

**Creative cities & creative communities:
Challenges and opportunities for Romania & Serbia**

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ABSTRACT

It is obviously that all over the world, mostly after 2000, a new approach for urban development and for regional development emerges. We choose two countries (Romania & Serbia) taking into account also the idea that the two countries have old tradition in cooperation mostly within the areas near the borders where diversity and multicultural environment can allow more space for diversity management and for tolerance.

We hope our paper would be of interest for people participating on *the Regional Studies Association Conference 2010* because many urban economists like Florida and Landry consider that creative communities, creative mega regions and creative cities have an important potential to recover even during crisis time.

One of the main challenges for the creative communities and for the creative industry sector and for those who engage within is how to encourage longer-term growth of these small lifestyle businesses. It seems that there is quite difficult to identifying creative workers due to their diversity (understood in a complex sense, in terms of cultural diversity that is more relevant for creative communities than ethnic, religion or other way to look traditionally for diversity).

The paper is the result of a collaborative work within people coming from the east-central and south-east European countries (Serbia & Romania). A strong focus is given to *cross and multi-disciplinary approach*. Two of the authors are residents of Romania and one is e this topic is quite new for the two countries. Examples of best practices are included.

Key words: creative cities, creative communities, creative economy, urban development, regional economics

JEL Classification: R11, R58, R59

1. Introduction – the necessity to promote, implement and develop the creative economy during crisis time

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The global crisis that has made its presence felt since 2008, has already affected to a large extent all sectors of activity, regardless of country, region or continent. It has not avoided the creative sector or creative domains. Despite the potential of the creative economy to generate wealth and create jobs and growth, the creative economies must face the same threats that all economies face. The question is to what extent it affected the creative sector and what are its prospects for development in today's context.

As the global crisis affected without exception all areas and industries of the economy, the creative economy could not avoid this major global change. The current social and economic landscape could be described broadly by the disappearance of a large number of jobs and the remaining being at risk, businesses which go bankrupt, owners that move etc. All these phenomena occur simultaneously worldwide in all industries.

Moody's (Economy.com) published a report on the recent economic activity in the United States of America. The report investigated 381 metropolitan regions, out of which 302 were already in strong recession and 64 were at risk of recession. When the research was conducted, only 15 of those 381 regions were still experiencing economic growth. The regions which were the least affected, according to the survey, were those regions rich in oil and other natural resources (e.g. Texas and Oklahoma), who were *saved* by declining energy prices. As well, the Washington DC region still provides and creates new jobs in law and administration, due to nationalization of financial companies and fiscal expansion (Florida, 2009). At the opposite pole are the regions less associated with massive funding, which are most affected by the crisis.

In this context, sooner or later, all world regions will be affected by the recession, to some extent and for a certain period. As the crisis deepens, some regions will be more affected than others. Moreover, it is likely that certain regions or cities will fully recover, reaching back their past performance, and others not to come back ever again. One thing is certain, however, that the world economy is deteriorating, and the response of different regions to these new conditions is various.

Similarly, *The Big Economic Crisis* or the *Great Depression* of 1929 began as a banking crisis caused by insolvent mortgages and complex financial instruments. Soon, however, the effects of this crisis widened and affected even the real economy, giving rise to a very high rate of unemployment (e.g. unemployment rate in New York was 25% and in some countries exceeded 30%). At that time, the oil industry, building railways and the steel industry were well developed. This is the context in which appeared *the dawn* of a new period of innovation and industrial growth. A similar opportunity may be identified today for the creative economy, since it can play a key role in the current crisis, its ability to revitalize, which was already proven during the periods of growth and expansion.

One of the root causes of the crisis is the increasing difficulty of the West to offset internal exhaust by attracting resources from other parties. Exhausted, the West founded the globalization of markets (especially financial markets) to attract resources from elsewhere, enabling it to maintain the same standard of living, but created a financial bubble at world scale.

Everybody was interested in the fictitious and uncontrolled growth that was going: on the one hand, Western economies could maintain their growth, governments assured full employment today with the money of the tomorrow taxpayers, companies provided the required products without increasing the wages, employees were finding jobs, shareholders were getting significant value gains, the poorest had access to housing, banks gained enormous profits, United States effortlessly maintained their supremacy, the southern countries were involved in the growth with the help of U.S. imports and the world financial system stored much of the world added value.

The creative economy combines creativity with the commercial sense and research. The development of creative businesses is directly linked to the dynamics of the *new economy*, which becomes informational, global or networked. The new economy is based on knowledge – intellectual property – and contributes to the welfare of a nation. If the cultural industries were not substantial sources of revenues and economic growth before, during the past few decades they led to the revival of many European regions where the traditional industries had disappeared and left behind a desert landscape and a decaying society. It is the case of *Newcastle-Gateshead* urban conglomerate in Great Britain, former mining region; at present, this region is flourishing due to the development of the creative industries, and examples can be offered from many other geographic regions in this respect. It was thus proved that the creative economy has a major role in any society through social inclusion, urban regeneration and personal motivation they generate. Hundreds of years before art and culture did not represent productive activities, even though they used to have intrinsic value. Gateshead and Glasgow placed the creative industries and the cultural activities at the centre of their development strategies.

