

CREATIVE CITY DEVELOPMENT IN THE LISBON STRATEGY: EVIDENCE FROM DUTCH ERDF ALLOCATION

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Abstract

Creativity is considered a main factor of urban competitiveness nowadays. However, while local policies increasingly reflect the ideas of Richard Florida, Charles Landry and others, the influence of the creative city concept on higher level policies is not clear. The paper takes this issue to the European Union's Lisbon strategy, intended to make Europe the most competitive economy by 2010. It addresses the questions to what extent the main characteristics of the creative city are part of the Lisbon objectives, and to what extent they are reflected by structural funds allocation. The first is analysed by confronting the objectives formulated in EU policy documents with the key elements of creative city development; the latter by means of a case study of the allocation of Dutch European Regional Development Fund (ERDF) expenditure in the 2007-2013 period.

Key words

Lisbon strategy; structural funds; creative city; innovation; the Netherlands

1 Introduction

The European Union is currently pursuing its Lisbon strategy, introduced in 2000 with the intention to make Europe the world's most competitive economy by 2010. However, as often with such long-term policy schemes, one may wonder whether the Lisbon strategy still reflects the state of the art in urban and regional economics. In that regard, this paper discusses particularly the extent to which the Lisbon strategy, and the way it is implemented, address the current debate on the creative economy.

Creativity is considered a main factor of urban competitiveness nowadays. The idea of economic growth based on creativity became popular among local policy makers in the US and Europe, partly due to the charisma and popular tone of some of its main advocates, Charles Landry and Richard Florida. However, not only is the creative city immensely popular among local governments, by its close connection to knowledge and innovation it also is related to some core issues of the Lisbon strategy.

Or is it? The Lisbon strategy mostly provides an ambitious framework rather than a detailed programme (Audretsch *et al.*, 2009:465). One of the ways it materialises is by means of the allocation of EU structural funds. In final instance, regional and local authorities decide on where to allocate these funds, on the basis of regional and local interests. Structural funds allocation, especially in urban areas, might therefore be expected to reflect the current popularity of the creative city concept. This is particularly true for the current 2007-2013 period, when the ideas of Florida and others may have sufficiently been sunken in to effectively influence policy-making. At the same time, however, regional and local policy-makers are bound to take into account the objectives set by the Lisbon strategy and the so-called Community Strategic Guidelines (CEC, 2005a) when they decide about structural funds allocation.

The above raises the questions to what extent the Lisbon strategy reflects the current debate on innovation and creativity, and to what extent structural funds allocation reflects local authorities' current involvement with the creative economy. This paper therefore addresses the questions 1) to what extent the main characteristics of the creative city thesis are part of the Lisbon objectives, and 2) to what extent they are reflected by the targeting of structural funds allocation.

The first is analysed by confronting the objectives formulated in EU policy documents with the key elements of the creative city thesis; the latter by means of a case study of the allocation of Dutch European Regional Development Fund (ERDF) expenditure in the 2007-2013 period. Although the relative importance of structural funds is small in the Netherlands, the Dutch case is particularly relevant to the questions mentioned above since Dutch structural funds allocation has a relatively strong focus on urban areas, and Dutch cities have been quite enthusiastic in adopting the idea of creative city development.

First, Section 2 discusses the background of the creative city concept, and the most important factors that define the success of creative city development. Section 3 elaborates on the background of the Lisbon strategy, its objectives and the way these relate to the key elements of the creative city. Section 4 then discusses Dutch ERDF expenditure from the perspective of the key elements of creative city development. Finally, Section 5 presents the main conclusions, as well as some issues for further discussion.

2 Creative city development

In the wake of the success of Richard Florida and others, the creative city has become highly popular among urban policy makers. Beyond the hype, however, the idea of economic growth based on creativity is a logical step in the evolving debate on urban competitiveness, knowledge and innovation, and as such the creative city thesis may be considered to have a lasting value also beyond its immediate popularity.

Indeed, the popularity of creative city development as an urban economic development strategy both in Europe and North America is partly explained by overarching processes of societal change that are beyond its emergence and are structural rather than momentary: economic (globalisation, service economy) as well as political (vanishing national borders), technological (ICT and transport), and socio-cultural (consumption) in nature. As a result, in advanced economies a consumer market has evolved that is driven by an increasingly diverse and volatile demand for goods and services. Particularly important is the consumption of symbolic values, experiences, diversity and authenticity of goods and services, but also urban spaces and atmospheres.

