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ACRE report 5.9

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Accommodating Creative Knowledge – Competitiveness of European Metropolitan Regions within the Enlarged Union

Amsterdam 2008
AMIDSt, University of Amsterdam

ACRE

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EXECUTIVE SUMMARY

This report is part of a pan-European project aiming at exploring the impact and potential of the emerging creative and knowledge-based economic activities on the economic development and hence the competitiveness of several metropolitan regions in the European Union. The ACRE (Accommodating Creative Knowledge – Competitiveness of European Metropolitan Regions within the Enlarged Union) project involves 13 metropolitan areas in the "old" as well as in the "new" EU countries. Riga is, through the participation of the Stockholm School of Economics in Riga, one of the metropolitan areas in the project.

The ACRE project recognises creativity as one of the important factors for economic and urban development of metropolitan areas. Hence, in addition to "traditional factors" (such as, e.g. geographic location, economic structure, specialisation, mode of production and scale), creativity as such and a creative environment are supposed to play an important role for the economic development and competitiveness of metropolitan areas' potential to become centres of creativity, knowledge and innovation.

This report analyses Riga's potential as creative city attracting what Florida (2002) calls the "creative people", who are believed to be a driving force for economic growth in the high-valued added sectors of the economy or as Florida (2002a, p 249) puts it:

> *Regional economic growth is powered by creative people, who prefer places that are diverse, tolerant and open to new ideas. Diversity increases the odds that a place will attract different types of creative people with different skill sets and ideas. Places with diverse mixes of creative people are more likely to generate new combinations. Furthermore, diversity and concentration work together to speed the flow of knowledge. Greater and more diverse concentrations of creative capital in turn lead to higher rates of innovation, high-technology business formation, job generation and economic growth.*

Hence, Florida's analysis focuses on creative people's choice where to locate and it is assumed that in particular creative people prefer places that are diverse, tolerant and open to new ideas. Furthermore, it is assumed that the decision where to locate is based on "hard" as well as "soft factors, where the latter refers to aspects such as the atmosphere of a location, tolerance, attractions etc. It is assumed that a city or a region that has a good combination of hard and soft factors will attract creative people, who in turn will attract creative and knowledge-based industries, i.e. industries with in general high economic value added, to the area. This will in turn spur the economy. An implicit assumption of the theory is that the decision where to locate is made by the creative people and not so much by the creative and knowledge-based industries as such. The latter will follow once the creative people have "moved in".

This study analyses Riga along the lines of Florida discussed above. A number of factors that are believed to influence the creative people's decision where to locate are identified. Data on these factors are collected through a questionnaire which is jointly applied within the ACRE project. The questionnaire covers hard as well as soft factors. The questions can be divided into three sub-groups:

- Satisfaction with the city;
- Satisfaction with the job and work environment;
- Satisfaction with the neighbourhood and dwelling satisfaction.

The data obtained through the questionnaire is analysed along two different dimensions – each of them serving as a means to divide the respondents into different subgroups. The first decomposition follows the ACRE project guidelines and looks upon the respondents' professional and educational backgrounds:

- Workers in the creative sectors;
- Workers in the knowledge-based sectors;
- Graduates from tertiary educational institutions.

The second decomposition is along the nationality line and the sample is decomposed into the following two subgroups:

- Latvians;
- Foreigners.

The subgroup foreigners is of particular interest since they implicitly benchmark Riga against other countries and metropolitan areas when answering the questions on Riga. Hence, their answers provide an insight into how Riga rates on an international scale.

The analysis of the findings from the questionnaire reveals that the respondents, irrespective of subgroup, paint a relatively rosy picture of Riga. In general there is a high (in some cases very high) level of satisfaction with the city as such, as well as the job and work environment, and with the neighbourhood and dwelling situation. Furthermore, foreigners seem to be happier than Latvians. On the other hand, when the sample was divided based on the respondents' professional and educational backgrounds there were hardly any noticeable differences among the three subgroups of respondents.

Naturally, there are aspects of Riga that the respondents, irrespective of nationality, profession or education, are not satisfied with. The areas of dissatisfaction are mainly related to:

- Traffic and public transportation (including air and noise pollution);
- Social services such as social security, healthcare, and childcare;
- Social problems such as crime, safety and drugs;
- Tolerance.

From a policy perspective the findings of this report suggest that these areas should be the main focus of Riga's development policy. In particular since Riga sees itself in 2025 as a city with a well-educated population and an economy built on high added valued and creative industries.

Despite these "problem areas" it seems reasonable to conclude that Riga through a good combination of hard factors, such as for example a good geographical location at the cross roads between East and West, and soft factors such as those discussed in this report, should have a good potential to develop as a city where the knowledge-based and creative sectors, thorough an inflow of creative people, will be on one of the most important driving forces behind the city's economic growth in the years to come.

1 INTRODUCTION

This report analyses Riga's growth potential in terms of Florida's (2002) "creative class" and its role as a driving force in regional development. Underlying Florida's reasoning is the concept of spillovers (or externalities) and its importance for economic growth. The importance of technological spillovers as a driving force for economic was discussed as early as in Marshall (1890) where the focus is on economic growth at the city level through knowledge spillovers generated by high concentrations of a certain industry. Other seminal contributions applying the concept of technological spillovers within industries include Arrow (1962), Romer (1986), and Porter (1990). Whereas these authors discussed knowledge spillovers *within* a certain industry, other authors such Jacobs (1970) and Jaffee (1986) focus on the spillovers *across* industries and sectors. Lucas (1988) adds human capital to the analysis, claiming that interactions between individuals with high human capital are essential when it comes to technological spillovers, growth of knowledge and hence economic growth. Florida (2002) develops these ideas further, focusing on a subgroup of individuals with high human capital – the "creative people", or as Florida (2002a, p 249) puts it:

> *Regional economic growth is powered by creative people, who prefer places that are diverse, tolerant and open to new ideas. Diversity increases the odds that a place will attract different types of creative people with different skill sets and ideas. Places with diverse mixes of creative people are more likely to generate new combinations. Furthermore, diversity and concentration work together to speed the flow of knowledge. Greater and more diverse concentrations of creative capital in turn lead to higher rates of innovation, high-technology business formation, job generation and economic growth.*

Although not fully empirically tested, the ideas put forward by Florida extend the analysis of economic growth to factors that have not been considered previously. As seen from the quotation above, Florida's analysis focuses on the "creative people" and their choice were to locate. It is assumed that this decision, in particular among the workers of the creative sectors, is based on "hard" as well as "soft" factors, where the latter refers to aspects such as the atmosphere of a location, tolerance, and attractions. A city that has a good combination of hard and soft factors will attract creative people, which in turn will attract creative and knowledge-based industries, i.e. industries with in general high economic value added, to the city. This will in turn spur economic growth. An implicit assumption of the theory is that the decision where to locate is made by the creative people and not so much by the creative and knowledge-based industries. The latter will follow once the creative people have "moved in".

This study will analyse Riga as well as the other metropolitan areas within the ACRE project along the lines of Florida. A number of factors that are believed to influence the creative people's decision where to locate are identified. Data on these factors are collected through a questionnaire which is jointly applied within the ACRE project. These factors can be divided into three sub-groups:

- Satisfaction with the city;
- Satisfaction with the job and work environment;
- Satisfaction with the neighbourhood and dwelling satisfaction.

The study will provide a snapshot of where Riga stands today with respect to these factors and will hence give a hint of Riga's potential as a city that attracts higher educated graduates and workers in the creative and knowledge-intensive industries. This is not only of interest within the ACRE project but also in the context of Riga's long-term development strategy till 2025[1]. According to the Long-Term Strategy of Riga the three priority strategic goals are:

- To develop a well-educated, skilful, culture-respecting society.
- To promote the development of an economy based on the East-to-West link.
- To promote living high-quality urban neighbourhoods.

Furthermore, among the strategic goals in the economic sphere are:

- Facilitate the development of high added value industries.
- Facilitate the development of creative industries.

To develop along these lines, a necessary but not sufficient condition is the ability to attract what in this report is labelled workers in the creative and knowledge-based sectors.

[1] Riga City Council: Long-Term Development Strategy of Riga City till 2025, Riga, 2005.

2 RIGA AS A CREATIVE CITY

2.1 Creative and knowledge intensive industries

The creative and the knowledge intensive sectors in Riga employ in total somewhat more than 110,000 persons, i.e. roughly a quarter of Riga's labour force. However, when looking at the number of employees in the creative and knowledge intensive sectors, it is important to keep in mind that the statistical reporting does not distinguish between highly qualified and innovative activities on the one hand and the low-skilled, low-wage activities on the other – as long as they are all considered to be in the same sector, they all count. In particular for a country like Latvia, this complicates the analysis as well as the comparison with other European metropolitan areas since the data overestimates the size of the creative and knowledge-based sectors by including in the employment figures, what is believed to be a fairly large number of employees performing low-skilled activities outsourced to Latvia exploiting the relatively low wages by European standards. Hence, the situation is to a large extent opposite to that of many Western European metropolitan areas where the size of the creative and knowledge-based sectors has fallen due to outsourcing of low-skilled jobs to locations with lower labour costs, e.g. Riga.

In ACRE Work Package 4 for Riga, three creative industries and three knowledge-based industries were identified as particularly interesting. The creative industries were (the number of employees refers to 2005):

- Computer games, software, electronic publishing, software consultancy and supply (NACE 722): 5,398 employees.
- Motion pictures and video activities, radio and TV activities (NACE 921 and 922): 2,177 employees.
- Advertising (NACE 744): 3,455 employees.

The knowledge-based industries were:

- Law, legal, accounting, book keeping, auditing etc (NACE 741): 8,229 employees.
- Finance (NACE 65): 13,139
- Research and development, and higher education (NACE 73 and 803): 20,505 employees.

2.2 University education

The research in this report aims to a large extent at university graduates. The share of Riga's economically active population with tertiary education is 16 percent (the corresponding number for Latvia is 12 percent). Although the share of population with tertiary education in Latvia is low by European standards, the number of students enrolled in tertiary education is high. There are close to 60 students in higher education per 1,000 population – the highest number in Europe. The education in Latvia is to a large extent oriented towards the social sciences and humanities (in particular business administration, economics, finance and law).

In Riga a total of 93,000 are enrolled in tertiary education; 60,000 of them at public universities and institutions of higher education, whereas 33,000 are enrolled in private institutions of higher education. The number of foreign students enrolled is low, since most of the tuition is in Latvian language.

Among the public universities and institutions of higher education in Riga are (all numbers reflect the academic year 2006/2007):

- University of Latvia: 26,006 enrolled students
- Riga Technical University: 16,520 enrolled students
- Stradins University: 4,298 enrolled students
- Latvian Cultural Academy: 709 enrolled students
- Latvian Art Academy: 647 enrolled students
- Latvian Music Academy: 589 enrolled students
- Banking Institution of Higher Education: 2,456 enrolled students
- Stockholm School of Economics in Riga: 395 enrolled students

Among the private institutions of higher education in Riga are (all numbers reflect the academic year 2006/2007):

- Baltic International Academy: 7,980 enrolled students
- School of Business Administration Turiba: 6,595 enrolled students
- Riga International School of Economics and Business Administration: 4,143 enrolled students
- Information Management Systems Institute: 2,590 enrolled students
- Higher School of Economy and Culture: 1,282 enrolled students

2.3 Workers in the creative and knowledge intensive sectors

The other target group of the research comprises persons occupying high positions in the creative and knowledge intensive sectors. It seems reasonable to assume that this group to a large extent overlaps the group of university graduates. The table below gives the percentage of Riga's population by working status.

Table 2.1 - Percentage of Riga's working population by working status in 2005

Working status	Percentage of Riga's working population
Unskilled worker	8.2%
Skilled worker	24.2%
Specialist, professional	15.6%
Office employee, civil servants, clerk, military, police	13.8%
Mid/high level management in state sector	13.8%
Employer / owner in private sector	3.8%
Mid/high level management in private sector	3.2%
Craftsman, self employed	0.8%

Source: ACRE report 2.9

In the survey undertaken in this report the aim is to reach out to the following groups:

- Specialist, professional;
- Mid/high level management in the state sector;
- Employer/owner in private sector;
- Mid/high level management in the private sector.

Altogether, these groups roughly represent one third of Riga's working population. However, the number of them working the creative and knowledge intensive sectors is considerably smaller.

2.4 Latvians, non-citizens and foreigners

Out of Riga's population of approximately 730,000, roughly 65 percent are citizens (most of them being of Latvian ethnicity, the second biggest ethnic group among the citizens are Russians). Somewhat more than 30 percent of the population is non-citizens, i.e. persons who arrived in Riga/Latvia in between 1940 and 1991 (i.e. during the Soviet occupation). A large majority of them are of Russian ethnicity. Other large ethnic groups among the non-citizens are: Belorusisans, Ukrainians, and Lithuanians. In addition, the non-citizen group comprises ethnic groups from more or less all over the former Soviet Union.