2. Creative cities, creative communities and creative regions – people and places that fire the engine of the entire economy – revitalization power

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While the concept 'creative' is ubiquitous in everyday life, the concept of a creative city reflects a variety of examples with special applications of creativity to urban economic progress. For purposes of this writing, the creative city will be viewed as engine for creative regions and as a general movement that uses the application of this concept primarily in the revitalization of cities and whole regions in terms of strengthening the competitiveness of cities that are based on creative community potentials.

The city in the 21st century takes precedence in terms of the number of residents who live in it. Certain sociologists who deal with the phenomenon of the city go so far as to claim that the global society in the 21st century is going through great paradigmatic change, because it is making a transition from a society of the national state to a society of the city. Cities have always been and still are the focus of modern society and they are socially, culturally and economically dynamic entities and they are the engines of regions where they are placed. One of the ideological mantras of globalization is that it does not matter where you are. The technology is "*aligning*" the playground-market and the world has become flat global village.

Some authors as Pine and Gilmore (1999) argue that increasing competition in the market means that 'goods and services are no longer enough' and that producers must differentiate their products by transforming them into 'experiences' which engage the consumer. Today's global economy has its "*peaks*" of experience. Moreover, the highest "*peaks*" of experiences are cities and regions that are drivers of world economy, those that attract talented, educated people from all over the world, generate knowledge and largely contribute to global innovation, and each are very closely related activities of a group of people by Richard Florida, urban theorist, called "*creative class*." The main sources of the creative potentials in cities and regions are their people. What makes the creative city? It is people - people interacting with people (Hawkins, J., 2002).

Today, we need creativity to be able to connect, collect and measure the impact of different spheres of life for a holistic understanding of the city i.e. how it materially affects our perceptions, in order to grasp the delicate ecological system of our lives and make it sustainable. We need, in other words, the skills of a broker, a person who thinks through several disciplines, which is in a network and connects - we need '*softer*' *skills*' (Landry, Bianchini, 1995).

Contemporary cities see their development through different models: intercultural city, environmental city, green city, slow city, cool city, etc. All these models are linked to changes with the economic and social aspects of the city starts from creative individuals and independent organizations to different administrative and policy systems.

Creativity is available to each city through their creative individuals and if the city promotes creativity and enables those individuals to show in public their creativity the city space would be enriched and more creative. Creativity is not a concept that can easily be caught. According to this in some cities and countries that are still going through transition and that are struggling with basic problems as it is lack of infrastructure and lack of sources for serious social problems, creativity is hardly acceptable. Although creative solutions usually cost very little they have big effect that shows example from the world such as Montpellier (Landry, 2000)

3. Networking in the creative economy. The role of new technologies for a global creative economy market

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For ten centuries, Europe and then America and Japan were able to mobilize to their advantage four necessary elements of any material development: population, technology, economy and raw materials. Thus, Western towns got all the resources and technology. It is the case of cities such as Bruges, Venice, Antwerp, Amsterdam, London, Boston and New York. Later, California was able to mobilize many talents, capital and raw materials. In 2006, foreigners who have come here made up one quarter of the total number of patents and more than half of *start-up* sites created in Silicon Valley in the period 1995-2005 were set up by the newcomers in the U.S.

The situation began to change, however, since those coming from other parts of the world, which until then had brought their talents and resources in the West, began to migrate to other regions, including to their regions of origin.

To prevent this phenomenon, the West would have to find its demographic forces, intellectual and ideological or pull resources in a profitable manner from elsewhere. Emphasis must be placed both on the creative economy in a broad sense but also in areas such as nanotechnology, biotechnology, information technologies and cognitive sciences and neuroscience, future areas that may develop only in interdependence, since there can be no genetics without information technologies; there are no nanotechnologies without biotechnology, there is no traceability without nanotechnologies, biotechnology and information technology; biotechnology cannot exist without robotics and nanotechnologies, and neuroscience cannot exist without the others. This accumulation will produce an exponential progress, while other technologies can occur simply by combination of existing technologies.

These techniques will revolutionize the practice of many industrial and service sectors, particularly regarding health, education, media, banking and consulting. These technologies bring about, however, ethical problems, because of the uncertainty about their impact on human nature and democracy. For example, carbon nanotubes could have a devastating impact on human cells, genetically modified organisms may have an irreversible effect on the structure of DNA, and tracking tools could become instruments of political control that could undermine democracy.