This implies that competitive high-cost urban economies, which cannot compete on mass products, have to focus on symbolic values. This requires a shift of their production structures towards knowledge-intensive and creative design activities with, moreover, a capacity for permanent and rapid innovations. Rather than being complementary, innovation and creativity now constitute the main activity of a broad range of industries. In this setting, creativity deals with the way innovations — in a broad sense — are being conceived. As creativity is embodied in persons, more than knowledge and innovation, the concept of the creative city emphasises the role of people as the crucial economic resource of cities today more than previous approaches.

The creative city thesis includes a variety of ideas. A fundamental distinction can be made between a business- and a people-oriented perspective. The first focuses directly on what we may call a creative production milieu: measures and conditions that are favourable for creative businesses as generators of jobs and money through creative activities. People-oriented policies, as promoted for instance by Florida, attempt to achieve the same goal, but by the circuitous route of improving the qualities of the city as a place to live that make creative talent decide to move to it. Thus, their primary focus is on the creative consumption milieu. This latter perspective has rapidly gained in importance in urban policy practice. It assumes that ‘if the people are there, the jobs will follow’, in the form of investments by existing firms that require creative workers to enhance their innovative capacity, but also of start-ups by young resident creative talents.

These two perspectives are not completely exclusive. Authors who apply a people-oriented approach generally acknowledge the importance of creative industries. Likewise, few authors applying a business-oriented approach deny the importance of ‘intangibles’ as a part of the creative industries’ location factors, even if they are quite critical towards the people-oriented approach itself. Some authors may be considered to occupy a middle position, for example Markusen (2004), who argues to focus on occupations rather than economic sectors or firms since this would provide better insight in the size of creative activity. The work of Florida (2002), which is predominantly people-oriented, also includes clear elements of the business-oriented approach; indeed, the people who work in these creative industries constitute the ‘creative core’ of Florida’s creative class. Creative city policy in practice also tends to combine both approaches.

The above dichotomy is useful primarily from a theoretical perspective, therefore: for economic performance, urban policy ought to combine both perspectives. Many cities do so, but with a tremendous variety of practices and successes. This raises the question what actually makes a creative city.

Key elements of the creative city

Based on a literature review on the creative city thesis, Trip and Romein (2009) distinguish a number of main success factors, or key elements, of the creative city (Table 1). Some refer mainly to either the creative production or consumption milieu, but most contain elements that refer to both and are indeed difficult to separate. This reflects the fact that working, living and leisure in the creative economy tend to be closely intertwined, as creative workers regularly work at home and use the same amenities both for their work and leisure. In terms of labour market and employment, the perspective depends on whether one applies the traditional idea of ‘labour follows capital’ or the ‘capital follows labour’ perspective advocated by the people-oriented approach.

These key elements reflect the growing importance of symbolic values and ‘experiences’ in the post-industrial economy. This applies mostly to the creative consumption milieu. Diversity, prevailing values and attitudes, and social tolerance and openness towards different kinds of people and cultures are important qualities of the creative city as a residential place. Creative people do not want generic ‘non-places’, but authentic places that are ‘unfinished’, to which they can add ‘something of their own’. Nevertheless, it also involves the production milieu. Creative activities require ‘buzz’ to obtain essential intangible and tacit knowledge of rapidly changing markets conditions, technologies, and required skills (cf. Scott *et al.*, 2001; Storper and Venables, 2002). This in turn requires liveliness and meeting places (‘third places’) such as

cafés and alternative book and record shops where entertainment merges with interchange of essential information and reinforcement of personal creativity. Again it becomes clear that as working, living and leisure in the creative city largely overlap, so do the production and consumption milieus of the creative economy.