There are around 4 percent foreign nationals in Riga (mainly Russians, other large groups are Ukrainians and Belorusisans). However, the majority of them came to Riga during the Soviet occupation. When the Soviet Union collapsed, they decided to apply for citizenship in a country other than Latvia, while at the same time staying in Riga. Among the foreigners are also persons of Latvian ethnicity, but who are not Latvian citizens.

3 METHODOLOGY

3.1 The questionnaire

The questionnaire employed in this study was developed by the ACRE project partner at the School of Geography, Planning and Environmental Policy, University College Dublin. The questionnaire to a large extent follows the research by Richard Florida discussed in the introductory section above. After the first draft was prepared and piloted. The draft was discussed at the ACRE meeting in Sofia in spring 2007. The discussion resulted in a revised questionnaire that was circulated to the ACRE teams for feedback, which was taken into account when developing the final version of the questionnaire. In order to make comparisons possible, no local adoptions of the questionnaire were allowed, i.e. the same questionnaire (although in different languages) was used in all metropolitan areas within the ACRE project.

In addition to questions referring to the individual respondent's personal characteristics such as e.g. education, nationality, gender, there were three different groups of questions referring to various hard and soft factors of the metropolitan area investigated:

- Satisfaction with the city – in particular various soft factors that are believed to be important when workers in the creative and knowledge-based sectors are deciding where to reside;
- Satisfaction with the job and work environment – referring to the idea that workers of the creative and knowledge-based sectors have a more creative, interesting and flexible job;
- Satisfaction with the neighbourhood and dwelling satisfaction – housing as well as the residential area are central elements to people's satisfaction.

Among the hard factors covered by the survey are:

- Accessibility;
- Transport infrastructure;
- Public transport;
- Social infrastructure;
- Technical infrastructure;
- Working conditions.

Among the soft factors covered are:

- Various aspects of quality of life;
- Attractiveness of the residential environment;
- Housing conditions;
- Tolerance;
- Civil society;
- Inequality.

This study will provide a snapshot of Riga stands today with respect to these factors and will hence give a hint of Riga's potential as a city that attracts university graduates and workers in the creative and knowledge-intensive industries. However, at this stage at least three caveats are necessary.

Firstly, the theoretical framework of the questionnaire is developed in the context of 'stable' or 'non-fast-developing societies. Since the Latvian society is undergoing a rapid economic transformation characterised by double digit economic growth as well as a rapid social transformation, the use of the questionnaire's fairly static questions focussing on the current state might be problematic in an environment like Riga's. In particular since individual decisions not only are based on the current state but also what the individual expect in terms of future development. Hence for a city undergoing a rapid transition (such as Riga), dynamic questions focussing on the development as would have been preferred as a complement to the static questions. However, for the sake of comparability the same questionnaire is applied to all metropolitan areas within the ACRE project.

Secondly, and as discussed above, soft factors such as tolerance and attractiveness are supposed to play a crucial role. With respect to many of these factors, Riga (and Latvia) still suffers from the close to 50 years of Soviet occupation. This means that Riga has not gone as far on its development path as its Western European counterparts. Hence, a comparison between Riga and the Western European metropolitan areas in the ACRE project might paint a picture that is too gloomy not reflecting that Riga is catching up with its Western European counterparts. Furthermore, this also implies that it is by no means obvious that the results from Riga could be compared with those of the Western European cities within the ACRE project.

On the other hand, the last five-six years of rapid economic development (with several years of double digit economic growth) accompanied by a rapid increase in the standard of living in Latvia in general and Riga in particular might contribute to a "too bright" picture of Riga – in good times the city might be perceived as more attractive than it actually is.

Nevertheless, despite these three caveats an analysis of Riga along the lines outlined above will provide interesting insights in Riga's potential as a city that attracts talent not only from Latvia but also from abroad.

3.2 Implementation of the questionnaire

The questionnaire was given in three different languages: Latvian (the state language), Russian (more than 40% of Riga's population is of Russian ethnicity), and English (for the expatriates)[1]. The questionnaire was translated into Latvian and Russian and then translated back into English in order to check the translations. After that a pilot survey was run and some minor revisions were made.

To implement the survey three different alternatives were considered: face-to-face or telephone interviews, send it out by postal mail, or run it online. The first option, face-to-face or telephone interviews, although being the preferred method was considered to be too expensive and hence ruled out. The mail survey although cheaper, usually suffers from low response rates. Hence, to get the desired 250 responses would require sending out a considerably higher number of questionnaires. Therefore, the mail survey option was ruled out for cost efficiency reasons as well. Hence, it was decided to implement the questionnaire as an online survey using snow ball sampling to ensure the right mix of respondents. In comparison to face-to-face or telephone interviews, the online survey (as well as the mail survey) has two major drawbacks: it is easier to avoid answering questions and there is no opportunity for the respondent to ask for clarification etc.

The development of the online survey required considerable experimentation and piloting in order to create a user-friendly survey. Once developed the survey was available online, a number of potential respondents from different sectors of the creative and knowledge based industries were identified and asked (either in person or through a letter sent out by e-mail) to participate in the survey. Applying snowball sampling, these respondents were also asked to identify other respondents within the fields of creative and knowledge based industries etc.

Snowball sampling is a non-probability sampling technique in which an initial group is selected (randomly). These respondents identify others (to be interviewed) and who belong to the target population of interest. Hence, the subsequent respondents are chosen based on referrals. The advantage with the snowballing technique is that it is easier to control the process and reach the desired target population. This is of particular importance when the sample is small and the dimensions to be covered are many, which in fact is the case for this study. Furthermore, this approach makes it easier to reach out to self employed persons – a group that might be of particular importance in particular when studying the creative industries.

The survey was undertaken late July to early September 2007. In total 257 persons opened the outline survey. Out of these 251 completed the survey. However, not all of them answered all the questions.

[1] The three versions of the questionnaire are available on the ACRE website: http://www2.fmg.uva.nl/acre.

3.3 The dataset

The data set comprises data from 251 questionnaires. However, as discussed above not all respondents answered all the questions. In terms of the response rates on individual questions, the questions could more or less be divided into two categories: questions related to personal characteristics of the respondent, e.g. gender, age, education and nationality; and questions related to the respondent's personal opinion, e.g. "how satisfied are you with…". The latter group having an overall high response rate, whereas the "personal" group of questions have fairly low response rate within the sample. For example roughly 30 per cent of the respondents did not answer the question on their gender. To a large extent it is the same respondents that avoid answering the questions related to personal characteristics[2].

The unwillingness to provide any personal information is commonly observed in Latvian surveys. There might be several reasons for this reluctance in revealing any personal information – the main one is probably the Soviet heritage and the associated lack of trust. Pabriks (2003) discusses the issue of lack of inter-personal trust in Latvia referring to research by Baltic Institute of Social Sciences (2001). In Latvia just 19 percent of Latvian citizens shared mutual trust. The corresponding percentages for countries like Denmark, Sweden and the Netherlands were all above 60 percent.

The high number of respondents not answering questions related to his/her personal characteristics has, needless to say, implications for the survey as such. It will in particular be difficult to research issues related to aspects such as education, gender, profession, and income.

Finally, the dataset was processed using the SPSS software, version 15.0.

[2] One way to "force" the respondents to answer all questions (except for the open ended ones) would have been to make it impossible to complete the online survey without having answered all the questions. However, such an approach has several disadvantages: respondents might report a false answer in order not to be "identified" or they might just quit filling out the survey.

4 CHARACTERISTICS OF THE RESPONDENTS

4.1 Introduction

This section discusses basic characteristics of the respondents, such as gender, age, nationality, education, where they work etc. The sample comprises answers from 251 respondents. As discussed above, a fairly large number, roughly 30 per cent, have avoided answering questions related to personal characteristics, e.g. gender, nationality and education. Needless to say, this in turn puts severe restrictions on the empirical analysis as such.

4.2 Decomposition of the sample

The aim of the survey is to cover respondents from the following groups of professionals and graduates (identified within the ACRE project to be of particular interest):

- Creative workers from selected creative industries;
- Knowledge-based workers from selected sectors;
- University/polytechnic graduates;
- Arts and media school graduates.

This decomposition of the overall sample poses a severe methodological problem since the groups are not mutually exclusive. For example, a university graduate might well work in one of the knowledge based sectors in which we are interested in. Hence, to which category should this respondent belong? The knowledge based workers? Or the university graduates? This is a non-trivial issue and illustrates that the categories into which the respondents are put in have to be mutually exclusive. If this issue is not addressed properly, the findings will be of little, if any value, since they will depend on the (non-unique) classification of the respondents. For example, consider the case when a respondent is graduate as well as worker in the creative industry, should his/her views be considered as views a graduate or of a worker in the creative industries? Accordingly, such an arbitrary classification of the respondents would affect the results and lead to a situation where we cannot say anything about the different subgroups within the overall sample.

The discussion above should have made it clear that for the decomposition of the sample into different subgroups, e.g. graduates and knowledge based workers, to make sense the subgroups have to be mutually exclusive. Hence, to ensure that the subgroups are mutually exclusive, the following sequential scheme is employed in order to classify the respondent:

- Step 1: Job sector;
- Step 2: Education.

This means that if a respondent works in one of the sectors that are in the focus of this study, then he/she is considered to be a worker even though he/she also would qualify as graduate. If a respondent does not work in one of the relevant sectors, but has a relevant education, then he/she qualifies as a graduate. This procedure ensures that the categories are mutually exclusive. Furthermore, it implies that the graduate subgroup will consist of graduates working in sectors other than the ones that are in the in focus of this study.

Given this sequential classification, the group of workers will be large relative to the group graduates. Table 4.1 below gives the distribution of respondents with respect to the categories discussed above. The subgroup “other” comprises those that have indicated that they work within other sectors than the, within the ACRE project, defined creative and knowledge based sectors. The subgroup “other” also includes those that have not responded at all to the question on where they work.

Table 4.1 - Decomposition of the sample with respect to workers in the creative and knowledge based sectors, and graduates, respectively

	Frequency	Percent
Creative	54	21,5
Graduates	40	15,9
Knowledge based	105	41,8
Other	52	20,7
Total	251	100,0

A closer look at the respondents’ professional and educational backgrounds will be taken in sections 4.6 and 4.7, respectively.

The forthcoming analysis of the data set will show that there is not much variation in for example the views of preferences among the different subgroups when the sample is decomposed along the professional and educational lines discussed above. Furthermore, a closer look at the data set shows that most of the variation in the overall sample could be explained by the fact whether the respondent (irrespective of his/her educational or professional background) is “foreign” or not. Hence, in the forthcoming analysis we will not only analyse the data using the professional and educational categories discussed above, we will also undertake an analysis along the nationality dimension. The sample composition based on nationality is given in Table 4.2, where “foreign” refers to non-Latvian and where N/R refers to respondents that in the survey have not revealed their nationality.

Table 4.2 – “Aggregated” nationalities

	Frequency	Percent
Foreign	31	12,4%
Latvian	130	51,8%
N/R	90	35,9%
Total	251	100%

A closer look at the nationalities of the respondents will be taken in the following subsection. The final table of this subsection presents a cross-tabulation of nationality and professional and educational background.

Table 4.3 - Nationality of the workers in the creative and knowledge based sectors, and graduates

	Foreign	Latvian	N/R	Total
Creative	5	35	14	54
Graduates	12	23	5	40
Knowledge based	11	62	32	105
Other	3	10	39	52
Total	31	130	90	251

Hence, the group with relatively most foreigners is the graduate subgroup followed by the knowledge-based and creative subgroups.

Finally, the analysis of the sample along the nationality dimension adds a new aspect to the analysis – the view on Riga as a place for expatriates where to live and work. This is of particular interest since more or less a “prerequisite” for a metropolitan area to develop as a centre for creative and knowledge based economic activities is that it is able to attract highly qualified migrants from all over the world. However, when analysing the results in terms of the nationality of respondents at least one caveat is necessary. It seems reasonable to assume that the foreigners in many cases have higher incomes than the non-foreign subgroup, which in turn means that the opportunity set in terms of goods and services is larger. Hence, the foreigners might be more satisfied with Riga than the non-foreign subgroup since they have the financial means to consume goods and services that to a large extent are not available to many of the respondents in the other two subgroups.

4.3 Nationality

As discussed above the sample will be analysed along two dimensions: professional and educational background on the one hand and nationality on the other. When it comes to the nationality dimension, the respondents are divided into the following three groups based on what they have answered on the question related to their nationality:

- Latvian;
- Foreign;
- No Response (N/R).