Many big cities are the venue of a diverse and innovative economy, built around a wide range of creative industries: advertising, architecture, art and antiques market, crafts, design, fashion design, film, interactive leisure *software*, music, television and radio, stage arts, publications and *software* production. High technology companies are the most illustrative example of innovative and creative diversity of these cities, whose growth is largely due to creative economy. For example, Richard Florida's studies and measurements have shown that New York City is a veritable *Mecca* for fashion designers, musicians, filmmakers and artists rather than specialists in finance, for example. According to Richard Florida, the first who saw in the various economic and social structures the true engine of growth was urbanist Jane Jacobs. Jacobs considered that *congestion* and gather hood in one place of several professions and types of people are a key source of innovation, the capacity of making really new things, which in the long term, can preserve the capacity and power cities. *When a place gets boring, even the wealthiest will leave it.* Accordingly, the current crisis may serve as an opportunity for creative economy to play its *revitalizing* part in the cities and in the creative regions potential of which is higher than usual potential sites. In such places, the creative economy can stimulate growth by attracting investment and talent. Currently, we are already witnessing the decline of old consumer combinations car-house, which was the basis for post-war growth. Instead, new consumer trends and lifestyles appear.

In November of 2008, unemployment in the production domain of the United States reached 9.4%. By contrast, unemployment among creative people with liberal professions was much smaller, about 3%. Thus, the number of jobs in the *tangible* sector (production, construction, mining and transport) decreased by approximately 1.8 million during December 2007-November 2008, and the number of jobs in the *intangible* sector (Scientists, engineers, managers, specialists in various fields, etc.) increased by over 500,000.

In Richard Florida's view, this is the era of emerging *mega-regions*, which focuses on housing market affordability and creative talent from several specific areas. The same author believes that the current crisis is affecting differently the three social *classes*: *working* class, *service* class and *creative* class. Those who are part of the first two categories are often tied to a job or region because of skills, while the creative class members can deal with current changes and prosper due to their flexibility. Credit crisis is part of a succession of crises: advertising bubble, bubble Internet / dotcom, and now the credit crisis. All these bubbles generated fictitious wealth. This is why people should become aware that true wealth is found in arts and culture. The solution Florida proposed is not the return to the original situation, but consists in building a creative new and sustainable ecology, to improve the present situation in a new and creative way. In this process, the creative class can play an important role of catalyst.

Richard Florida argues his theory using the example Ontario provides. Despite the general economic decline, Ontario had a positive development because of the transition from work based routine to creativity. Routine activities, which are mainly based on physical ability or on the opportunity to follow a specific mechanical process, can be carried out much cheaper in emerging economies, but will not stand in developed economies. Ontario has not yet reached the development potential of creative economy. Although the province has a well qualified workforce, business and industry worldwide, excellent universities, cities and large parts and a culture that emphasizes openness, diversity and social cohesion, it experiences the difficulties in building capacity to compete in this creative era. Ontario benefits from many creative people involved in creative fields, but are not rewarded to the extent that are rewarded those in the most developed states of USA. The author proposes the following recommendations for *Ontario in the context of the Creative Age* (<http://martinprosperity.org/research-and-publications/publication/ontario-in-the-creative-age-project>): Encourage the creative potential of its people, enhancing creativity in all activities, including as many people in creative activities, strengthen the creative abilities through the education system, promote Ontario as a creative province, transforming diversity in the foundation of economic prosperity, attracting talent in Ontario, strengthening managerial skills, establish new social *safety nets* ; development primarily small individuals during childhood, investing in skills to newly arrived immigrants, the general strengthening of the mega-region, investment in connectivity.

These recommendations can be followed by other countries, regions or economies. In other words, creativity, skills, diversity, talent, entrepreneurship, tolerance, education throughout life, early education and openness are the answers that can make a difference in this period of uncertainty and instability, together with the potential of creative economy and creative class. People do not need to look for bubbles of speculation or other income generating worthless, but to increase creative potential. While the once thriving and prosperous regions are now in decline, welfare and economic revitalization depends on the creative economy. Creative economy and creative class are protected from the effects of the deep crisis, unlike the well-being created in the traditional industrial system or between bubbles.

4. The stakes of the creative economy in the emerging countries of Southern and Eastern Europe.

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In Romania, the concept of creative economy, as well as the one of creative industries and cities, is still at the beginning of its research; there are no broad researches or specifically focused works on this topic, as it is the case in those countries that initiated and promoted this concept. The existing statistics at national level in Romania do not allow a fine and precise classification that outlines the creative industries exclusively as it is the case in Great Britain and Australia. Rather, activities in Romania are divided according to a broader classification. Thus, several blooming creative activities in Romania cannot be separately analysed due to the classification procedure and statistical reporting. The general conclusion regarding the creative economy and industries in Romania is that the structure of classification of the economic activities in Romania does not particularly focus on them.

Actions aimed at developing Romanian creative economy and creative cities must take place in a wider context, an *international* one, in the South-eastern Europe space or even in the European Union. Nordic countries are the most eloquent example of such cooperation among nations, which can only lead to the development of the creative economy and cities.

