

## CULTURE: THE SMART INVESTMENT FOR REGIONS

### **EU Culture Forum, October 2011**

Back in August, a group of guests were attending a reception for the opening of a Ron Arad installation *Curtain Call* at London's Roundhouse in Camden Town, a mixed area in terms of demographic, but close to some low income housing estates. As in many areas of London and the UK, young people, both from local communities, but bolstered with "mercenaries" (if I can use that term), were going on the rampage down the high street: Sainsbury's was looted, so too a cycle shop, and other small local businesses, already struggling with the recession. It was a disturbing few weeks.

One building remained untouched, even though it was on the doorstep, and a home to culture and the arts – surely a prime target for resentment against middle-class values and living standards: the Roundhouse. Speaking to the CEO, Marcus Davey, a few days later, I learned how the guests had been trapped for several hours, but that he had discovered that the local young rioters had insisted to their companions that the Roundhouse be left alone, "because it did good work for the community and provided creative opportunities, jobs and activity for young people".

OK, that's just one example, but I think a strong one of how ten years of hard work in a community can build trust and respect AND put on a world class arts programme with a strong policy of engagement, participation and inspiration in challenged communities area. This is surely arts at its best – both excellent AND relevant AND international, at the heart of urban society, regenerating space and the economy – connecting education arts and creative industries – seamless.

The resurrection of the Roundhouse was truly a "smart investment". Now I know I am preaching to the converted here – everyone in this room I imagine would like to see more spent on the arts and understands the importance of an arts investment, even when economic times are very, very hard. Unfortunately our politicians (in the UK but also elsewhere) are rarely so smart in their investment decisions (maybe in ANY decisions) – propping up old and discredited economic models, talking "cool" about creative industries, but rarely putting their (or rather OUR) money where THEIR mouths are. Talking to Tony Hall the other day – he's Chair of our Cultural Olympiad and CEO of the Royal Opera House, we agreed (when he found out about my talk and the subject) that most politicians, or rather NATIONAL politicians in my experience SIMPLY DON'T GET IT.

My most recent long-term job was with the City of London Corporation (local government for the financial district, the square mile) as Artistic Director of the Barbican. When I arrived, back in 1995, the Centre was held in low regard, not only by audiences (assuming they could find the place) but also by our landlords and funders, the City Corporation. Many regretted building an arts centre in the first place - a black hole for spending, and a distraction from the "main business" of the CoL, the home of the world's largest financial services operation. Back then we had no education department, no contact with local diverse communities in less privileged conditions. Gradually over a period of years scepticism turned to grudging admiration for what we were doing: positive headlines and larger audiences drew approval, and by the time of the crash of 2008, the city realised that in its corporate messaging and strategy, the arts were a somewhat more attractive headline than banking and financial services! They still are. But an example like that hasn't stopped savage cuts to the arts budget – more evidence of the unwillingness by politicians (in this case local) fundamentally to challenge old, failed models.

Before I left the Barbican I was asked to complete a City of London (that's the City, the square mile, not Greater London) arts and culture strategy, to harmonise and maximise the City's large arts investment (3<sup>rd</sup> largest in the UK) and encourage partnership and joint working amongst its portfolio, which included the Barbican, LSO, GSMD, libraries, MoL, other art galleries and community and social services. My colleagues and I was able to

persuade them at the time of several facts of life: that arts and culture made the City more attractive as a place for investment (better quality of life, a more vibrant scene for residents and workers), a job creator in new industries in and around the city fringes (in hitherto deprived areas), capable of being deployed across departments, not just the arts, but also in planning, transport, parks and open spaces, and most other service areas. All of these could contribute to engender a positive social and aesthetic force in the City and give reality to a view that the City wasn't only a home for banks, investment and financial services, whose reputation had rightly fallen to an all-time low. In many ways the City could have become the model for a new renaissance in local government – enlightened patronage of the arts and culture in its own right and for economic and social benefit – a kind of 21<sup>st</sup> century model of European renaissance artistic patronage.

There is no doubt in my mind that artistically rich cities are BETTER CITIES: apart from the CoL, just look at the impact the arts have had in other cities in the UK (Manchester, Liverpool and Gateshead) and in, for example northern Spain (in Bilbao and Oviedo – with the new Niemeyer Centre, which I visited when it was on the drawing board. The Ruhr district in Germany also.) I regard as deeply flawed any recent research which attempts to unpick the causality between arts-led regeneration. It doesn't create a new creative elite, it benefits all sectors of the economy – and no amount of research can convince me otherwise.