The group “foreigners” is of particular interest since they will implicitly benchmark Riga against other cities outside Latvia when responding to the questions. Furthermore, it seems reasonable to assume that Latvians to a large extent will benchmark Riga against other parts of Latvia.

As regards the group that have not responded to the question on nationality (the N/R group), there is a high degree of overlap between these respondents and the respondents that have not answered any (or very few) questions related to personal characteristics. The N/R group will be discussed somewhat more in detail later in this section.

The following table gives the nationality of the respondents:

Table 4.4 - What is your nationality?

Nationality	Frequency	Percent
Austrian	1	0,4%
Belgian	1	0,4%
Belorussian	1	0,4%
British	2	0,8%
British and Canadian	1	0,4%
Finnish	2	0,8%
French	2	0,8%
Georgian	1	0,4%
German	2	0,8%
Indian	1	0,4%
Irish	2	0,8%
Jewish	1	0,4%
Latvian	126	50,2%
Latvian and Polish	1	0,4%
Latvian and Swedish	2	0,8%
Latvian and Ukrainian	1	0,4%
Lithuanian and Russian	1	0,4%
Liv	1	0,4%
Norwegian	3	1,2%
Russian	5	2,0%
Swedish	3	1,2%
Swiss	1	0,4%
US	2	0,8%
Not reported (N/R)	88	35,1%
Total	251	100,0%

Inspection of the table reveals that a very large number, somewhat more than one third of all respondents, have refused to reveal their nationality. There might be several reasons for this. One is the lack of trust discussed in section 3 above. Another possible explanation is that Latvia and Riga still have a large number of non-citizens, somewhat less than 20 per cent of Latvia's population has the status of being non-citizens – most of them being ethnic Russians. Hence, if nationality is considered to be the same as citizenship, then no response (N/R) might in at least some of the cases be interpreted as being non-citizen. Finally, when talking about nationality in a Latvian setting, it is necessary to keep in mind that it could either be interpreted as citizenship or ethnicity. The latter to a large being a heritage of the Soviet Union where the citizenship (Soviet) was separated from nationality ("natsionalinost"), which in turn referred to ethnicity. In total there were 269 "nationalities" in the Soviet Union. Some evidence of this is seen in the Table 4.4, where one response is Jew and another Liv, in both cases referring to ethnic groups[1].

A closer look at the answers provided by those that have not revealed their nationality shows that many of them provide answers on e.g. mobility that indicate that they have been living in Latvia for a long period. Furthermore, on open ended questions many of them respond in Latvian language. Hence, there is reason to believe that are residents of Latvia – some of them being of Latvian ethnicity, some of them being of Russian ethnicity. Furthermore, it seems reasonable to assume several of the respondents not indicating any nationality are non-citizens of the Republic of Latvia.

To conclude based on the information from the questionnaire as well as the discussion on the citizenship issue it is reasonable to believe that a vast majority of those that have not reported their nationality, i.e. the N/R subgroup, either are ethnic Latvians or ethnic Russians.

4.4 Profession and work

The respondents' professional background plays an important role in this study and is of vital importance when it comes to understanding Riga's potential as a city with an economic structure based on the creative and knowledge based sectors. We therefore start by investigating the respondents' occupational background. This is done in Table 4.5 which gives the responses to the question "What is your current occupation?". The answers are classified according to the ISCO system at the three digit level.

[1] The answers "Jew" and "Liv" are considered as no answers when Table 4:4 was compiled, and hence added to the N/A category. Respondents that have listed double nationalities are counted as Latvians.

Table 4.5 - Current occupation according to the ISCO system at the three digit level

ISCO code and description		Foreign	Latvian	N/R	Total
112	Senior government officials	8	4	2	14
		25,8%	3,1%	2,2%	5,6%
114	Senior officials of special interest organisations	0	2	0	2
		,0%	1,5%	,0%	,8%
121	Directors and chief executives	2	2	1	5
		6,5%	1,5%	1,1%	2,0%
122	Production and operations dept mgrs	4	28	4	36
		12,9%	21,5%	4,4%	14,3%
123	Other department managers	3	3	0	6
		9,7%	2,3%	,0%	2,4%
131	General managers	1	3	1	5
		3,2%	2,3%	1,1%	2,0%
211	Physicists, chemists and related professionals	0	1	0	1
		,0%	,8%	,0%	,4%
213	Computing professionals	0	7	3	10
		,0%	5,4%	3,3%	4,0%
231	University and higher education professionals	3	9	2	14
		9,7%	6,9%	2,2%	5,6%
235	Other teaching professionals	0	1	0	1
		,0%	,8%	,0%	,4%
241	Business professionals	4	13	2	19
		12,9%	10,0%	2,2%	7,6%
242	Legal professionals	0	5	0	5
		,0%	3,8%	,0%	2,0%
243	Archivists, librarians and related information prof.	0	5	2	7
		,0%	3,8%	2,2%	2,8%
245	Writers and creative or performing artists	2	10	1	13
		6,5%	7,7%	1,1%	5,2%
311	Physical and engineering science technicians	0	1	0	1
		,0%	,8%	,0%	,4%
341	Finance and sales associate professionals	0	12	1	13
		,0%	9,2%	1,1%	5,2%
342	Business services agents and trade brokers	0	7	0	7
		,0%	5,4%	,0%	2,8%
343	Administrative associate professionals	0	2	0	2
		,0%	1,5%	,0%	,8%
347	Artistic, entertainment and sports associate prof.	1	2	0	3
		3,2%	1,5%	,0%	1,2%
	Other	2	9	1	12
		6,5%	6,9%	1,1	4,8
	N/A	1	4	70	75
		3,2%	3,1%	77,8%	29,9%
	Total	31	130	90	251

Inspection of the table reveals that a majority of those that have given an answer to the question on their profession hold higher-skilled positions. Furthermore, from the table follows that various types of department managers comprise the biggest group of professionals in the sample (with the exception of those that did not give any answer). This group is also the biggest among the Latvians, whereas senior governmental officials constitute the biggest group among the foreigners. The latter explained by the fact that there are several embassy employees among the foreigners in the sample.

The next table, analysing the key sectors defined in ACRE Work Package 4 for Riga, complements the previous table by showing the job sectors of the respondents. It is worth noting that the response rate is considerably higher ("only" 22 persons have not responded). Out of the listed sectors, most of the respondents work in research, development and higher education. However, the biggest group, in particular among the expatriates, is other sectors.

Table 4.6 - Job sector of the respondents (frequency and percentage)

Job sector	Foreign	Latvian	N/A	Total
Computer games, software, electronic publishing, software consultancy and supply	1 3,2%	12 9,2%	5 5,6%	18 7,2%
Motion pictures and video activities, radio and TV activities	2 6,5%	5 3,8%	2 2,2%	9 3,6%
Advertising	2 6,5%	18 13,8%	7 7,8%	27 10,8%
Law, legal, accounting, book keeping, auditing, etc.	2 6,5%	10 7,7%	9 10,0%	21 8,4%
Finance	3 9,7%	20 15,4%	12 13,3%	35 13,9%
Research and development, and higher education	6 19,4%	31 23,8%	11 12,2%	48 19,1%
Other	15 48,4%	34 26,2%	22 24,4%	71 28,3%
N/A	0 0%	0 0%	22 24,4%	22 8,8%
Total	31	130	90	251

In the forthcoming discussion the sample is, as discussed above, decomposed into three groups based on professional and educational background. The professional background could either be "creative" or "knowledge based". The creative group comprises (as outlined within the ACRE project) the following job sectors:

- Computer games, software, electronic publishing, software consultancy and supply;
- Motion pictures and video activities, radio and TV activities;
- Advertising.

As for the knowledge based sectors, they comprise (as outlined within the ACRE project):

- Law, legal, accounting, book keeping, auditing etc.;
- Finance;
- Research and higher education.

4.5 Education

In addition to the professional background, the respondents' educational background is a factor of particular importance within the ACRE project. The following table presents the results on the question on the highest level of education received. As seen from the table, out of those that have answered the question on educational attainment all have at least secondary education and a vast majority of them have tertiary education[2].

Table 4.7 - Highest level of education received

Education	Foreign	Latvian	N/A	Total
Secondary	1	12	0	13
	3,2%	9,2%	0%	5,2%
Tertiary	30	113	13	156
	96,8%	86,9%	14,4%	62,2%
Not reported	0	5	77	82
	0%	3,8%	85,6%	32,7%
Observations	31	130	90	251

Out of the 161 respondents that provided an answer to where they have received their education, close to 10 per cent indicated that they have a degree from an institution specialising in art or culture. However, in most cases (in the overall sample) the information on which programme they have attended is not available. Hence, in the forthcoming analysis we will not distinguish between university and polytechnic graduates on the one hand, and arts and media school graduates on the other.

At this stage it is worth emphasising that for the methodological reasons discussed in section 4.2 above, not all graduates will be considered graduates in the cross tabulations. The graduates who work in what is defined as the creative and knowledge based sectors of particular are not included subgroup of graduates.

4.6 Income

From the discussion in the previous section, it should come as no surprise that information on income is particularly sensitive. This is confirmed by the response rates to the question: "Please indicate the range that best describes your monthly income after taxes (Euros)". Out of the 251 respondents, barely 154 answered the question. Out of these 21 belonged to the subgroup foreigners. Hence barely somewhat more than half of the "non-foreigners" indicated an income.

In terms of incomes indicated, the variation is very small. Somewhat more than 60 percent of those that indicated an income interval either indicated EUR 500 – EUR 999 or EUR 1,000 – EUR 1,999.

[2] One implication of this result is that it will not make sense to run cross tabulations where educational attainment (secondary/tertiary) is one of the variables.

Taken together, this means that it is not meaningful to stratify the sample according to reported net income. Hence, it will not make any sense to undertake cross tabulations where reported income is one of the variables.

4.7 Gender

The following two tables provide cross tabulations of gender versus professional and educational background, and nationality, respectively. From both tables it is evident that a majority of those that have "revealed" their gender are females. Furthermore, it follows that at least close to 45% females of the respondents in the sample are females.

Table 4.8 - Gender vs. Professional and Education Background Cross tabulation

Gender		Creative	Graduate	Knowledge	N/A	Total
Female	Count	27	22	53	0	111
	Percentage	50,0%	55,0%	50,5%	0%	44,2%
Male	Count	15	18	30	0	67
	Percentage	27,8%	45,0%	28,6%	0%	26,7%
N/A	Count	12	0	22	23	73
	Percentage	22,2%	0%	21,0%	100%	29,1%
Total	Count	54	40	105	23	251

The fraction of females among the workers in the creative as well as in the knowledge based sectors as well as among the graduates is roughly 50 percent. When it comes to the creative and knowledge based sectors somewhat more than a quarter of the respondents have indicated that they are males, whereas the remaining quarter has not indicated any gender. As regards the graduates roughly half of them are males.

Table 4.9 - Gender vs. Nationality Cross tabulation

Gender		Foreign	Latvian	N/R	Total
Female	Count	15	88	8	111
	Percentage	48,4%	67,7%	8,9%	44,2%
Male	Count	16	42	9	67
	Percentage	51,6%	32,3%	10,0%	26,7%
N/A	Count	0	0	73	73
	Percentage	0%	0%	81,1%	29,1%
Total	Count	31	130	90	251

The gender composition is fairly balanced when it comes to the subgroup foreigners, whereas for the overall sample as a whole a vast majority of those that have revealed their gender are females. However, inspection of the open-ended questions in the questionnaire that in those cases the N/A group have answered open ended questions they are all males (seen from using the masculine form of the words). Hence, there is reason to believe that the sample is more balanced than the results reported above indicate.

4.8 Age

The age ranges of the respondents are presented in the following two tables.

Table 4.10 - Age of the workers in the creative and knowledge based sectors, and graduates

Age	Creative	Graduates	Knowledge	Other	Total
15-24	8	2	12	3	25
	19,0%	5,0%	14,5%	25,0%	14,1%
25-34	21	20	46	2	89
	50,0%	50,0%	55,4%	16,7%	50,3%
35-44	7	10	13	3	33
	16,7%	25,0%	15,7%	25,0%	18,6%
45-54	5	5	4	2	16
	11,9%	12,5%	4,8%	16,7%	9,0%
55-64	1	2	5	2	10
	2,4%	5,0%	6,0%	16,7%	5,6%
65-78	0	1	3	0	4
	0%	2,5%	3,6%	0%	2,3%
Total	42	40	83	12	177

Inspection of Table 4.10 reveals that with the exception of the subgroup “other” the majority of the respondents is in the age range 25-34. The graduate subgroup has relatively less respondents within the age range 15-24 – which should come as no surprise since there are very few below the age of 20-21 that have earned an academic degree. The subgroup “other” comprises relatively more respondents in the lower as well as in the higher age groups.