One Romanian town – *Iasi* – was *elected the creative town in Romania*. In Serbia, the creative town is *Novi Sad*. This project was part of a larger *Central and Eastern European programme*, conducted by *the British Council*. The purpose was actually to map the creative industries in this creative town in order to create awareness about these companies and bind them all in a network.

The measures taken in Romania in support of the creative industries are not part of a national strategy or policy. However, there have been several incentives for the software industry for some years whereby the profit was not taxed on such activities. Moreover, the crafts are supported by a national programme whereby craftsmen can benefit by financing provided the activity remains basically and mostly manual and it preserves the traditions.

In *Serbia* the concepts of the creative economy and creative cities are still at early stage even though there is a time of discussing the creative economy on a highest level in the country. In 2002, the *Ministry of Culture* in Serbia set up a *Working Group* to examine policy issues regarding the development of the cultural industries. This issue is very important because of Serbian future membership of the WTO (World Trade Organization) and also because of the potential of the cultural industries for future economic development in Serbia. A statement provided by the Serbian Ministry of Culture has been included in a Memorandum on Trade to the WTO (*Cultural Policies and Trends in Europe*: <http://www.culturalpolicies.net>). However, the cultural industries and the media have not been included in a 2002 strategic document by *the Serbian Ministry of Science, Technology and Economic Development* for the period up to 2010.

Therefore, one of the main tasks of *the Working Group of the Ministry of Culture* is to raise awareness and lobby for the inclusion of the culture industries in that document as well as in other strategic documents of the Serbian government, e.g. on small and medium-sized enterprises, etc (Cultural Policies and Trends in Europe: <http://www.culturalpolicies.net>). Exploitation of knowledge and creative skills is one of the most lucrative industries in the world, the only problem is that *in Serbia and Romania* it is not easily converted into capital. Lack of awareness of the importance of creativity in companies on the one hand, and outdated education system that does not encourage the development of creativity, on the other hand, are the main problems of the creative industries in these countries, participants emphasized the forums. According to Alexander Đerić from the academic groups "*Academica*" Serbia lost its own creative capacity in emigration of creative citizens to other countries. One of the big problems is that the public sector consumes 90 percent of the capital, and there are political influences without which one cannot prosper in market (Blic online news <http://www.blic.rs>). However there are some good examples of partnership between the creative and the business sector; for example *Telenor* in Serbia has enriched the business space of the company with art works of Serbian artists. *Now Telenor* has the art collection (160 works from 60 artists) exhibited throughout Serbia. On the packaging of their phone packages, there are murals of Serbian artists. Also there are quite a number of events that have been promoting the importance of creativity in business and environment. One of them is creative festival "*Mikser*" in Belgrade that will take place in May 2010. Unlike the global metropolis where the abandoned cities' sites converted to pulsating cultural entities like for example previous distillation factory in Toronto that is now turn into artistic part of town with famous '*Soul and paper Theater*', Belgrade has many industrial sites that are empty and uninhabited. '*Mikser*' is a *festival of creative industries*, centralized multi-disciplinary exhibition events, exhibition space and a platform for the presentation of the latest products and materials of domestic and foreign producers, and projects of innovative companies that include various forms of creativity and social responsibility in their business (www.mikser.rs).

The new technological conditions consisting in more powerful and cheaper technology enable learning, consumption and creation processes of virtually anything. Under these conditions, the public becomes more demanding, but also more creative. Whence the change in the consumer's behaviour: consumers experiment creative products by way of the demand they express; increased consumer diversity needs to meet requirements pertaining to: ethnicity, gender, age, religion, cognition, thus generating competition; demand for the creative products is highly uncertain because products are experimental and there is no available information about them a priori, while the obtained utility is subjective and intangible; consumers have become richer and better educated and have developed a taste for individualised, customised products.

Thus, *creative people* have an opportunity to start a business as a result of their will of creative expression that the public requires and consumes. A main advantage of these industries is provided by the relatively reduced production, as well as by the amateur character of the existing production.

5. Attitudes towards Creative Industries in Romania & Serbia

Our research is a pilot research dedicated to compare results among Romania and Serbia with respect to people attitudes regarding creative economy, creative industries and creative communities and how these are expected to develop in future. The most important *objective of our survey* was to identify the knowledge and attitudes towards present stage of creative industries in the two countries Romania & Serbia.

Methodology: From a methodological point of view we applied a similar survey with quite the same questions both in Romania and Serbia. The survey was posted online and it was conducted in both countries during the same period, between March and April 2010.