Take another example – Salford and Manchester, visionary local government and civic authorities prepared to take a risk backed by a vision. On the back of urban regeneration in Manchester – a new concert hall, plus one of the two most important arts festivals in the UK – has come Salford Media City (just down the road), a new creative hub for the UK's media industry, including new companies and eight departments from the BBC (whether they like it or not). Public investment kick started the revival (£64m lottery funding into the Lowry Arts Centre, then the Daniel Libeskind Imperial War Museum). The arrival of the BBC and the creation of Media City UK will see investment taken to a new level – estimated to attract over £400m of private money, growing to £750m, including £60m from the University of Salford. Space for over a 1000 small businesses and a forecast to deliver an injection of £1bn into the economy over the next five years. This is not marginal stuff, it begins to look like something of a quantum shift in impact – a smart investment indeed, and one which has at its heart a clear link between public arts funding and private investment supported by strong civic leadership. Benefitting not only the creative sector, but all the service industries – all these people need to eat and shop and enjoy themselves, like all of us.

The textbooks show that there are three very basic conditions these days for a growth in the creative economy – intellectual property management, high grade digital infrastructure and access to finance (preferably both private and public). Now UK governments have invested in these (credit to the last labour government for this), but my view is that as NATIONAL governments, they simply don't get the **connectivity** between a thriving cultural sector – aka the arts, and the creative industries – one essentially feeding off the other, backed by a fundamental rethink in the education curriculum, putting creativity at its heart.

Interestingly, at least a couple of unlikely nations – not European – seem to get it, though in the UK, there are signs that Scotland gets it, much more than the UK as a whole! Estonia too, and other small nations seeking to strengthen their visibility, sense of nationhood and economies – smart investments indeed. China (whom you'd think were intent on out-manufacturing the rest of the world in traditional heavy industry, have made Cultural and Creative Economy one of their official "pillar industries" in the next ten years, setting ambitious targets in their next economic masterplan. Even though individual empowerment and creativity is probably a long way off.

Nigeria (a powerhouse emerging nation economy in Africa), which I visited two weeks ago, has set aside a \$200m sum to stimulate the creative industries and boost skills and capacity – a massive investment in terms of the scale of the cultural economy as it is in Nigeria now.

But national governments as a rule still seem to understand less well than regions or cities. In the UK the DCMS (under whatever government) still remains on the fringes of government – a route to a more powerful portfolio or a home for a politician on the downward curve of his or her career.

Now you'll have gathered I am not just about doling out more money in subsidy to traditional recipients on the European model (the operas, the orchestras, museums and galleries, important though they are to the overall structure). Everyone has to work harder for their public subsidy money, or should do. I am talking about a sustained and business-like investment into human creativity, into ideas and into talent throughout the sector – architecture, fashion, design, craft, digital media, as well as music, dance, theatre and visual arts.

Currently in the UK the sector accounts for around 8% of GDP, not bad: but just think if national government could lead the charge to double that over five years to 16%, what kind of difference it would make overall to the economy, to jobs, to people's well-being, to society in general, to hope and opportunity for young people. Government doesn't have to run this (indeed it should not do so), but they have a distinct but circumscribed role: to understand, to nurture and to provide the framework for the sector to grow.

After all, in this dreadful recession what else are we going to invest in? Traditional manufacturing – yesterday's agenda, defence – I think not, banking and financials – they have failed us comprehensively on a disgraceful scale. We should invest in our capital infrastructure (roads and rail) of course, but it will be the connected agenda of richer education, creativity and innovation, new ideas, new creative industries on whatever scale, it is these which will drive recovery – AND improve our quality of life at the same time.

Politicians will argue all the time for evidence – like some Doubting Thomas's seeking to plunge their hands into the evidential wounds. To me the evidence is all out there, and the impact for the most part is long term and unmeasurable. (We always used to have the concept of "invisible earnings" in the UK...the creative industries are far from "invisible", but you get the point.) What this investment would take is visionary and sustained leadership by regions, by towns, by cities – and intelligent leadership by our national figures, unlike for example our Dutch friends, who seem intent on destroying their country's public arts sector with scandalous and foolish cuts, at the same time as bringing in a big policy on the creative industries. Not linked to the arts and education it is destined to fail...

And now is the time: when nothing else is working, when our national political leaders sit on their hands, now is the time to DO SOMETHING, trust in the creativity of your people and invest in the cultural and creative economies.

Trust in the individual – in artists, in creative entrepreneurs, and in audiences and consumers for their creative output. Trust in the power of education – refocus education systems around creative skills, arts and entrepreneurship in their broadest sense (how many more accountants and lawyers do we need for goodness sake), encourage partnership in whatever form (two is almost always stronger than one) in particular between the creative industries and those with proven business skills. And don't tie the sector in unnecessary regulation, because that will fail.

And please let us get on with it: as European citizens we are all becoming impatient. Culture is self-evidently the smart investment nationally and regionally and locally – but I don't see enough smart brains in government.

**Graham Sheffield, Director Arts, British Council**