Table 4.11 - Age and nationality

Age	Foreign	Latvian	N/R	Total
15-24	1	21	3	25
	3,2%	16,3%	17,6%	14,1%
25-34	12	67	10	89
	38,7%	51,9%	58,8%	50,3%
35-44	11	19	3	33
	35,5%	14,7%	17,6%	18,6%
45-54	3	13	0	16
	9,7%	10,1%	,0%	9,0%
55-64	3	6	1	10
	9,7%	4,7%	5,9%	5,6%
65-78	1	3	0	4
	3,2%	2,3%	,0%	2,3%
Total	31	129	17	177

The table above reveals that the foreigners are slightly older than the Latvian and N/R groups.

4.9 Mobility

The mobility of the respondents is given in the tables below.

Table 4.12 - Where did you live prior to moving to your current address?

	Creative	Graduates	Knowledge	Other	Total
In Riga but other neighbourhood	22	10	30	12	74
	40,7%	25,0%	28,8%	40,0%	32,5%
Another city in region/province/ county	7	5	12	4	28
	13,0%	12,5%	11,5%	13,3%	12,3%
Another city in Latvia	12	7	32	4	55
	22,2%	17,5%	30,8%	13,3%	24,1%
Outside Latvia	4	8	14	3	29
	7,4%	20,0%	13,5%	10,0%	12,7%
Outside Europe	0	6	3	0	9
	,0%	15,0%	2,9%	,0%	3,9%
Never moved/always lived in same place	9	4	13	7	33
	16,7%	10,0%	12,5%	23,3%	14,5%
Total	54	40	104	30	228

From Table 4.12 follows that the creative workers have moved within in Riga to a larger extent than the two other subgroups. As regards the knowledge based workers, relatively more respondents have moved into Riga from other cities in Latvia. When it comes to moving into Riga from abroad, relatively more graduates and knowledge based workers have moved into Latvia from abroad. However, to a large extent this reflects that there are relatively more “foreigners” in these two subgroups.

Table 4.13 - Where did you live prior to moving to your current address?

	Foreign	Latvian	N/A	Total
In Riga but other neighbourhood	8	46	20	74
	25,8%	35,4%	29,9%	32,5%
Another city in region/province/county	2	17	9	28
	6,5%	13,1%	13,4%	12,3%
Another city in Latvia	1	40	14	55
	3,2%	30,8%	20,9%	24,1%
Outside Latvia	16	4	9	29
	51,6%	3,1%	13,4%	12,7%
Outside Europe	4	2	3	9
	12,9%	1,5%	4,5%	3,9%
Never moved/always lived in same place	0	21	12	33
	0%	16,2%	17,9%	14,5%
Total	31	130	67	228

Inspection reveals that around half of the Latvian and N/A subgroups either lived in Riga before moving to the current address or have never moved. Very few in these two subgroups have moved from abroad to the current address in Riga. Naturally, the opposite is the case for the foreigners in the sample.

5 SATISFACTION WITH RIGA

This section analyses various aspects of satisfaction with Riga as a city. Attention is paid to soft as well as hard factors. The analysis starts with a discussion of the reasons for why the respondents live in Riga. Then follows a discussion of a number of various factors and how satisfied/dissatisfied the respondents are with them.

5.1 Reasons for living in Riga

In the questionnaire the respondents were asked to rank the four most important reasons (out of 24) for why they live in Riga. In the following table the reasons have been given equal weight due to the low number of observations in relation to the number of possible answers. This means that a number one rank counts as much as a number four rank (which counts as much as a number two or three rank).

The following two tables list the reasons that were given in the questionnaire and rank them. In the ranking “1” means the most often quoted reason for living in Riga, “2” the second most important etc.

Table 5.1 - Ranking of reasons for living in Riga

Reason	Creative	Graduates	Knowledge	Other	Total
Personal connection, born here					
Personal connection, born here	3	7	7	1	4
Family lives here	2	4	3	2	2
Studied in Riga	5	4	2	6	3
Job					
Moved here because of my job	10	1	4	3	4
Moved here because of partner's job	20	12	22	18	20
Good employment opportunities	1	3	5	4	1
Higher wages	6	9	8	14	8
Location					
Size of city	9	7	9	8	8
Weather/climate	20	20	14	18	15
Good transport links	10	20	14	9	14
Proximity to natural environment	10	10	13	6	12
City characteristics					
Housing affordability	22	12	20	14	16
Housing availability	15	12	10	9	11
Housing quality	15	16	16	23	20
Safe for children	22	12	16	12	20
People/Social Atmosphere					
Openness to different types of people	15	16	22	14	20
Open minded and tolerant	13	20	20	18	15
Gay/Lesbian friendly	24	20	24	24	24
Language	15	16	16	18	15
Overall friendliness of city	15	16	16	14	15
Diversity of leisure and entertainment	6	1	5	4	6
Cultural diversity	6	4	5	9	7
Diversity of the built environment	4	10	12	18	10
Education					
Presence of good universities	13	20	11	12	12

The table reveals that family related reasons play an important role among the various professional and graduate subgroups when it comes to ranking the reasons for why living in Riga. Family connections seem to be more important for graduates than for the other two subgroups, whereas the opposite is true for the job reasons. Out of the other aspects, cultural diversity, diversity of leisure and entertainment, and the size of the city as such are important aspects. For the graduates the diversity of leisure and entertainment seem to be somewhat more important when compared to the other subgroups. An interesting observation is that the graduates consider the presence of good universities to be of relatively low importance. The creative workers seem to consider Riga more open minded and tolerant. In addition to these cases, there is not that much of difference between the three different subgroups' ranking of the reasons for living in Riga.

Table 5.2 - Ranking of reasons for living in Riga

Reason	Foreign	Latvian	N/R	Total
Personal connection, born here				
Personal connection, born here	19	4	3	4
Family lives here	3	2	1	2
Studied in Riga	9	5	2	3
Job				
Moved here because of my job	1	8	14	4
Moved here because of partner's job	9	22	11	20
Good employment opportunities	19	1	5	1
Higher wages	17	7	7	8
Location				
Size of city	2	10	9	8
Weather/climate	9	19	17	15
Good transport links	9	14	14	14
Proximity to natural environment	3	13	9	12
City characteristics				
Housing affordability	21	21	11	16
Housing availability	21	11	7	11
Housing quality	17	17	17	20
Safe for children	3	19	16	20
People/Social Atmosphere				
Openness to different types of people	14	15	23	20
Open minded and tolerant	14	19	17	15
Gay/Lesbian friendly	24	23	24	24
Language	14	24	21	15
Overall friendliness of city	9	16	17	15
Diversity of leisure and entertainment	7	2	4	6
Cultural diversity	3	6	6	7
Diversity of the built environment	8	8	21	10
Education				
Presence of good universities	21	12	11	12

From the table above follows that the overall most important reason for living in Riga is job related, both in total as well as disaggregated for Latvians ("good employment opportunities") and for foreigners ("moved here because of job"). The family dimension is an important one for all three groups of respondents, so is the personal connection for Latvians and N/A.

There are three areas where the foreigners differ substantially from the other respondents. The foreigners consider the size of the city, the safety for children, the overall friendliness of the city, proximity to nature, and the good transportation links as considerably more important reasons for living in Riga than the other two groups of respondents. As discussed above, foreigners might have higher income than the other two groups of respondents. This means that they will be able to pay more for e.g. child care and hence be able to get a better product or service. In other words, the same range of products or services might not be available (for financial reasons) to large fractions to the other two groups and will hence not be considered as such as an important reason for why living in Riga.

Overall there seems to be quite a consensus between the Latvian subgroup and the N/R subgroup. However, there is one difference that is of particular interest, openness to different types of people. Here the N/A subgroup stands out, considering it to be considerably less important. Under the hypothesis discussed in section 4.3 above, that the N/R subgroup to a large extent comprises Riga residents with Russian ethnicity. The N/R subgroup also stands out when it comes to the diversity of the built environment which is considered to much less important in comparison to the other two subgroups. One reason for this might be that the N/R subgroup is less able to afford housing in attractive areas. The three subgroups of respondents all consider the diversity of leisure and entertainment and the cultural diversity to be important reasons for living in Riga.

Finally, irrespective of decomposition of the sample, there seems to be more or less general agreement that neither housing affordability nor housing quality are the main reasons for living in Riga, neither is gay/lesbian friendliness.

5.2 Overall satisfaction with Riga

The respondents' overall satisfaction with their lives in Riga is given by the table below. The level of satisfaction is measured as the response (on a ten grade scale) to the question: "All things considered, how satisfied are you with your life in Riga?".

Table 5.3 - All things considered, how satisfied are you with your life in Riga?

Level of satisfaction	Creative	Graduates	Knowledge	Other	Total
1 (very satisfied)	5,9%	2,5%	2,0%	7,4%	3,7%
2	15,7%	20,0%	11,1%	25,9%	15,7%
3	27,5%	30,0%	26,3%	14,8%	25,8%
4	19,6%	12,5%	18,2%	14,8%	17,1%
5	11,8%	12,5%	12,1%	22,2%	13,4%
6	3,9%	12,5%	6,1%	3,7%	6,5%
7	11,8%	7,5%	11,1%	7,4%	10,1%
8	3,9%	2,5%	10,1%	3,7%	6,5%
9	0%	0%	3,0%	0%	1,4%
10 (very dissatisfied)	0%	0%	0%	0%	0%
Observations	51	40	99	27	217

Overall the knowledge workers seem to be slightly more dissatisfied than the other two subgroups. Later in this section we will take a closer look into the different groups' satisfaction (and dissatisfaction) with different aspects of city life, housing etc.

Table 5.4 - All things considered, how satisfied are with your life in Riga?

Level of satisfaction	Foreign	Latvian	N/R	Total
1 (very satisfied)	6.5%	1.5%	7.1%	3.7%
2	25,8%	15,4%	10,7%	15,7%
3	16,1%	27,7%	26,8%	25,8%
4	19,4%	14,6%	21,4%	17,1%
5	12,9%	15,4%	8,9%	13,4%
6	6,5%	6,9%	5,4%	6,5%
7	,0%	13,1%	8,9%	10,1%
8	9,7%	4,6%	8,9%	6,5%
9	3,2%	,8%	1,8%	1,4%
10 (very dissatisfied)	0%	0%	0%	0%
Observations	31	130	56	217

Inspection of the table reveals that close to 50 per cent of the respondents are highly satisfied with their lives in Riga (i.e. ranking their level of satisfaction 1-3, where 1 is very satisfied). Overall foreigners seem to be a bit more satisfied, whereas the sub-categories Latvian and N/R seem to be a bit more unsatisfied. Again, the foreigners might be more satisfied because they are better off financially.

The next tables describe the satisfaction among the respondents when it comes to the quality of leisure activities and public services, respectively. The tables comprises the responses of those respondents that either answered that they were “very satisfied” or “satisfied” with the different activities and public services. In addition to these answers four other alternatives were available “neither”, “dissatisfied”, “very dissatisfied”, and “do not know”. The percentages reported in the tables refer to the respondents in the respective subgroup that have answered either “very satisfied” or “satisfied”.

Table 5.5 - Satisfaction with leisure activities and public services

Satisfaction with quality of:	Creative	Graduates	Knowledge	Other	Total
Leisure activities					
Public spaces	61%	53%	58%	71%	59%
Sport facilities	53%	42%	51%	41%	49%
Festivals and cultural activities	65%	71%	71%	75%	70%
Art galleries and museums	57%	65%	57%	79%	61%
Quality and range of restaurants	67%	71%	63%	64%	65%
Pubs	57%	55%	59%	56%	57%
Cinemas	68%	77%	72%	69%	74%
Shopping areas	67%	50%	58%	52%	58%
Architecture and monuments	63%	70%	62%	75%	65%
Organisations for social activities	18%	23%	18%	33%	21%
Public services					
Riga's public transportation	12%	35%	22%	29%	22%
Transport within the city	18%	32%	22%	46%	26%
Connectivity: city – periphery	10%	32%	14%	32%	19%
Safety on streets	14%	25%	12%	7%	14%
Police services	6%	12%	8%	10%	8%
Number of bicycle lanes	0%	0%	0%	0%	0%
Tourist attractions	29%	25%	19%	29%	24%
Social security	18%	5%	12%	22%	13%
Quality of health services	47%	51%	54%	64%	52%
Number of observations/question	48-51	39-40	97-100	27-28	213-218

From the table follows that graduates seem to be somewhat more satisfied with the quality of the public services in particular transportation. The latter might as we will discuss later be related to where in the city the respondents live. Furthermore, graduates seem to be somewhat less satisfied with the social security provided and with the shopping areas, whereas they consider Riga to be considerably safer than the other two subgroups. Otherwise there are small differences in the satisfaction level between the three subgroups.