Table 1: Key elements of the creative city and their main characteristics.

key elements	characteristics	production or consumption milieu
social climate	prevailing values and attitudes, social tolerance, openness towards diversity (e.g. gay and foreign-born population, subcultures)	both
buzz, atmosphere	face-to-face networks, tacit knowledge, street life, possibilities for unplanned encounters in 'third spaces'	production
labour market and employment	diverse pool of talented workers, amenities for vocational training (production), 'thick' labour market (consumption)	both
built environment, living and residential environment	diversity of buildings (production), vibrant street life, diverse, pedestrian-friendly public spaces, authentic neighbourhoods (consumption)	both
amenities	cultural festivals, outdoor sporting facilities, parks, education facilities, specialist shops, diverse cafes and restaurants	consumption
clusters, incubators spaces	affordable spaces, old industrial buildings, authenticity	production
policy, government and governance	creating conditions rather than detail planning, cooperation between local authorities, firms and interest groups	both

Source: based on a review of creative city authors by Trip and Romein (2009).

Some of the key elements mentioned in Table 1 concern rather elusive 'intangibles'. This raises the problem how we should measure for instance authenticity, social tolerance and liveliness, and to which extent policymakers and planners can actually create the conditions for creative production and consumption milieus to evolve. For example, policies that effectively curb trends in social climate are hard to design in the short term. Moreover, many of these factors can easily be 'planned away'. Finally, there is an element of path dependency involved in this. A creativity-friendly climate may be self-reinforcing, as it is likely to attract more tolerant and diverse people (cf. Kotkin, 2000; Florida, 2002; Trip, 2007).

After the creative economy has been an issue of debate for almost a decade, its influence on local policy is becoming manifest (Peck, 2005:740; Scott, 2006). Like the creative city thesis itself, creative city policies vary in intensity and focus. Moreover, it is easy to pay lip service to the creative city, providing an

image of change and activity while actually doing very little. Nevertheless, cities in the Netherlands and elsewhere have been implementing a wide range of policies that focus on popular culture, incubator spaces, street life and other key elements of the creative city. Policies mainly focus on the production milieu for creative industries in a narrow sense, however. Policies addressing the creative consumption milieu are less common and tend to be fragmented over various policy fields rather than integral (Trip and Romein, 2009). Nonetheless, on the whole it may be said that a considerable number of cities now actively address the creative city thesis in their urban-economic policies.

However, while the concept of the creative city is more and more being incorporated in local policies, its role in policies on a higher scale level is less evident. Nevertheless, it seems plausible that as regional, national and European policies also aim at the improvement of urban competitiveness, they should at least take into account the creative city as one of the most influential — or most-discussed — urban economic concepts of the moment. This seems particularly true for the Lisbon strategy, which explicitly acknowledges the role of knowledge and innovation in urban and regional development, concepts which are closely related to the creative city.

3 The Lisbon strategy

The Lisbon strategy (or Lisbon agenda) has been introduced first at the European Council in Lisbon in 2000 (CEC, 2000). It entails an action plan for economic development, induced by worries about the low productivity and economic growth (particularly in small and new businesses) in Europe relative to the US and Asia (cf. Audretsch *et al.*, 2009:463-4). Whereas the European welfare economy might be more sustainable in a socio-economic sense, it was considered to fall short on hard economic performance indicators such as productivity, employment and GDP growth (Rifkin, 2004:72-8; Faludi, 2007). Accordingly, the Lisbon strategy is best known for its objective to make the EU the world's most competitive economy by 2010.

However, in spite of these grand ambitions, progress initially was only very modest. Impressive as an overall framework, the Lisbon strategy was poorly connected to initiatives on the local and regional level (Audretsch *et al.*, 2009:482). In 2004 the Kok Commission reported on possibilities to revive the strategy (CEC, 2004) and make up for lost time. This was followed the next year by a memo from the European Commission, specifying the outlines for 'a new start for the Lisbon strategy' (CEC, 2005b). It states that in order to be more successful, the Lisbon strategy, and member states' actions in relation to it, need to be simplified and more focused, and support has to be mobilised within the member states, rather than merely at the European level (cf. Dierx and Ilzkovitz,

2006:44). This implies that it should also have a considerable influence on the allocation of structural funds.

Relation to creative city development

Although the Lisbon strategy focuses on competitiveness in a general sense, the European Commission also formulates three more specific objectives (CEC, 2005b:4): 1) to make Europe a more attractive place to invest and work, 2) to ensure that knowledge and innovation are the beating heart of European growth, and 3) to shape the policies allowing businesses to create more and better jobs.