Target group of people and place where the survey had been conducted

- For both countries all the respondents come from urban areas. We chose important places, like *Bucharest, the capital of Romania* and *Novi Sad, the capital of Vojvodina, Northern Serbian province*.
- All the respondents are presently enrolled in higher education institutions. The target group include in both cases people who have decided to follow an economic career in both countries: *Business Administration* for Romania and *Management* for Serbia.
- Regarding *the age structure of the respondents*:
 - in Romania there had been included young people between 18 and 30 because they seem to be much more open to the idea of implementing the creative economy principles in the economy.
 - In Serbia the survey include a more diverse category of people, regarding the age structure, from 22 to 52 ages. In Serbia the average age of examinee is 30,7.
- The professions of the respondents cover a very wide range of qualifications.
 - In Romania the professions of the respondents include: programmers, engineers, civil servants, PR and communication specialists, journalists, economists, teachers and professors, tourism agents, linguists, architects and free lancers.
 - In Serbia the professions of people who participated in survey are different: journalists, chemists, administrative workers, economists, clerks, etc.

5.1. The case of Romania

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In view of evaluating the climate of the Romanian economy for developing the creative industries, the attitudes of consumers and potential consumers have to be analysed and known with regard to these industries. To this purpose, we has been carried a study on a sample of 106 young persons, aged between 18 and 30 (the average age of the respondents is 22.6 years).

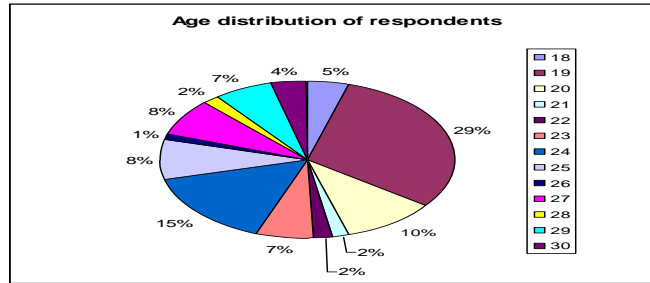


Figure 1: The age distribution of respondents in Romania

The reason why the study was carried on young people is that, usually, youngsters are *more open to novelties* and because the creative industries represent one of the sectors with the most dynamic evolutions and unique traits, such as a priori and experimental consumer demand and the need to create one's own identity by consuming cultural and/or creative goods etc.

The respondents all come from *urban areas* and are holders of Baccalaureate (53.77%), Bachelor's degree (30.19%) or master's degree (16.04%). Moreover, 50.94% of the respondents are presently enrolled in higher education institutions.

The *professions of the respondents* cover a very wide range of qualifications, such as: programmers, engineers, civil servants, PR and communication specialists, journalists, economists, teachers and professors, tourism agents, linguists, architects and free lancers.

Out of the total number of respondents, 78.3% consider that people, irrespective of their gender, are potentially equally creative, while 16.98% consider that women are more creative and only 4.72% believe men are more creative than women. *No correlation has been found between the gender of the respondents and their attitude towards the potential creativity of genders.*

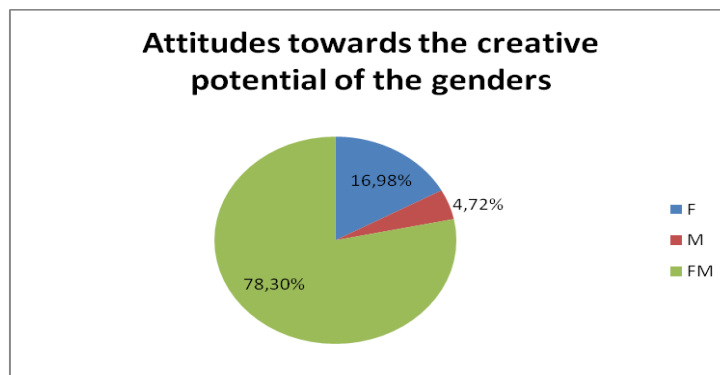


Figure 2. Young people's attitudes towards the creative potential of genders in Romania

When asked whether they had ever trespassed upon other people's intellectual property rights through replication, imitation, forgery, unauthorised use, piracy and other similar procedures, 24.53% said they had not resorted to such practices, while the wide majority (75.47%) admitted having violated intellectual property rights through one or more possible ways.

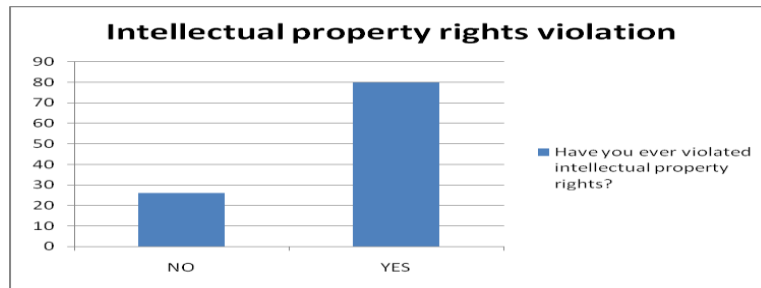


Figure 3. The situation of intellectual property rights violation according to the Romanian answers

One first conclusion is that the lack of gender discrimination on behalf of the population represents the proof of their *openness and tolerance*, which, in Richard Florida's (Florida 2002) opinion, is crucial for the existence of the creative industries. On the other hand, the environment for such creative activities is not quite favourable because illegal consumption of creative products (other than acquisition and payment) draws the impossibility to consolidate producers in this sector.