Table 5.6 - Satisfaction with leisure activities and public services

Satisfaction with quality of:	Foreign	Latvian	N/R	Total
Leisure activities				
Public spaces	77%	57%	54%	59%
Sport facilities	42%	52%	45%	49%
Festivals and cultural activities	64%	73%	65%	70%
Art galleries and museums	65%	63%	56%	61%
Quality and range of restaurants	65%	62%	72%	65%
Pubs	71%	55%	55%	57%
Cinemas	66%	73%	79%	74%
Shopping areas	52%	56%	64%	58%
Architecture and monuments	87%	60%	65%	65%
Organisations for social activities	23%	17%	23%	18%
Public services				
Riga's public transportation	58%	17%	18%	22%
Transport within the city	42%	24%	23%	26%
Connectivity: city – periphery	35%	16%	16%	19%
Safety on streets	45%	9%	9%	14%
Police services	13%	8%	9%	8%
Number of bicycle lanes	0%	0%	0%	0%
Tourist attractions	48%	18%	23%	24%
Social security	3%	12%	20%	13%
Quality of health services	39%	56%	55%	52%
Number of observations/question	29-31	127-130	56-57	213-218

As regards leisure activities, the respondents seem to be satisfied with what Riga offers. The only exception being the number of associations/organisations for social activities.

The satisfaction of public services shows considerable differences between the foreigners on the hand, and the two other subgroups on the other. Foreigners are much more satisfied with transportation; public transportation, transport within the city, and connectivity. There might be several reasons for this. Foreigners might have other metropolitan areas as benchmarks when evaluating the traffic situation in Riga, whereas many in the other two subgroups use Riga 4-5 years ago as a benchmark (when there was much less traffic); foreigners have the financial means to live in areas where transport is less of a problem etc. Furthermore, foreigners seem to consider the Riga streets to much safer than the other subgroups. This might once again be explained by the fact that foreigners can afford to live in "safer areas".

The following four tables show how satisfied (the first two tables) the various subgroups of respondents rate various environmental aspects in Riga and what the respondents' main cause of concern are (the following two tables). The responses reported in the tables are the ones of those that rank a particular environmental aspect (cause of concern) considered either as "very good" or very "good" ("very worried" or "somewhat worried"). These two responses are the "best ones" ("worst ones") out of a total of six alternatives, which include "average" ("not particularly worried"), "poor" ("not worried"), "very poor" ("not worried"), and "do not know" ("do not know") as well. The percentages reported in the tables refer to the respondents in the respective subgroup that have answered either "very good" ("very worried") or "good" ("worried").

Table 5.7 - Satisfaction: Environmental aspects

Environmental aspect:	Creative	Graduates	Knowledge	Other	Total
Pavement on streets and sidewalks	10%	10%	5%	18%	9%
Cleanliness: streets and sidewalks	41%	42%	35%	50%	40%
Recycling services	16%	22%	15%	14%	17%
Quality of drinking water	33%	30%	25%	36%	30%
Garbage/waste collection	28%	35%	26%	18%	27%
Cleanliness: city parks	57%	50%	47%	43%	50%
Traffic congestion	2%	2%	0%	0%	1%
Availability of parking space	2%	5%	0%	7%	2%
Availability of bicycle lanes	0%	0%	0%	4%	1%
Noise pollution	4%	2%	8%	14%	7%
Air pollution	10%	2%	2%	14%	6%
Quality of playgrounds of city	4%	8%	4%	18%	6%
Number of observations/question	51	40	97-98	28	216-217

The table reveals that there is more or less consensus among the different subgroups' level of satisfaction when it comes to various environmental aspects. Cleanliness both in parks and on streets and sidewalks rank very high. Among the aspects with which the respondents are not satisfied are various aspects related to traffic and transportation.

Table 5.8 - Satisfaction: Environmental aspects

Environmental aspect:	Foreign	Latvian	N/R	Total
Pavement on streets and sidewalks	19%	8%	5%	9%
Cleanliness: streets and sidewalks	74%	28%	48%	40%
Recycling services	13%	16%	20%	17%
Quality of drinking water	10%	30%	39%	30%
Garbage/waste collection	23%	26%	32%	27%
Cleanliness: city parks	74%	42%	54%	50%
Traffic congestion	6%	0%	0%	0%
Availability of parking space	6%	2%	2%	2%
Availability of bicycle lanes	0%	1%	0	1%
Noise pollution	13%	5%	7%	7%
Air pollution	13%	5%	4%	6%
Quality of playgrounds of city	13%	6%	5%	6%
Number of observations/question	31	129-130	56	216-217

From the table follows that the results are more or less the same for the nationality decomposition as for the professional and educational decomposition in the previous table. Again, out of the environmental aspects Riga scores particularly good in "cleanliness" – cleanliness on streets and sidewalks and in city parks are ranked high among all subgroups (in particular by foreigners). On other hand when it comes to environmental aspects not valued high by the respondents, the traffic related aspects stand out in this table as well. There is consensus among the subgroups of respondents that Riga is poor when it comes to traffic congestion, availability of parking space, noise pollution, air pollution, and availability of bicycle lanes. The latter explained by the fact that there are more or less no bicycle lanes in Riga.

The next two tables analyse various causes for concern when it comes to living in Riga.

Table 5.9 - Causes for worry

Cause for worry:	Creative	Graduates	Knowledge	Other	Total
Amount of crime in the city	78%	60%	63%	79%	69%
Safety	78%	68%	72%	86%	74%
Availability of recreation for teenagers	57%	50%	45%	36%	38%
Availability of affordable housing	77%	68%	71%	50%	69%
Availability of recreation for seniors	49%	35%	39%	36%	40%
Availability of jobs	50%	28%	40%	50%	41%
Availability of public transportation	64%	40%	63%	55%	58%
Availability of recreation for children	57%	58%	50%	46%	53%
Amount of graffiti	18%	25%	20%	29%	22%
Drug problems	74%	70%	74%	86%	75%
Homelessness	79%	75%	64%	82%	67%
Aggressive/anti-social behaviour	74%	80%	74%	93%	80%
Prostitution on streets	27%	30%	41%	51%	38%
Traffic	78%	90%	87%	79%	85%
Air pollution	67%	72%	70%	71%	70%
Demonstrations on public spaces	12%	15%	22%	7%	17%
Number of observations/question	50-51	39-40	96-99	28	215-218

Again there is more an agreement among the two different groups of professionals and the graduates. The creative workers are a bit less concerned about traffic problems, and a bit more concerned about the availability of affordable housing and safety/crime. The findings of the table above confirms the findings of the previous tables – that traffic, housing and safety/social aspects are the main causes for concern.

Table 5.10 - Causes for worry

Cause for worry:	Foreign	Latvian	N/R	Total
Amount of crime in the city	26%	79%	66%	69%
Safety	26%	87%	73%	74%
Availability of recreation for teenagers	33%	52%	46%	38%
Availability of affordable housing	68%	70%	65%	69%
Availability of recreation for seniors	23%	45%	39%	40%
Availability of jobs	20%	45%	40%	41%
Availability of public transportation	20%	67%	57%	58%
Availability of recreation for children	36%	55%	56%	53%
Amount of graffiti	26%	20%	24%	22%
Drug problems	53%	82%	72%	75%
Homelessness	44%	73%	71%	67%
Aggressive/anti-social behaviour	58%	85%	79%	80%
Prostitution on streets	32%	38%	42%	38%
Traffic	90%	85%	79%	85%
Air pollution	71%	69%	70%	70%
Demonstrations on public spaces	13%	18%	16%	17%
Number of observations/question	31	126-130	56-57	215-218

Table 5.10 reveals that also when the sample is decomposed along the nationality dimension the main causes of worries are the same: social problems: crime, safety, drugs, homelessness, and aggressive/anti-social behaviour; availability of affordable housing; and traffic related problems: traffic as such and air pollution. In general there is more or less consensus on these problems among the three subgroups studied. However, there are two notable differences between foreigners on the hand, and the two other sub-groups on the other; foreigners are relative to the two other subgroups much less worried about crime and safety. One possible explanation for this might be that foreigners tend to live in "safer neighbourhoods", use less public transportation etc.

The last two tables on the level of satisfaction are presented below and refer to the quality of life in Riga and its development during the last five year. Five years, that in Riga's case have been characterised by rapid economic development, increasing standard of living, and rapid city development in particular in terms of construction activities. As seen from the tables an overwhelming majority thinks that the quality of life in Riga has increased during the last five years. However, the table does not say anything about the reasons for this improvement – whether is it improvement in overall economic condition, an improvement in the city's attractiveness as such, or both.

Table 5.11 - Do you think that the quality of life in Riga has gotten better, stayed the same or gotten worse in the last five years?

Quality of life in Riga	Creative	Graduates	Knowledge	Other	Total
Improved	60,8%	60,0%	67,7%	69,2%	64,8%
Stayed the same	17,6%	10,0%	14,1%	7,7%	13,4%
Gotten worse	11,8%	17,5%	15,2%	11,5%	14,4%
Don't know	9,8%	12,5%	3,0%	11,5%	7,4%
Observations	51	40	99	26	216

The knowledge workers seem to be a bit more positive in the sense that they think that the quality of life in Riga at least has stayed the same. This is interesting in the light of the observation that the knowledge based workers seemed to be less satisfied with the life in Riga (as discussed above). However, the analysis does not provide an answer why this should be the case.

Table 5.12 - Do you think that the quality of life in Riga has gotten better, stayed the same or gotten worse in the last five years?

Quality of life in Riga	Foreign	Latvian	N/R	Total
Gotten better	45,2%	69,0%	66,1%	64,8%
Stayed the same	22,6%	10,9%	14,3%	13,4%
Gotten worse	12,9%	13,2%	17,9%	14,4%
Don't know	19,4%	7,0%	1,8%	7,4%
Observations	31	129	56	216

Foreigners seem to see less of improvement in comparison to the other two subgroups. On the other hand the foreigners to a larger extent think that the quality of life has stayed the same over the last five years. Roughly the same proportion in each of the subgroups thinks that life has gotten worse.

5.3 Tolerance

In the following the results on a number of questions referring to the level of tolerance are reported. In the work of Florida (2002), tolerance is believed to play an important role in promoting economic growth since diversity and the ability to attract different types of people are supposed to be essential factors in the development of creative cities. The first question considers the tolerance towards people from other countries and the finding are reported in the following two tables.

Table 5.13 - To what extent do you agree with the statement that Riga is a welcoming place to people from other countries?

"Riga is a welcoming place to people from other countries"	Creative	Graduates	Knowledge	Other	Total
Strongly agree	9,8%	17,5%	5,1%	7,4%	8,8%
Agree	33,3%	20,0%	41,4%	55,6%	37,3%
Neither	37,3%	30,0%	30,3%	29,6%	31,8%
Disagree	17,6%	30,0%	16,2%	7,4%	18,0%
Strongly Disagree	0%	2,5%	7,1%	0%	3,7%
Don't know	2,0%	0%	0%	0%	,5%
Observations	51	40	99	27	217

The graduates seem to be a bit more "extreme" in their perception of Riga as a welcoming place to people from different cultures. In comparison to the other two subgroups there are relatively more graduates that think that Riga is a welcoming place as well as there are relatively more graduates that think that this is not the case. Overall roughly 25% of the respondents either disagree or strongly disagree with the statement that Riga is a welcoming place to people from other countries.

Table 5.14 - To what extent do you agree with the statement that Riga is a welcoming place to people from other countries?

"Riga is a welcoming place to people from other countries"	Foreign	Latvian	N/A	Total
Strongly agree	6,5%	10,0%	7,1%	8,8%
Agree	25,8%	39,2%	39,3%	37,3%
Neither	35,5%	33,1%	26,8%	31,8%
Disagree	25,8%	14,6%	21,4%	18,0%
Strongly disagree	6,5%	2,3%	5,4%	3,7%
Don't know	0%	0,8%	0%	0,5%
Observations	31	130	56	217

Overall the respondents seem to agree that Riga is a welcoming city to people from other countries. More than 50 per cent agree or strongly agree to this statement. However, foreigners are a bit less positive, roughly one third of them agree or strongly agree to this statement.

Table 5.15 - To what extent do you agree with the statement that Riga is a welcoming place to visible minorities?