Indeed, knowledge and innovation as sources of economic growth constitute a main pillar of the Lisbon strategy. As mentioned in Section 2, these are issues related to the creative city debate. The creative city concept as such hardly existed when the Lisbon strategy was first formulated, but it existed in 2005 when the Commission initiated a ‘new start’ for the strategy. The Lisbon strategy strongly emphasises innovation, but like a large part of the academic and policy debate — and like many authors on the creative city, including Florida — it focuses almost exclusively on technological innovation, particularly in the biotechnology and ICT sectors (cf. Musyck and Reid, 2007). It refers to the creation of a ‘European Institute of Technology’ and a programme of ‘European Technology Initiatives’ for cooperation between public authorities with industry (CEC, 2005b:8-9). This approach addresses only part of the creative economy, neglecting the importance of conceptual innovations in such creative activities as design, advertising, architecture and audiovisual industries. This is not to say that either type of innovation is more important in general; but in the high-cost service economies of most Western-European cities — in which the creative economy is de facto omnipresent, and has been so almost as a constant — non-technological innovation is a factor not to be ignored.

Another main issue in the Lisbon strategy is environmentally sustainable development, which is considered not a contradiction to economic growth, but rather a condition for or even a source of economic development. The Lisbon strategy has been followed by the Gothenburg strategy for sustainable development and the Leipzig charter for sustainable urban development, but neither of these has as yet been as influential as the Lisbon strategy. Moreover, particularly the Leipzig charter is probably too recent to be reflected in concrete policy initiatives. Nevertheless, this focus is relevant with regard to the creative city, particularly if the intention ‘to make Europe a more attractive place to invest and work’ would have been continued as ‘and to live’. In this regard the Gothenburg strategy, which focuses more on quality of life, may be particularly relevant in the longer term.

The Lisbon strategy is the result of an agreement between (at the time) fifteen member states, and as such it consists of compromises. The expected effects of the Lisbon strategy also differ between member states, according to the diverging economic and socio-economic situations (Gelauff and Lejour, 2005), and the focus of initiatives within the framework of the Lisbon strategy differs between member states also. The extent to which implementation of the Lisbon objectives specifically addresses urban-economic development in general also varies widely between member states, and between more or less urban areas within member states (Bachtler and Polverari, 2007:116); the Lisbon strategy does not specifically aim at cities nor at the creative economy, which was largely unknown as a concept at the time when the strategy was first formulated.

In short, the objectives of the Lisbon strategy do conflict with the key elements of creative city development, but there is no explicit relation. Much depends, therefore, on the way the Lisbon objectives are interpreted and implemented on lower levels.

4 Dutch ERDF expenditure

The national framework for Dutch structural funds allocation is constituted by the National Strategic Reference Framework (NSRF) and the National Reform Programme (NRP; Ministry of Economic Affairs, 2005; 2007a; 2007b). Concrete allocation of funds is organised on the regional level by means of four Operational Programmes: OP North (provinces of Groningen, Friesland and Drenthe), OP East (Overijssel and Gelderland), OP West (Noord-Holland, Zuid-Holland, Flevoland and Utrecht) and OP South (Zeeland, Noord-Brabant and Limburg). Together, these programmes cover the whole country. In addition, a national European Social Fund (ESF) programme exists. This is left out of consideration here, as it focuses on employment as such rather than competitiveness.

As Table 2 shows, total ERDF funding amounts to €80 million, of which OP West receives about one third. In the previous period (2000-2006), dedicated Cities and Urban II programmes paid specific attention to cities. These have now been included in the regional OPs, particularly in the OP West as a specific responsibility of the four main cities. This involves about one third of the total funding of OP West.

Indeed, with the exception of the relatively rural northern provinces, Dutch ERDF allocation focuses mostly on urban areas (Table 3). This would make sense if the allocation of funds does indeed reflect the increasing attention for creative city development. However, it does not say anything about the actual objectives of ERDF expenditure within these cities.

Table 2: ERDF Objective 2, expenditure per year for Dutch regions (million Euros, 2007 prices).

year	north	south	east	west	total
2007	30.7	22.0	22.1	36.8	111.6
2008	31.3	22.5	22.5	37,6	113.9
2009	31.9	22.9	23.0	38.4	116.2
2010	32.6	23.4	23.4	39.1	118.5
2011	14.0	31.1	23.9	51.8	120.8
2012	14.3	31.7	24.4	52.9	123.3
2013	14.6	32.3	24.8	54.0	125.7
total	169.4	185.9	164.1	310.6	830.0

Source: Ministry of Economic Affairs (2007a:47).