Using *the British classification of the creative industries* (advertising, architecture, arts and antiques markets, crafts, design, designer fashion, film, interactive leisure software, music, television and radio, performing arts, publishing and software) the respondents were asked *to score each of these industries* with a mark ranging from 1 to 10 (1=the lowest mark; 10=the highest mark) in order to evaluate the creativity and flexibility of the activities implied by each of the industries. Below are the scores obtained by each of the creative industries, as well as some other comments.

Table 1: Evaluating creative industries from the perspective of creativity & flexibility of the activities involved

Creative industry	Creativity average score	Creativity modal	Creativity median	Flexibility average score	Flexibility modal	Flexibility median
Advertising	8.66	10	9	8.58	10	9
Architecture	8.22	10	9	6.36	8	7
Arts and antiques markets	6.21	8	7	6.03	7	6
Crafts	6.51	6; 7 and 8	7	6.34	6	6
Design	8.85	10	9	8.29	9	9
Designer fashion	8.39	10	9	8.23	10	9
Film	8.36	10	9	7.77	8	8
Interactive leisure software	7.30	8	8	7.35	10	8
Music	8.16	10	9	8.18	9 and 10	9
Television and radio	6.78	7	7	7.16	8	8
Performing arts	8.08	9	8	7.40	8	8
Publishing	7.21	8	8	6.93	8	7
Software	7.31	10	8	6.55	7	7

- One can notice that the highest average score for creativity is obtained by design (8.85), followed by advertising (8.66) and designer fashion (8.39).
- At the other side, the industries with lowest average scores are arts and antiques markets with 6.21, crafts with 6.51 and television and radio (6.78).

- The modal value 10 (the most frequent score for the industry) was obtained by advertising, architecture, design, designer fashion, film, music and software.
- The modal value 6 (as the most frequent lowest score) was obtained by crafts.
- As for 9, the maximum median score, the best performers in the youngsters' opinion are advertising, architecture, design, designer fashion, film and music (industries for which the modal value is 10).

From the perspective of the flexibility of the activities involved (rapidity to adapt to changes on the market, flexible types of employment, location change without bringing prejudices to the industry etc), youngsters scored advertising best (8.58), followed by design (8.29) and designer fashion (8.23). With very slight differences for the first two places, these are also the best performers at creativity. The modal value 10 (the most frequent score for the industry) was obtained by advertising, designer fashion and music; these industries had the same position for creativity as well. The modal value 6 (as the most frequent lowest score) was obtained again by crafts. As for 9, the maximum median score, the best performers in the youngsters' opinion are advertising, design, designer fashion and music; all except design obtained 10 as modal value. Also, the creative industries have been ordered hierarchically, according to how necessary their products and services are for the personal consumption. The hierarchy established is the following: music; software; television and radio; publishing; film; designer fashion; design; architecture; advertising; crafts; performing arts; arts and antiques markets; interactive leisure software.

Labelling an industry as being *cultural* or not is quite difficult. Some industries are cultural by excellence; others are to be found *at the boundary of culture*, if culture is deemed in the traditional way. The opinions of the respondents have highlighted that performing arts are considered by 94.34% of them as being cultural industries as well (figure 4). Performing arts are closely followed by music (87.74) and film (80.19%). At the opposite side are to be found advertising (7.55%), software (6.60%) and interactive leisure software (2.83%).

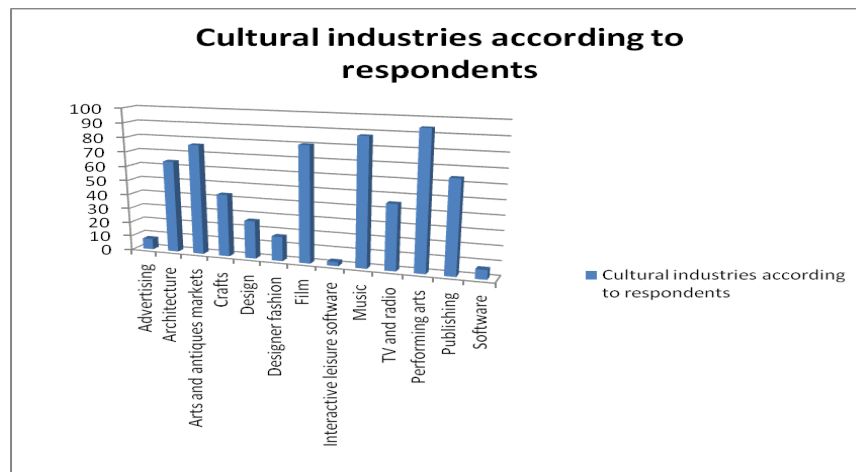


Figure 4. The degree to which respondents consider the creative industries to be cultural

From the perspective of the money spent on creative products (goods and services belonging to the creative industries under study), this research reveals the fact that an average of 20.59% of the monthly family budget is directed towards such destinations. The most frequent answer (modal) was 10%, while the median value was 17.50%.