“Riga is a welcoming place to visible minorities”	Creative	Graduates	Knowledge	Other	Total
Strongly agree	3,9%	2,5%	1,0%	3,7%	2,3%
Agree	9,8%	17,5%	12,2%	25,9%	14,4%
Neither	21,6%	12,5%	29,6%	18,5%	23,1%
Disagree	49,0%	37,5%	33,7%	33,3%	38,0%
Strongly disagree	11,8%	27,5%	19,4%	14,8%	18,5%
Don’t know	3,9%	2,5%	4,1%	3,7%	3,7%
Observations	51	40	98	27	216

When it comes to tolerance towards visible minorities, there is a relatively high degree of consensus among the groups, although the graduates and knowledge based workers agree to a lesser extent. Overall the impression is that Riga is not a particularly welcoming place to visible minorities.

Table 5.16 - To what extent do you agree with the statement that Riga is a welcoming place to visible minorities?

“Riga is a welcoming place to visible minorities”	Foreign	Latvian	N/A	Total
Strongly agree	0%	3,1%	1,8%	2,3%
Agree	9,7%	15,4%	14,5%	14,4%
Neither	9,7%	23,1%	30,9%	23,1%
Disagree	38,7%	41,5%	29,1%	38,0%
Strongly disagree	38,7%	13,1%	20,0%	18,5%
Don’t know	3,2%	3,8%	3,6%	3,7%
Observations	31	130	55	216

Again it is evident that Riga is not considered to be a place which is welcoming to visible minorities. All sub-groups of the respondents are critical, and the most critical one being the foreigners.

The reason for non-welcoming character of Riga in terms of visible minorities might be found in the Soviet heritage. The Soviet society was not in any respect characterised by tolerance. This is still seen in today’s Riga and Latvia. One example is the still widespread homophobia. These facts are reflected in the table above and in particular in the following four tables where the findings on Riga’s friendliness towards lesbians and gays is considered.

Table 5.17 - To what extent do you agree with the statement that Riga is a place which is lesbian-friendly?

"Riga is a place which is lesbian-friendly"	Creative	Graduates	Knowledge	Other	Total
Strongly agree	4,0%	2,5%	2,0%	0%	2,3%
Agree	6,0%	5,0%	8,2%	11,1%	7,4%
Neither	24,0%	20,0%	26,5%	33,3%	25,6%
Disagree	34,0%	30,0%	24,5%	29,6%	28,4%
Strongly disagree	24,0%	35,0%	26,5%	18,5%	26,5%
Don't know	8,0%	7,5%	12,2%	7,4%	9,8%
Observations	50	40	98	27	215

Table 5.18 - To what extent do you agree with the statement that Riga is a place which is lesbian-friendly?

"Riga is a place which is lesbian-friendly"	Foreign	Latvian	N/R	Total
Strongly agree	3,2%	1,6%	3,6%	2,3%
Agree	3,2%	9,3%	5,5%	7,4%
Neither	6,5%	27,1%	32,7%	25,6%
Disagree	16,1%	30,2%	30,9%	28,4%
Strongly disagree	54,8%	23,3%	18,2%	26,5%
Don't know	16,1%	8,5%	9,1%	9,8%
Observations	31	129	55	215

Table 5.19 - To what extent do you agree with the statement that Riga is a place which is gay-friendly?

"Riga is a place which is gay-friendly"	Creative	Graduates	Knowledge	Other	Total
Strongly agree	2,0%	2,5%	2,0%	0%	1,9%
Agree	5,9%	5,0%	4,1%	11,1%	5,6%
Neither	21,6%	15,0%	21,4%	22,2%	20,4%
Disagree	33,3%	30,0%	26,5%	37,0%	30,1%
Strongly disagree	29,4%	42,5%	34,7%	22,2%	33,3%
Don't know	7,8%	5,0%	11,2%	7,4%	8,8%
Observations	51	40	98	27	216

Table 5.20 - To what extent do you agree with the statement that Riga is a place which is gay-friendly?

"Riga is a place which is gay-friendly"	Foreign	Latvian	N/R	Total
Strongly agree	3,2%	2,3%	,0%	1,9%
Agree	3,2%	6,2%	5,5%	5,6%
Neither	3,2%	21,5%	27,3%	20,4%
Disagree	19,4%	31,5%	32,7%	30,1%
Strongly disagree	58,1%	30,0%	27,3%	33,3%
Don't know	12,9%	8,5%	7,3%	8,8%
Observations	31	130	55	216

Overall, irrespective of decomposition of the sample, Riga is not a place that could be considered to be welcoming to visible or sexual minorities. There is a general consensus among the subgroups, although foreigners seem to be more critical.

The final two tables related to tolerance consider tensions between people of high income and low income levels.

Table 5.21 - To what extent do you agree with the statement that Riga is a place with tensions between people of high income and low income levels?

"Riga is a place with tensions between people with high and low incomes"	Creative	Graduate	Knowledge	Other	Total
Strongly agree	6,0%	10,0%	10,1%	11,1%	9,3%
Agree	48,0%	27,5%	43,4%	33,3%	40,3%
Neither	20,0%	40,0%	27,3%	18,5%	26,9%
Disagree	16,0%	17,5%	17,2%	14,8%	16,7%
Strongly disagree	2,0%	,0%	1,0%	7,4%	1,9%
Don't know	8,0%	5,0%	1,0%	14,8%	5,1%
Observations	50	40	99	27	216

Somewhat more than half of the creative and knowledge based workers agree to the statement that Riga is a place tensions between persons with high and low incomes. The graduates are somewhat less pessimistic.

Table 5.22 - To what extent do you agree with the statement that Riga is a place with tensions between people of high income and low income levels?

"Riga is a place with tensions between people of high income and low income levels"	Foreign	Latvian	N/A	Total
Strongly agree	6,5%	10,0%	9,1%	9,3%
Agree	45,2%	37,7%	43,6%	40,3%
Neither	22,6%	30,8%	20,0%	26,9%
Disagree	19,4%	15,4%	18,2%	16,7%
Strongly disagree	0%	2,3%	1,8%	1,9%
Don't know	6,5%	3,8%	7,3%	5,1%
Observations	31	130	55	216

Inspection of the table reveals that a vast majority of all respondents agree to the statement that there are tensions between individuals with high and low income, respectively. The answer to this observation is to be found in the rapid economic transition that Riga has undergone since Latvia regained independence in 1991. The transition has created a class of few but very rich individuals. However, the recent five to seven years have seen the emergence of a growing and fairly prosperous middle class.

6 JOB SATISFACTION

When the knowledge based and creative sectors are discussed it is often assumed that workers in these two sectors have a higher level of job satisfaction than workers in other sectors. Hence, this section will be devoted to the job satisfaction of the respondents. Before the discussion of job satisfaction continues, a closer look will be taken at the size of the organisation where the respondents work[1].

Table 6.1 - Number of employees at the place where the respondents work

Including yourself, about how many people are employed at the place where you work?	Creative	Graduates	Knowledge	Other	Total
Under 10	14,0%	38,5%	15,7%	38,9%	22,4%
10 to 49	46,5%	23,1%	34,9%	33,3%	35,0%
50-99	9,3%	5,1%	9,6%	5,6%	8,2%
100-249	11,6%	7,7%	10,8%	16,7%	10,9%
250-499	7,0%	7,7%	2,4%	5,6%	4,9%
500-999	4,7%	12,8%	7,2%	0%	7,1%
1000-1999	0%	0%	4,8%	0%	2,2%
2000 or more	2,3%	0%	12,0%	0%	6,0%
Don't know	4,7%	5,1%	2,4%	0%	3,3%
	100,0%	100,0%	100,0%	100,0%	100,0%
Observations	43	39	83	18	183

The table reveals that a relatively larger fraction of graduates work in small organisations (this is true for the subgroup other as well). In addition relatively more graduates work in fairly large organisations with in between 500 and 1000 employees.

Table 6.2 - Number of employees at the place where the respondents work

Including yourself, about how many people are employed at the place where you work?	Foreign	Latvian	N/R	Total
Under 10	51,6%	16,5%	16,0%	22,4%
10 to 49	29,0%	36,2%	36,0%	35,0%
50-99	9,7%	8,7%	4,0%	8,2%
100-249	6,5%	11,0%	16,0%	10,9%
250-499	0%	5,5%	8,0%	4,9%
500-999	3,2%	6,3%	16,0%	7,1%
1000-1999	0%	3,1%	0%	2,2%
2000 or more	0%	7,9%	4,0%	6,0%
Don't know	0%	4,7%	0%	3,3%
Total number of observations	31	127	25	183

[1] There are too few observations for a cross tabulation between size of the organisation and occupation according to the ISCO two-digit level. The cross tabulation will therefore be along the lines of the previous sections and divide the sample into four subgroups based on work and graduation, and/or on the three subgroups based on what they responded when asked about their nationality, respectively.

Hence, most of the respondents work in small and medium sized enterprises (SMEs). Furthermore, the subgroup foreigners seem to a larger extent to work within smaller organisations.

The next table investigates the employment status of the subgroups of professionals and graduates.

Table 6.3 - Current employment status of creative and knowledge based workers, and graduates

Current employment status	Creative	Graduates	Knowledge	Other	Total
On an unlimited permanent contract	85,0%	77,8%	73,8%	88,2%	78,6%
On a contract for a specific project	5,0%	2,8%	6,3%	5,9%	5,2%
On a fixed term contract of less than 12 months	2,5%	2,8%	2,5%	5,9%	2,9%
On a fixed term contract of 12 months or more	5,0%	5,6%	15,0%	0%	9,2%
Without a written contract	2,5%	8,3%	2,5%	0%	3,5%
Don't know	0%	2,8%	0%	0%	0,6%
	100%	100%	100%	100%	100%
Number of observations	40	36	80	17	173

Inspection reveals that a vast majority of the respondents are on unlimited permanent contracts. Fixed term contracts seem to be somewhat more common among the knowledge based workers, whereas working without a written contract is more common among the graduates.

To find out if there is any difference in job satisfaction between respondents with different occupations, the sample is divided into subgroups based on the ISCO two-digit classification of the individual respondent's occupation. Table 6.4 presents the occupation of the respondents according to the two-digit classification. The occupations at the ISCO two-digit level represented in the sample are:

- 11: Legislators and senior officials
- 12: Corporate managers
- 13: General managers
- 21: Physical, mathematical and engineering science professionals
- 23: Teaching professionals
- 24: Other professionals
- 31: Physical and engineering science associate professionals
- 34: Other associate professionals

Table 6.4 - Occupation according to ISCO two-digit classification

Occupation	Frequency	Percent
11 Senior officials	16	6,4%
12 Corporate managers	47	18,7%
13 General managers	5	2,0%
21 Physical etc prof.	11	4,4%
23 Teaching profess.	15	6,0%
24 Other professionals	44	17,5%
31 Physical etc ass pr	1	0,4%
34 Other ass. profess.	25	10,0%
Other	12	4,8%
N/A	75	29.9%
Total	251	100%

The table below presents various aspects of job satisfaction for the different types of occupations present in the sample. The percentages in the table show respondents being "very satisfied" or "satisfied" with the various aspects of job satisfaction. When analysing the data one should keep in mind the findings in the previous table, several of the occupational groups have few observations small (and ISCO 31 has been merged into the subgroup "Other"). The category other refers to occupations that could not be classified, e.g. student and retired.

Table 6.5 - Job satisfaction according to ISCO classification

Criteria	11 Senior officials	12 Corp mgrs	13 Gen mgrs	21 Phys prof	23 Teach Prof	24 Other prof	34 Other ass prof	Other	Total
Sense of achievement	43%	85%	100%	91%	80%	82%	88%	75%	78%
Scope using own initiative	75%	90%	100%	91%	89%	84%	80%	83%	85%
Influence over the job	75%	90%	100%	91%	93%	91%	80%	83%	85%
Facilities in the work place	88%	76%	100%	82%	83%	70%	76%	83%	76%
Intellectually stimulating	69%	74%	100%	100%	87%	80%	88%	83%	82%
Friendliness of working e-ment2	69%	90%	75%	82%	93%	91%	84%	91%	86%
Training received	51%	47%	75%	55%	43%	48%	64%	74%	55%
Amount of pay	62%	58%	75%	64%	53%	43%	48%	80%	54%
Amount of holiday	81%	62%	75%	55%	73%	52%	72%	93%	64%
Job security	100%	83%	100%	100%	87%	65%	80%	83%	80%
Career advancement	56%	47%	100%	64%	60%	56%	44%	50%	53%
Balance prof & personal life3	62%	62%	50%	64%	53%	65%	44%	91%	61%
Network with prof in field4	56%	62%	100%	55%	60%	74%	60%	74%	66%
Overall satisfaction	69%	78%	100%	82%	73%	67%	76%	74%	77%

[2] Friendliness of working environment.
[3] Balance professional and personal life.
[4] Networking with professionals in the field.