Table 3: Allocation of Dutch ERDF expenditure, 2007-2013, by territory type (%).

territory type	north	south	east	west	total
urban	50.0	67.7	90.0	85.0	85.0
rural areas	50.0	32.3	10.0	15.0	15.0
total	100.0	100.0	100.0	100.0	100.0

Source: regional OPs.

Table 4: Allocation of Dutch ERDF expenditure, 2007-2013, by priority theme (%).

priority theme	north	south	east	west	total
research and technological development (R&TD), innovation and entrepreneurship	49.0	33.0	33.0	40.2	39.0
information society	3.5	13.0	8.0	7.7	8.1
transport	5.0	-	14.5	2.4	4.8
energy	2.0	5.0	10.0	6.5	5.9
environmental protection and risk prevention	6.0	4.0	9.0	11.3	8.1
tourism	6.0	-	2.0	5.4	3.6
culture	5.0	-	5.0	2.9	3.1
urban and rural regeneration	10.0	30.0	4.0	10.6	13.5
increasing the adaptability of workers and firms, enterprises and entrepreneurs	1.0	-	2.5	1.1	1.1
improving access to employment and sustainability	2.5	6.0	3.0	2.9	3.5
improving the social inclusion of less-favoured persons	-	2.0	0.5	0.3	0.7
improving human capital	4.0	3.0	2.5	1.6	2.6
investment in social infrastructure	1.0	-	1.0	2.9	1.5
mobilisation for reforms in the fields of employment and inclusion	1.0	-	0.5	-	0.3
strengthening institutional capacity at national, regional and local level	-	-	0.5	-	0.1
technical assistance	4.0	4.0	4.0	4.0	4.0
total	100.0	100.0	100.0	100.0	100.0

Source: regional OPs.

Table 4 shows the allocation of ERDF expenditure according to priority themes, each of which consists of one or more priorities (see the Appendix). The analysis below has been based on expenditure data at this more detailed level of individual priorities. These figures concern the allocation of funds to priorities, rather than projects; individual projects may apply for subsidy only during the programme period. However, they provide particularly good insight in the focus and preferences of regional and local authorities.

The main focus of all regional OPs is on innovation, entrepreneurship and R&D, ICT technology (in line with the Lisbon objectives) and urban and rural regeneration (less so). Some regional differences may be noted, which partly reflect different regional economic and spatial structures, but sometimes also indicate a difference in approach. However, to assess the contribution of ERDF allocation to the key elements of creative city development requires a closer look at the priorities addressed in the regional OPs.

Contribution to creative city development

The question to which extent the Lisbon strategy itself corresponds to the key elements of creative city development has been discussed in Section 3. This leaves the question to which extent ERDF expenditure allocated within the framework of the Lisbon strategy addresses these key elements, and moreover, to which extent expenditure not earmarked to the Lisbon objectives is related to creative city development.

According to the aims set in the NSRF and the NRP, regional OPs must earmark at least 75 percent of the available funds to Lisbon objectives. These include research and technological development, information society, energy (as far as it concerns renewable energy), environmental protection (as far as it concerns the promotion of clean urban transport), increasing the adaptability of workers and firms, improving access to employment and improving human capital (see Table 4). In practice, earmarking of ERDF expenditure amounts to around 63 percent. This is compensated for by the much higher earmarking percentage of ESF funding, however, resulting in an overall score nationally for all structural funds allocation of over 80 percent.

The regional OPs explicitly state which priority themes have been earmarked to the Lisbon objectives. In contrast, their relation to creative city development had to be assessed by comparing them to the key elements listed in Table 1 (p.5). Some choices had to be made in this. On the whole, priorities in the field of research and innovation, stimulation of small firms and entrepreneurs have been considered to contribute to a creative production milieu, while priorities concerning ITC in a broad sense have been considered too general. Priorities that address the improvement of the environmental quality specifically within

cities (air quality and clean urban transport) and the preservation of natural and cultural heritage have been considered to contribute to a creative consumption milieu. The Appendix presents a complete list of priorities distinguished in the regional OPs, as well as their relation to the Lisbon objective and their assessed relation to the key elements of creative city development.

