively applied the creative cluster label in 2005, gifting the cluster with the abbreviation M50.

Red Town is a creative community also built on abandoned industrial space, the "No. 10 Steel Plant". The factory was projected as a potential platform of city sculpture embracing exhibition and communication, sculpture production and transaction, sculpture reserve and artistic education. The space was renovated according to a design created by Australian architectural firm BAU. This international contracting continued down to the buildings' mod cons – the air-conditioning units were German-imported while the heating system was French. This kind of big money approach to cluster development differs substantially to the pre-CI policy evolution of M50. To further entrench this, consider that Red Town hosts events such as the "Celebration of Swarovski" and the "Chivas Milan Fashion Party".

When comparing the two it is clear that M50 and Red Town differ in their development, but they also share important similarities.

The argument that Shanghai cultural authorities are not creative enough and are characterised by conservative attitudes is comparably accurate when considering the agents responsible for creative input in M50 and Red Town and the clusters' top-down developers - in other words, the artists and the government. One Shanghai gallery owner put it bluntly, "There is a discrepancy between using a creative cluster and having a creative cluster. I do not see many real creative clusters in Shanghai. A creative cluster is not something that you can name and ... will come into being just like that. It needs really creative people". Clearly there is some fear on the ground that creative clusters are being "used" in Shanghai, either when being retroactively applied to spontaneous networks or when informing new developments.

There is a double-edged danger of "using" creative clusters being demonstrated at M50: the clustering of artists, galleries, and related visual arts and design activities have given M50 an identity and momentum, but the commercial activity that has come from this success poses a danger that can threaten to erode the cluster's cultural sustainability. This is a common theme in cluster development in Shanghai.

Red Town exemplifies the shift from spontaneous artistic action to coordinated construction and management of spaces for the creative industries. Scholars have noted that when the link between artists and archaic industrial buildings is legitimised, the resulting space becomes commercialised and to an extent, discriminatory, spurring the rise of unexpected social consequences. These social consequences come in many forms, from artists no longer being able to afford rent, to the demeaning of avant-garde art in preference to the commercial, tourist-oriented styles. The awful fact is that while creative clusters are legitimised by artists' space consumption, these artists themselves do not truly belong once the new community is fully developed.

As more and more creative clusters are designated by the SCIC and developed either anew or upon, more and more artists are having their avant-garde integrity demeaned and being excommunicated. The fact that the M50 and Red Town spaces are being commercialised to the extent that they are signals that Shanghai cannot meet the fiscal responsibilities involved with setting up sustainable creative clusters. In this way we see that the adoption of creative industry policy in Shanghai is indeed turning it into a creative city of the world, but undesirable social outcomes are attached to the process. These consequences appear to be deemed an acceptable sacrifice in order to maintain a cosmopolitan, global, creative Shanghai.