Inspection of the table reveals that in general the level of satisfaction among the respondents, irrespective of occupation, is high and in some aspects very high. There is very little difference between the occupations with one notable exception. Senior officials seem to be substantially less satisfied with their sense of achievement. Out of the various aspects of job satisfaction the respondents are least satisfied with the opportunities for career advancement, the amount of pay, and the training received. However, even for these categories more than 50 per cent of the respondents are “very satisfied” or “satisfied”.

The next two tables take a look at the job related plans of the respondents: how long they plan to stay within the organisation they work and if the plan to leave within one year, what are the reasons for leaving.

Table 6.6 - How long do you expect to remain in this company/organisation?

	Creative	Graduates	Knowledge	Other	Total
Less than 6 months	11,6%	5,1%	6,0%	11,8%	7,7%
Less than 1 year	7,0%	5,1%	8,3%	,0%	6,6%
Between 1 and 3 years	23,3%	28,2%	28,6%	29,4%	27,3%
More than 3 but less than 5 years	11,6%	2,6%	4,8%	11,8%	6,6%
Between 5 and 10 years	7,0%	10,3%	10,7%	17,6%	10,4%
More than 10 years	4,7%	15,4%	4,8%	,0%	6,6%
Don’t know	34,9%	33,3%	36,9%	29,4%	35,0%
	100,0%	100,0%	100,0%	100,0%	100,0%
Observations	43	39	84	17	183

Inspection of the table reveals that creative workers seem to have a shorter time horizon when it comes to staying at the current work place.

Table 6.7 - Reasons for leaving the job within the coming year (percentage of the respondents mentioning the specific reason)

Reason	Creative	Graduates	Knowledge	Other	Total
More interesting job	18%	15%	23%	6%	17%
To seek better pay	17%	28%	21%	6%	18%
To seek less stressful job	17%	2%	9%	2%	8%
To seek better conditions	11%	15%	12%	4%	11%
My contract will be over	4%	2%	2%	2%	2%
Moving out of Riga	4%	8%	3%	0%	3%
Leaving the country	6%	8%	12%	2%	8%
Other reasons	4%	5%	13%	10%	8%

The two most common reasons for considering leaving the current job within a year are to find a more interesting job and to seek better pay. Overall there seems to be more or less consensus on the reasons for planning to leave the job. One notable exception is “leaving the country” where considerably more knowledge based workers consider this as an option.

7 SATISFACTION WITH THE NEIGHBOURHOOD AND DWELLING

The discussion of creative cities and creative people acknowledges the fact that although a person might be very satisfied with the city as such this satisfaction does not necessarily translate into satisfaction with the neighbourhood where he/she lives and his/her dwelling – factors that are believed to be of high importance for in particular highly educated people in the creative and knowledgebase sectors.

Household composition and size

Since the choice of residential area as well as type of housing are affected by the household composition and size, it makes sense to investigate these aspects before continuing with the analysis of the satisfaction with the neighbourhood and dwelling. The following four tables describe the household composition and the household size, respectively. However, it should be noted that the response rate is low for Latvians, and even lower for the subgroup N/R.

Table 7.1 - Household composition

Household category	Creative	Graduate	Knowledge	Other	Total
One person	17,9%	28,6%	21,8%	25,0%	22,6%
Husband and wife/cohabiting	20,5%	20,0%	38,5%	8,3%	28,0%
Husband and wife (or cohabiting couple) with children	28,2%	31,4%	19,2%	41,7%	25,6%
Lone father/mother and children	10,3%	8,6%	1,3%	8,3%	5,5%
Husband and wife (or cohabiting couple) and children and others	5,1%	2,9%	5,1%	0%	4,3%
Two family units	2,6%	,0%	1,3%	8,3%	1,8%
Non-family household containing related persons (brother/ sister) or non-related persons	15,4%	8,6%	12,8%	8,3%	12,2%
	100,0%	100,0%	100,0%	100,0%	100,0%
Number of observations	39	35	78	12	164

With the exception of one person households (which are relatively more common among the graduates) and non-family households (which are relatively more common among the creative and knowledge based workers) there is not very much difference in habiting patterns among the professional and educational subgroups. A majority of the households comprise a cohabiting couple with or without children.

Table 7.2 - Household composition

Household category	Foreign	Latvian	N/R	Total
One person	26,7%	19,7%	35,3%	22,6%
Husband and wife /cohabiting	20,0%	29,9%	29,4%	28,0%
Husband and wife (or cohabiting couple) with children	46,7%	20,5%	23,5%	25,6%
Lone father/mother and children	3,3%	6,8%	0%	5,5%
Husband and wife (or cohabiting couple) and children and others	0%	6,0%	0%	4,3%
Two family units	0%	2,6%	0%	1,8%
Non-family household containing related persons (brother/ sister) or non-related persons	3,3%	14,5%	11,8%	12,2%
Observations	30	117	17	164

From the table it is seen that a majority of respondents live either alone without children or together with a spouse with/without children. In terms of differences between the subgroups in the sample, couples living together with children are much more common among the foreigners than among the other two subgroups.

7.1 Residential location

The respondents' residential locations are given in tables 7.3 and 7.4 below. Inspection of the tables reveals that there is not very much difference between the different subgroups of respondents. Furthermore, more than half of the respondents either live in the very city centre or in the rest of the core city. Irrespective of decomposition, a vast majority of the respondents live within the Riga city limits. Due to the fact that it is still possible to find relatively inexpensive apartments (although with low standard) in the central part of Riga, it is difficult to say anything on the cost for housing based on the tables below.

Table 7.3 - Area of the city where the respondents live

Area	Creative	Graduates	Knowledge	Other	Total
City Centre	38,1%	43,6%	32,5%	7,1%	34,3%
Rest of the core city (just beyond city centre)	35,7%	30,8%	34,9%	28,6%	33,7%
Rest of the city, including the outskirts	19,0%	23,1%	24,1%	42,9%	24,2%
Village or small town in metropolitan area	4,8%	2,6%	3,6%	14,3%	4,5%
Medium or large town in metropolitan area	2,4%	,0%	4,8%	7,1%	3,4%
	100,0%	100,0%	100,0%	100,0%	100,0%
Number of observations	42	39	83	14	178

There is apparently not very much of a difference between the different subgroups when it comes to the area of the city where the respondents live. A somewhat larger fraction of graduates live in the very city centre, whereas, on the other hand, somewhat more creative and knowledge based workers live just beyond the city centre.

Table 7.4 - Area of the city where the respondents live

Area	Foreign	Latvian	N/R	Total
City Centre	38,7%	33,3%	33,3%	34,3%
Rest of the core city (just beyond city centre	38,7%	32,6%	33,3%	33,7%
Rest of the city, including the outskirts	19,4%	26,4%	16,7%	24,2%
Village or small town in metropolitan area	3,2%	5,4%	0%	4,5%
Medium or large town in metropolitan area	0%	2,3%	16,7%	3,4%
Number of observations	31	129	18	178

Inspection of the table above reveals that in terms of area where the respondents live, there is not very much difference across the nationalities. The only notable difference is that a somewhat larger fraction of Latvians live in the "rest of the city", i.e. outside the core city.

The next table gives the average time to work. From the table it is seen that most of the respondents have less than 30 minutes of travel time to work. A number that must be considered good in any metropolitan area and which to a large extent reflects the fact that Riga is a relatively compact city. Furthermore, in this respect there seems to be no major differences between the different subgroups of the sample.

Table 7.5 - Average travel time to work

Average travel time to work	Creative	Graduates	Knowledge	Other	Total
I work from home	6,0%	7,7%	3,2%	11,5%	5,7%
Less than 15 min	14,0%	35,9%	25,3%	15,4%	23,3%
15-29 min	42,0%	38,5%	32,6%	30,8%	35,7%
30-44 min	20,0%	10,3%	17,9%	19,2%	17,1%
45-59 min	12,0%	7,7%	9,5%	11,5%	10,0%
60-90 min	6,0%	,0%	10,5%	11,5%	7,6%
More than 90 mins	0%	0%	1,1%	0%	0,5%
	100,0%	100,0%	100,0%	100,0%	100,0%
Observations	50	39	95	26	210

Overall graduates seem to have a bit less travel time to work – this probably reflects the fact that the live on average a bit closer to the very city centre. However, the most notable difference between the subgroups is the relatively large fraction of "other" that works from home.

Table 7.6 - Average travel time to work

Average travel time to work	Foreign	Latvian	N/A	Total
I work from home	3,4%	5,6%	7,3%	5,7%
Less than 15 min	31,0%	26,2%	12,7%	23,3%
15-29 min	41,4%	34,1%	36,4%	35,7%
30-44 min	13,8%	15,1%	23,6%	17,1%
45-59 min	3,4%	11,1%	10,9%	10,0%
60-90 min	6,9%	7,1%	9,1%	7,6%
More than 90 min	0%	,8%	,0%	,5%
Observations	29	126	55	210

The table shows that Latvians have a somewhat longer travel time to work – an observation which is in line with the observation above that the Latvians in the sample on average live a bit further afield from the city centre.

7.2 Satisfaction with the neighbourhood

The first two tables analyse the number of years that the respondents have lived in the neighbourhood/area where they currently reside.

Table 7.7 - Years lived in the neighbourhood/area

Years lived in neighbourhood	Creative	Graduates	Knowledge	Other	Total
Less than 1 year	11,9%	12,8%	10,8%	28,6%	12,9%
Between 1 and 5 years	57,1%	48,7%	42,2%	14,3%	44,9%
Between 5 and 10 years	9,5%	17,9%	16,9%	7,1%	14,6%
More than 10 years	21,4%	20,5%	30,1%	50,0%	27,5%
	100%	100%	100%	100%	100%
Observations	42	39	83	14	178

The knowledge based workers seem on average to have lived longer their neighbourhood/area, whereas the creative workers seem on average to have lived shorter in their neighbourhood/area.

Table 7.8 - Years lived in the neighbourhood/area

Years lived in neighbourhood	Foreign	Latvian	N/R	Total
Less than 1 year	22,6%	10,9%	11,1%	12,9%
Between 1 and 5 years	58,1%	39,5%	61,1%	44,9%
Between 5 and 10 years	9,7%	16,3%	11,1%	14,6%
More than 10 years	9,7%	33,3%	16,7%	27,5%
Observations	31	129	18	178

As seen from the two preceding tables, a majority of the respondents have lived less than five years in the neighbourhood/area where they currently reside, indicating a fairly high mobility. One possible explanation for this fairly high mobility is the rapid economic development Riga and Latvia have undergone during the last five years giving a large part of the population the opportunity to borrow money and invest in housing.

The next tables show the satisfaction of the respondents with the neighbourhood/area where they currently reside. To compile the tables, only the responses of those that answered that they were “Very satisfied” and “Quite satisfied” were included in the tables (the other possible answers were “Somewhat unsatisfied”, “Very unsatisfied”, and “No opinion”). This means that the percentages shown refer to the percentage of respondents within the subgroup telling that they were either “Very satisfied” or “Quite satisfied” with the different aspects of satisfaction. For example 82% in the row “Nearness to employment” means that 82 per cent of the graduates were either “Very satisfied” or “Quite satisfied” with their area’s nearness to employment.

Table 7.9 - Satisfaction of the neighbourhood/area where you currently reside

How satisfied are you with the following aspects of life in your neighbourhood/ area?	Creative	Graduates	Knowledge	Other	Total
Nearness to employment	67%	82%	71%	64%	72%
Personal safety	81%	87%	82%	79%	84%
Level of traffic noise	66%	67%	64%	86%	66%
Level of pollution	52%	44%	66%	71%	53%
Provision of childcare facilities	26%	20%	27%	7%	24%
Provision of healthcare facilities	43%	41%	53%	50%	48%
Social interaction between neighbours	67%	50%	49%	64%	52%
Appearance of the neighbourhood	64%	59%	57%	69%	60%
Access to commercial facilities	79%	85%	88%	93%	86%
Access to public spaces	83%	82%	87%	100%	86%
Access to public transport	90%	97%	93%	79%	91%
Overall quality of the neighbourhood	76%	77%	84%	86%	81%
Number of observations	41-42	38-39	83	13-14	177-178

Given the discussion of average travel time to work and location where the respondents live, it should be no surprise that graduates overall are very happy with the “nearness to employment”. The creative workers are relatively happier with the social interaction between neighbours. These two observations being exceptions, otherwise there is not very much difference between the various subgroups.