Table 5: Dutch ERDF expenditure, 2007-2013, earmarked to Lisbon objectives and contributing to creative city key elements (% of total expenditure).

	north	south	east	west	total
earmarked to Lisbon objectives	62.5	66.0	60.5	62.6	62.9
contributing to creative city key elements					
▪ production milieus	54.0	39.0	39.5	43.9	44.0
▪ consumption milieus	19.8	34.0	10.5	16.2	19.1
▪ total	73.8	73.0	50.0	60.2	63.1
earmarked to Lisbon objectives <u>and</u> contributing to creative city key elements					
▪ production milieus	54.0	39.0	39.5	43.9	44.0
▪ consumption milieus	0.5	4.0	1.0	2.1	2.0
▪ total	54.5	43.0	40.5	46.0	46.0
earmarked to Lisbon objectives but <u>not</u> contributing to creative city key elements	8.0	23.0	20.0	16.6	16.9

Table 5 summarizes the extent to which ERDF allocation addresses the Lisbon objectives, the key elements of the creative city, or both. It indicates that ERDF allocation addresses a creative production milieu much more than a creative consumption milieu, which reflects the general policy of Dutch cities regarding the creative economy. Moreover, those priorities that contribute to the creative production milieu all are earmarked to the Lisbon objectives also. In contrast, priorities that contribute to the creative consumption milieu are only earmarked to the Lisbon strategy for a very small part; in fact, this concerns clean urban transport only. Finally, funding to priorities that are earmarked to the Lisbon strategy but do not contribute to creative city development, listed in the final row of Table 5, concerns ICT, renewable energy and general labour market policy.

Assessment of regional OPs

The OPs North and South appear to put most emphasis on the key elements of creative city development. OP North focuses most on the production milieu, particularly on innovation, R&D and entrepreneurship. In this regard, it specifically mentions the role of the creative economy and creative start-up firms (OP North, 2007:17, 36); furthermore, it refers to the development of a creative zone in the city of Groningen (op. cit.:43). This is by far the largest city

in the region, and the only city in this region that is relevant as a creative city on a national scale. Regarding the creative consumption milieu, funds are allocated to the development of cultural infrastructure and the protection of cultural heritage. OPs North also puts a relatively large focus on urban and rural regeneration, but this is for a large part allocated to rural areas (op. cit.:38-40).

While the region south (especially the city of Eindhoven) is generally considered the most advanced concerning technological innovation and effective innovation policy, its allocation of funds to innovation and R&D is only modest compared to the national average. A considerable part of the region's R&D activities origin from the private firm Philips and its spin-offs, however, rather than from public funding. Nonetheless, OP South refers to the possibilities of the creative sector for innovation (OP South, 2007:66), particularly in industrial design, a counterpart of Eindhoven's strong technology sector (op. cit.:33). OP South focuses on the production milieu, therefore, but it also allocates most funds relatively to the creative consumption milieu; in fact the division between production and consumption milieu is almost equal here. This is mostly due to a strong focus on urban and rural restructuring — allocation to this priority is three times as much, relatively, as the 'urban' OP West. In connection to this, an attractive milieu for creative activities is considered a strength, and an opportunity, of the cities in the region (op. cit.:23-30). In contrast, OP South is the only one to almost completely neglect the other priorities that may contribute to the creative consumption milieu, such as cultural infrastructure.

OP West puts a relatively strong emphasis on priorities considered to contribute to the creative production milieu, particularly R&D and innovation. The OP stresses the opportunities for creative industries in the northern cities of the Randstad conurbation, Amsterdam and Utrecht, which are already quite strong in this respect at the moment (OP West, 2006:6, 13, 21-4). Creative industries in the southern part of the Randstad, Rotterdam and The Hague, are much less developed, and are not mentioned in the OP. This implies a clear choice for consolidation of current strengths (op. cit.:72). Priorities related to the creative consumption get less attention. OP West may be considered the most focused on urban development, since it includes the dedicated programme on urban areas and the Netherlands' largest cities. However, this hardly shows from the figures in Tables 4 and 5. Reference is made to the attractive climate for creative talent and businesses, particularly in Amsterdam (op. cit.:20). One might have expected somewhat more, however, in view of this city's leading position regarding the creative economy within the Netherlands, and the emphasis paid by the local government to the development of the creative sector.