79.25% of the respondents considered that they had the necessary skills to work in one or more of the creative industries under study. The youngsters mentioned that they wanted to work in one or more of the creative industries to the same extent (79.25%). However, not all those who said they have the necessary skills to work in one of the above-mentioned industries said they would do; there are persons who admitted not having the necessary skills to work in any such industry, but they expressed the opinion that they would like to work in such fields. The others considered they did not have the necessary skills, and as a consequence, they would not want to work in any of the creative industries under study.

78.30% of the young persons comprised in the study mentioned *what the most attractive creative industries are* at present.

The most frequent answer was advertising, given by 55.42% of the respondents. Following advertising, but still very far behind it are design with 21.69% and architecture with 20.48%. At the opposite side are to be found the least attractive industries for a job: interactive leisure software (1.20%), crafts, arts and antiques markets (both with 3.61%). In justifying their choices for one industry or another, the youngsters offered answers such as:

- the *creativity* and *originality degree* implied (55.56%);
- *passion* for these industries (34.57%);
- the necessary *talent* and skills (14.81%);
- the *flexibility degree* implied (12.35%);
- the challenging nature of the industry (11.11%);
- financial reasons (7.41%);
- the industry represents the person (4.94%);
- the necessity of the industry for the society (3.70%);
- the satisfaction obtained by doing such activities (2.47%);
- the responsibility required (2.47%);
- fame (1.23%);
- other reasons (30.8%).

In the respondents' opinion, the most developed creative industries in Romania are television and radio (20%), advertising (17%) and music (16%). All the other industries were chosen by fewer than 10% of the respondents.

What is more, 41% of the respondents consider that Romanian creative industries are competitive at European or world level, while 35% consider that they are not. The remaining 24% said they do not know where the Romanian creative industries stand. The reasons given for the competitiveness of Romanian creative industries were: Romanian culture, the ability to find practical solutions to problems, the originality of people, the quality of our products and/or services and the fact that Romanians live in a region with spirituality and history.

Nevertheless, 91% of the respondents have no knowledge of any policies aimed at supporting the creative industries in Romania.

The main conclusion that can be drawn is that *the nature of the activity itself* represents the main argument for a possible option of working in the creative industries. Passion for these industries, the talent and skills possessed, the flexibility of work in such fields, as well as the challenges faced are other reasons invoked.

Financial reasons, though, come well behind. It is once again proven the theory according to which creative workers or the creative class are motivated first of all by the nature of the work, passion for this type of activities. As a consequence, the activities considered to be most creative and flexible are *advertising, design and designer fashion*, while the majority of the attitudes towards industries like arts and antiques markets and crafts are totally different.

5.2. The case of Serbia

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A survey was carried out in Novi Sad, the capital of *Vojvodina, Northern Serbian* province. It took place in March and April 2010 among people who already have a job, but are involved in improving their education on higher level at the Faculty of Management at three departments: media, informatics and operational management. Although the survey was supposed to be an online one, we did a personal survey because we also wanted to see to what extent the subjects have been actually familiar with doing online surveys since it is not often case in Serbia. The number of respondents is not big but this is a pilot research to show trends and compare results between Romania and Serbia for now and it will be developed in future. The content analyses of the surveys were used to identify the knowledge and attitudes towards the present stage of creative industries in Serbia.

A number of 47 subjects participated in the survey people aged between 22 and 52. The average age was 30.7. Among them 60% are women and 40% are men.

The professions of the people who participated in the survey are different: journalists, chemists, administrative workers, economists, clerks, etc.

Around 53% of the respondents consider that men and women are equally creative 53%. The women are more creative than men with 44% answers, and men are more creative than women with only 3% of the answers.

The term 'creative industry' is not known to 25% of the respondents and those who know what are creative industries are 59% but they are not sure completely.

At the question - have you ever breached intellectual property rights? 68% of the respondents answered 'yes' and 32% said 'no'. For the question 'have you ever been a 'victim' of being stolen your intellectual property' 58% said 'yes' and 42% said 'no'.

The respondents were asked to rate the creative industries below according to the creativity degree they assume they imply (1-least creative; 10-most creative). The results obtained were: Advertising 7.63, Computer and video games 7.14, Designer fashion 7.72, Performing arts 8.68, Television and radio 7, Architecture 7.09, Crafts 7.07, Film and video 8.04, Publishing 7.54, Art and antiques markets 4.71, Design 9, Music 8.31, Software 7.81.