OP East, finally, shows yet another profile. It focuses least on priorities considered to be related to creative city development, and most on priorities in

the field of transport (including freight transport) and renewable energy. Nevertheless, references to the creative economy are more frequent than in any other OP. Creative industries are considered to be promising especially in the cities of Arnhem and Nijmegen, whereas the relatively small size of the sector the other cities — and indeed the region as a whole — is regarded a weakness (OP East, 2007:13, 79-88). The presence of an attractive urban climate for creative talent is considered a strength (op. cit.:46), but like in the other OPs this hardly specified. Reference is made, however, to the role of creative entrepreneurs and incubator spaces in neighbourhood redevelopment (op. cit.:50).

5 Conclusions

The Lisbon strategy as such pays virtually no attention to the creative city, which was not yet well-known at the time the strategy was first conceived. Rather, it focuses on entrepreneurship and technological innovation, including the suggestion for a ‘European MIT’. Its focus on attractive cities is limited mainly to environmental quality and investment climate. Nevertheless, whereas the strategy does not specifically address the creative economy, its general objectives do not conflict with the key elements of creative city development.

The Operational Programmes that guide the allocation of Dutch ERDF expenditure are more recent and more regionally specific. It should be realized that the significance of the structural funds in the Netherlands is relatively small. As a result, Dutch institutions are less geared to EU programming periods, policy objectives and requirements of the structural funds, and tend to follow their own regional development discourse, applying fewer and ‘softer’ indicators than the somewhat technocratic approach favoured by DG Region. Nonetheless, in regional programmes too, there is a strong focus on technological innovation. Some reference is made to the creative production milieu, particularly to the consolidation and further development of creative industries in places where they are already strong. Attention paid to the creative consumption milieu is much less, however, and rather unspecific, and is found mainly outside the scope of the Lisbon objectives.

On the whole, attention paid in ERDF allocation to the creative city is incidental and fragmented rather than integrated and structural. Little attention is paid particularly to the elusive elements of the creative consumption milieu. However, this is not necessarily due to the limitations set by the Lisbon objectives, which in itself do oppose creative city development, although they encourage a focus on the non-creative production milieu. Rather, it reflects the lack of an integral creative city policy in many cities, where intangibles such as social climate and authenticity are partly underrated, partly ‘hidden’ in other

policy fields such as cultural and social policy, outside the direct focus of competitiveness policy.

The Lisbon strategy seems neither a major hindrance nor a great support for creative city development. But must this be all? Obviously the creative economy does not equally answer the needs of cities and regions over Europe, but this only suggests a broader and more region-specific objective. As it is, the Lisbon strategy strongly emphasises knowledge and innovation, but not creativity as the link between. At the same time, the main characteristics of the creative economy fit the socio-economic profile of Europe, which tends to value social sustainability and quality of life besides GDP growth. Europe seems particularly strong on such symbolic values and intangibles as design, heritage, authenticity, tolerance and social justice, that become ever more important as factors of hard economic competitiveness also, particularly in combination with knowledge and technology. The European Commission itself favours a more coherent long-term approach that takes into account the complementarities of different policy fields (CEC, 2005a:7). European involvement with the creative economy might therefore be more outspoken.

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Appendix: Priority themes distinguished in regional OPs, earmarking for Lisbon strategy (L) and contribution to creative production and consumption milieus (P/C).

Research and technological development (R&TD), innovation and entrepreneurship		
1	R&TD activities in research centres	L P
2	R&TD infrastructure and centres of competence in a specific technology	L P
3	Technology transfer and improvement of cooperation between SMEs, other business and universities, regional authorities, research centres and scientific and technological poles.	L P
4	Assistance to R&TD, particularly in SMEs	L P
5	Advanced support services for firms and groups of firms	L P
6	Assistance to SMEs for the promotion of environmentally-friendly products and production processes	L P
7	Investment in firms directly linked to research and innovation	L P
8	Other investment in firms	L P
9	Other measures to stimulate research and innovation and entrepreneurship in SMEs	L P
Information society		
10	Telephone infrastructures (including broadband networks)	
11	Information and communication technologies	L
12	Information and communication technologies (TEN-ICT)	L
13	Services and applications for the citizen (e-learning, e-inclusion, etc.)	L
14	Services and applications for SMEs (e-commerce, etc.)	L
15	Other measures for use of ICT by SMEs	L
Transport		
16	Railways	
17	Railways (TEN-T)	
18	Mobile rail assets	
19	Mobile rail assets (TEN-T)	
20	Motorways	
21	Motorways (TEN-T)	
22	National roads	
23	Regional/local roads	
24	Cycle tracks	C
25	Urban transport	
26	Multimodal transport	
27	Multimodal transport (TEN-T)	
28	Intelligent transport systems	
29	Airports	
30	Ports	
31	Inland waterways (regional and local)	
32	Inland waterways (TEN-T)	
Energy		
33	Electricity	
34	Electricity (TEN-E)	
35	Natural gas	
36	Natural gas (TEN-E)	
37	Petroleum products	
38	Petroleum products (TEN-E)	
39	Renewable energy: wind	L
40	Renewable energy: solar	L
41	Renewable energy: biomass	L
42	Renewable energy: hydroelectric, geothermal and other	L
43	Energy efficiency, co-generation, energy management	L
Environmental protection and risk prevention		
44	Management of household and industrial waste	
45	Management and distribution of water (drink water)	
46	Water treatment (waste water)	
47	Air quality	C
48	Integrated prevention and pollution control	
49	Mitigation and adaptation to climate change	

50	Rehabilitation of industrial sites and contaminated land		
51	Promotion of biodiversity and nature protection (including Natura 2000)		
52	Promotion of clean urban transport	L	C
53	Risk prevention (prevent and manage natural and technological risks)		
54	Other measures to preserve the environment and prevent risks		
Tourism			
55	Promotion of natural assets		C
56	Protection and development of natural heritage		C
57	Other assistance to improve tourist services		
Culture			
58	Protection and preservation of the cultural heritage		C
59	Development of cultural infrastructure		C
60	Other assistance to improve cultural services		C
Urban and rural regeneration			
61	Integrated projects for urban and rural regeneration		C
Increasing the adaptability of workers and firms, enterprises and entrepreneurs			
62	Development of life-long learning systems and strategies in firms	L	P
63	Design and dissemination of innovative and more productive ways of organising work	L	P
64	Development of specific services for employment, training and support in connection with restructuring of sectors and firms and development of systems for anticipating economic changes and future requirements in terms of jobs and skills	L	P
Improving access to employment and sustainability			
65	Modernisation and strengthening labour market institutions	L	
66	Implementing active and preventive measures on the labour market	L	
67	Measures encouraging active ageing and prolonging working lives	L	
68	Support for self-employment and business start-up	L	P
69	Measures to improve access to employment and increase sustainable participation and progress of women in employment	L	
70	Specific action to increase migrants' participation in employment and thereby strengthen their social integration	L	
Improving the social inclusion of less-favoured persons			
71	Pathways to integration and re-entry into employment for disadvantaged people; combating discrimination in accessing and progressing in the labour market and promoting acceptance of diversity at the workplace	L	
Improving human capital			
72	Design, introduction and implementation of reforms in education and training systems in order to develop employability, improving the labour market relevance of initial and vocational education and training, updating skills of training personnel with a view to innovation and a knowledge based economy	L	
73	Measures to increase participation in education and training throughout the life-cycle, including through action to achieve a reduction in early school leaving, gender-based segregation of subjects and increased access to and quality of initial vocational and tertiary education and training	L	
74	Developing human potential in the field of research and innovation, in particular through post-graduate studies and training of researchers, and networking activities between universities, research centres and businesses	L	P
Investment in social infrastructure			
75	Education infrastructure		
76	Health infrastructure		
77	Childcare infrastructure		
78	Housing infrastructures		
79	Other social infrastructure		
	Mobilisation for reforms in the fields of employment and inclusion		
80	Promoting partnerships, pacts and initiatives through the networking of relevant stakeholders		
Strengthening institutional capacity at national, regional and local level			
81	Mechanisms for improving good policy and programme design, monitoring and evaluation at national, regional and local level, capacity building in the delivery of policies and programmes		
Reduction of additional costs hindering the outermost regions development			
82	Compensation of any additional costs due to accessibility deficit and territorial fragmentation		
83	Specific action addressed to compensate additional costs due to size market factors		
84	Support to compensate additional costs due to climate conditions and relief difficulties		
Technical assistance			
85	Preparation, implementation, monitoring and inspection		
86	Evaluation and studies; information and communication		