As for the degree of necessity of their products and services for their own consumption (1-most useful; 13-least useful) the following average scores were obtained: Advertising 9.83, Computer and video games 3.25, Designer fashion 8.50, Performing arts 7.34, Television and radio 8.36, Architecture 8.85, Crafts 4.25, Film and video 7.58, Publishing 8.03, Art and antiques markets 6, Design 7.32, Music 9.46, Software 7.80.

The respondents consider that performing arts, music, and publishing are cultural industries (98%). There are other cultural industries as well in their opinion: film and video and crafts (70%), design (60%) and architecture (42%), art and antiques markets (39%); the other creative industries are not considered to be very cultural.

On the average, the respondents spend around 14% of their annual income on cultural and creative goods and services.

Those who have the abilities to work in one of the creative industries are twice more than those who do not have such abilities and they would like to work in some creative industry. Those who do not want to work in any creative industry claimed themselves as not competent for that or not creative.

In the respondents' opinion, the most developed creative industries are advertising, music, crafts, film and video industry and performing arts. No one thinks that art and antiques markets are developed in Serbia. Moreover, 80% of the respondents said the Serbian creative industries are not competitive at international level.

Asked whether they have knowledge of any laws and policies aimed at supporting the creative industries in Serbia, almost 70% gave a negative answer. We mention a few words regarding some of the creative industries with respect to laws and regulations:

- *Publishing* – there is a law about spreading information over media in Serbia. It is forbidden by law to write lies and not truth.
- *Culture* -there is a law in culture that considers solving problems in cultural field by institutions that are responsible for that.
- *Music* – *Law about authorization* – to stop plagiarism and misuse of creation. *Software* – law that considers licenses for original programs).
- *Software* -it is interesting that Serbia has recently been claimed to be champion in using pirate software and copying without authorization rights by *Business Software Alliance* (www.bsa.org). There is a fact that dealing with pirate software and music in Serbia is five times more profitable than dealing with drugs.

5.3. Conclusions for Serbia and Romania based on our survey

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The general conclusion regarding the creative economy and industries in Serbia and Romania is that the structure of classification of the economic activities in Romania does not particularly focus on them.

No correlation has been found between the gender of the respondents and their attitude towards the potential creativity of genders. Asked who are more creative, men or women: in Romania 78.3% consider that people, irrespective of their gender, are potentially equally creative; in Serbia 53% consider that men and women are equally creative; women are more creative than men (44%); men are more creative than women (3%).

Our study reveals the fact that there is no gender discrimination regarding the creative potential in Romania or Serbia, but confirms the violation of the intellectual property rights by the wide majority in both countries.

This study has also tried to identify if the people make the distinction among the various creative industries from the perspective of creativity and flexibility implied, whether they establish a hierarchy with respect to their usefulness and to what degree. As expected, it is often considered that some industries are more creative or more flexible than others – the scores obtained stand as a proof for both Serbia and Romania. Or, in other words, all the industries under our study seem to be creative in their own way, without being able to say with certainty that some are more creative than others. In Romania the highest average score for creativity is obtained by *design* (8.85), followed by advertising (8.66) and designer fashion (8.39). In Serbia the most creative industries are considered to be: *design* (9), performing arts (8,68), music (8,31), film and video (8,04). It's quite interesting that on the first position there is the design industry with quite similar score.

Given that some creative industries are also cultural industries, the survey was meant to explore which are the cultural industries in the respondents' opinion. In Romania *performing arts* is on the first position (94.34%) as being a cultural industry, followed by *music* (87.74) and film (80.19%). In Serbia the respondents consider that *performing arts*, *music*, and publishing are cultural industries (98%). There are other cultural industries as well in their opinion: film and video and crafts (70%), design (60%) and architecture (42%), art and antiques markets (39%).

In both countries people are willing to choose a career in the creative industries, whether or not they consider that they have the abilities to perform well in such a field. What is more, 41% of the respondents consider that Romanian creative industries are quite competitive at European or world level, while 35% consider that they are not. The reasons given for the competitiveness of Romanian creative industries were: Romanian culture, the ability to find practical solutions to problems, the originality of people, the quality of our products and/or services and the fact that Romanians live in a region with spirituality and history. In Serbia 80% of the responders consider that creative industries are not yet competitive at the European/world level.

A weak point for Romania is that people have almost no idea about any laws or regulations enforced for this sector, unlike the case of Serbia, where respondents could come up with some examples. At the question "*Do you have knowledge of any laws and policies aimed at supporting the creative industries?*" 91% of the Romanian respondents have no knowledge of any policies aimed at supporting the creative industries in Romania. In Serbia even 70% doesn't know any of them, some people have mentioned some examples.

6. Conclusions and recommendations

Creative cities are place of identity, sustainability of interventions and involvement of the population and they are fire engines for the creative regions.

In Serbia and Romania, the concepts of creative economy and cities are still in early developing stage and they are still based on enthusiasm of creative organization and individuals. The awareness of companies and individuals in majority is not high enough and creativity is seen as waste of money and time.

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