Table 7.10 - Satisfaction of the neighbourhood/area where you currently reside

How satisfied are you with the following aspect of life in your neighbourhood/area?	Foreign	Latvian	N/R	Total
Nearness to employment	81%	72%	55%	72%
Personal safety	90%	81%	84%	84%
Level of traffic noise	68%	67%	61%	66%
Level of pollution	42%	58%	50%	53%
Provision of childcare facilities	23%	26%	17%	23%
Provision of healthcare facilities	39%	50%	50%	48%
Social interaction between neighbours	39%	60%	44%	52%
Appearance of the neighbourhood	61%	62%	44%	60%
Access to commercial facilities	90%	83%	94%	86%
Access to public spaces	90%	86%	78%	86%
Access to public transport	92%	90%	94%	91%
Overall quality of the neighbourhood	81%	82%	72%	81%
Number of observations	31	128-129	18	177-178

Foreigners seem to be a bit more happy with the “nearness to employment” – something which most likely could be explained by the observation that relatively more foreigners live in the city centre and the that have somewhat less average travel time to work. Overall inspection of the two preceding tables reveals that the respondents overall are highly satisfied with the neighbourhood/area where they currently reside. The areas where they are least satisfied are related to the social services provided: childcare and healthcare facilities. There are very small differences in satisfaction between the different subgroups.

The high levels of satisfaction with the neighbourhood/area of residency is confirmed in the following table, showing that out of those that either have answered “yes” or “no” (i.e. excluding those that did not answer), more than 90% agree with the statement that the neighbourhood/area has lived up to their expectations.

Table 7.11 - Has living in this neighbourhood/area generally lived up to your expectations

	Creative	Graduates	Knowledge	Other	Total
Yes	74,1%	82,5%	73,3%	23,1%	64,5%
No	3,7%	12,5%	4,8%	3,8%	5,6%
No answer	22,2%	5,0%	21,9%	73,9%	29,9%
Number of observations	54	40	105	52	251

Table 7.12 - Has living in this neighbourhood/area generally lived up to your expectations

	Foreign	Latvian	N/A	Total
Yes	87,1%	91,5%	17,8%	64,5%
No	9,7%	6,9%	2,2%	5,6%
No answer	3,2%	1,5%	80,0%	29,9%
Number of observations	31	130	90	251

To further understand the factors contributing to the satisfaction of the neighbourhood/area of residence, the following two tables analyse factors that might play an important role when it comes to deciding on whether to move into a certain neighbourhood or area. The two tables show the percentages of those that have answered either “very important” or “quite important” when they were asked about the various characteristics. The other possible answers (not included in the table) were “somewhat important”, “not important”, and “not applicable”.

Table 7.13 - Factors contributing to the satisfaction of the neighbourhood/area of residence

Factors of importance	Creative	Graduates	Knowledge	Other	Total
Distance from work to home	60%	70%	70%	31%	67%
Cost of dwelling	68%	73%	76%	69%	73%
Size of dwelling	75%	59%	76%	54%	71%
Availability of private open space	38%	39%	52%	53%	46%
Proximity to family/friends	32%	28%	56%	67%	46%
Closeness to services/facilities	45%	44%	52%	75%	50%
Proximity to public transport	58%	57%	69%	75%	64%
Proximity to major roads/highways	40%	30%	49%	33%	42%
Nearness to pubs/nightclubs	26%	8%	13%	8%	14%
Closeness to city centre	60%	63%	65%	58%	62%
Proximity to good quality schools	30%	25%	30%	33%	29%
Availability of crèches	18%	8%	33%	27%	24%
Availability of leisure facilities	32%	23%	36%	67%	35%
Quality of surrounding neighbourhood	69%	67%	62%	75%	70%
Closeness to open public space	38%	61%	58%	50%	56%
Neighbourhood atmosphere	58%	52%	75%	67%	72%
Number of observations	39-40	35-37	78-81	11-13	166-171

In general there is a fairly strong consensus on the factors of importance. The three most notable differences are the graduates' lack of interest in pubs/nightclubs and in the availability of crèches, and the creative workers low rating of "closeness to open public space".

Table 7.14 - Satisfaction of the neighbourhood/area where you currently reside

Factors of importance	Foreign	Latvian	N/R	Total
Distance from work to home	77%	63%	59%	67%
Cost of dwelling	67%	75%	71%	73%
Size of dwelling	77%	70%	65%	71%
Availability of private open space	43%	47%	41%	46%
Proximity to family/friends	31%	54%	29%	46%
Closeness to services/facilities	48%	53%	35%	50%
Proximity to public transport	62%	67%	43%	64%
Proximity to major roads/highways	17%	48%	35%	42%
Nearness to pubs/nightclubs	14%	15%	12%	14%
Closeness to city centre	76%	63%	40%	62%
Proximity to good quality schools	24%	32%	18%	29%
Availability of crèches	17%	25%	24%	24%
Availability of leisure facilities	21%	40%	24%	35%
Quality of surrounding neighbourhood	76%	73%	48%	70%
Closeness to open public space	66%	52%	59%	56%
Neighbourhood atmosphere	79%	72%	59%	72%
Number of observations	28-30	120-124	17	166-171

In terms of differences between the three subgroups, foreigners tend to consider proximity to major roads/highways of less importance. An observation most likely explained by the fact that many in the other two subgroups most likely have summer houses outside Riga. The N/R subgroup tends to think closeness to city centre as well as quality of the surrounding neighbourhood is of less importance.

Overall, the proximity to work is considered to be an important factor and the groups with relatively more respondents living close to the city centre and/or having a short commute to work tend to consider distance to work slightly more important. Other factors of importance are the cost and size of the dwelling. Furthermore, from the two tables above follow that the least important factors are those related to leisure activities (availability of leisure facilities and nearness to pubs/nightclubs), and to schools and childcare (proximity to good quality schools and availability of crèches). The latter might to a large extent explained by the family composition of the sample with relatively few respondents living in a family with children.

7.3 Satisfaction with the dwelling

The satisfaction of the dwelling is characterised by a number of different aspects relating to the interior, such as space inside, as well as to the surroundings, such as open space and parking space. The tables below report the percentage of respondents that have answered that they either are "very satisfied" or "quite satisfied" with the different characteristics. In addition to these two answers, there were three more options: "somewhat unsatisfied", "very unsatisfied", and "no opinion".

Table 7.15 - Satisfaction with the current dwelling

Aspect of satisfaction with the dwelling	Creative	Graduate	Knowledge	Other	Total
Overall size	76%	56%	67%	72%	67%
Storage space inside	36%	36%	33%	54%	36%
Size of the kitchen	60%	51%	64%	71%	60%
Size of the bedroom	74%	62%	71%	64%	69%
Outlook from the dwelling	68%	74%	64%	85%	69%
Security of the dwelling	81%	76%	68%	71%	72%
Provision of open (garden) space	33%	31%	37%	57%	37%
Physical quality of the dwelling	67%	54%	63%	57%	62%
Parking space	43%	49%	49%	50%	48%
Level of noise from neighbours	79%	74%	61%	71%	69%
If in apartment building – quality of management etc.	58%	43%	49%	50%	50%
Number of observations	38-42	37-39	79-83	13-14	166-178

The most notable difference among the professional and educational subgroups is that the graduates seem to be less happy with various aspects related to the size of the apartment in which they reside. One possible explanation might be that the graduates have traded size for a central location.

Table 7.16 - Satisfaction with the current dwelling

Aspect of satisfaction with the dwelling	Foreign	Latvian	N/A	Total
Overall size	84%	63%	61%	67%
Storage space inside	48%	37%	22%	36%
Size of the kitchen	71%	59%	50%	60%
Size of the bedroom	87%	64%	72%	69%
Outlook from the dwelling	77%	68%	67%	69%
Security of the dwelling	79%	72%	67%	72%
Provision of open (garden) space	29%	39%	33%	37%
Physical quality of the dwelling	81%	58%	50%	62%
Parking space	39%	49%	50%	48%
Level of noise from neighbours	71%	68%	72%	69%
If in apartment building – quality of management etc.	64%	48%	40%	50%
Number of observations	28-31	120-129	18	166-178

In general the subgroup foreigners seem to be somewhat more satisfied. An observation that might be related to their level of income (and in some cases subsidised housing from their employer).

To conclude, the respondents are overall happy with their dwellings with a few exceptions. Storage space inside could be better and so could the provision of open (garden) space. The latter probably indicating that most of the respondents live in apartment buildings.

The following two tables investigate the affordability of housing. However, before interpreting the results of last two tables, it is worth emphasising that barely half of the respondents have answered this question.

Table 7.17 - Affordability of monthly rent/mortgage

Affordability of monthly rent/mortgage	Creative	Graduates	Knowledge	Other	Total
Very easy to afford	13%	11%	10%	0%	10%
Easy to afford	39%	36%	49%	40%	43%
Just about affordable	32%	36%	22%	40%	28%
Not easy to afford	13%	18%	15%	0%	15%
Very difficult to afford	3%	0%	3%	20%	3%
Number of observations	31	28	59	5	123

Hence, knowledge based workers seem to find it somewhat more easy to afford the monthly rent/mortgage.

Table 7.18 - Affordability of monthly rent/mortgage

Affordability of monthly rent/mortgage	Foreign	Latvian	N/R	Total
Very easy to afford	11%	11%	8%	10%
Easy to afford	26%	50%	33%	43%
Just about affordable	44%	23%	33%	28%
Not easy to afford	11%	14%	25%	15%
Very difficult to afford	7%	2%	0%	3%
Number of observations	27	84	12	123

Inspection of the table reveals that foreigners find the monthly rent/mortgage somewhat less affordable than the other subgroups. There might be several reasons for this. One possible explanation follows from a combination of the two last tables showing that foreigners in general are somewhat more satisfied than the other two subgroups. If the requirements in terms of dwelling standard between the three subgroups are fairly identical, this means that foreigners got their higher level of satisfaction at a higher rent/mortgage cost, which in turn means that they pay more for their housing.

8 CONCLUSIONS

This paper has analysed Riga's potential as creative city attracting what Florida (2002) calls the "creative people", who are believed to be a driving force for economic growth in the high-valued added sectors. Focussing on hard as well as soft factors, Riga's potential as a city whose economic growth is driven by the creative and knowledge-based sectors was analysed along three dimensions:

- Satisfaction with the city;
- Satisfaction with the job and work environment;
- Satisfaction with the neighbourhood and dwelling satisfaction.

All of them, according to Florida, being essential when it comes to attracting creative people resulting in higher rates of innovation, high-technology business formation, job generation and hence economic growth.

The data obtained through the questionnaire was analysed along two different dimensions – each of them serving as a means to divide the respondents into different subgroups. The first decomposition followed the ACRE project guidelines and looked upon the respondents' professional and educational backgrounds. The following three subgroups were used for the decomposition of the sample:

- Workers in the creative sectors;
- Workers in the knowledge based sectors;
- Graduates from tertiary educational institutions.

The first two groups, i.e. which sectors to be considered, were defined by the ACRE project team.

The second decomposition followed from the observation that most of the variation in the dataset could be explained by the respondents' nationality. Hence, an analysis was also undertaken using the "nationality dimension", i.e. the sample was decomposed into the following two subgroups:

- Latvians;
- Foreigners.

Furthermore, the subgroup "Foreigners" is of particular interest since they implicitly benchmark Riga against other countries and metropolitan areas when answering the questions of the questionnaire. Hence, looking at the foreigners' answers might provide some answers how Riga rates on an international scale.

The findings in the study have a bearing on the academic discussion following Florida's discussion of creative cities, the creative class etc. as well as a bearing on Riga's long term development strategy.

The academic discussion following Florida's work has to some extent focussed on whether there are any differences in preferences between the creative workers, the knowledge based workers and the graduates, respectively. There is little, if any, support for such a hypothesis in the dataset employed in this paper. There is over all little variation between the different subgroups when the sample is decomposed based on the respondents' professional and educational backgrounds. Furthermore, in case there are differences there is no systematic pattern.

The case is however the opposite when nationality is used to decompose the sample into two distinct subgroups: Latvians and foreigners. The analysis shows that a substantial part of the variation in the sample could be attributed to the nationality factor. Furthermore, foreigners are systematically more positive or less negative than the Latvians.

However, it has to be emphasised that the results should be interpreted with caution since the overall sample size is fairly small, and that the fairly small overall sample is divided into subgroups with even less observations.

From a policy perspective, the analysis reveals that the respondents, irrespective of subgroup, paint a relatively rosy picture of Riga as a creative city. In general there is a high (in some cases very high) level of satisfaction with the city as such, as well as the job and work environment, and with the neighbourhood and dwelling situation. There are of course exceptions where the respondents are not that satisfied. However they are few and mainly related to the following areas:

- Traffic and public transportation (including air and noise pollution);
- Social services such as social security, healthcare, and childcare;
- Social problems such as crime, safety and drugs;
- Tolerance.

From a policy perspective these areas should be the main focus for Riga, which sees itself, according to the Development Strategy till 2025, as city which aims at:

- Developing a well-educated, skilful and culture respecting society;
- Promoting development of an economy based on the East-to-West link;
- Promoting living high-quality urban neighbourhoods;
- Facilitating the development of high added value industries; and
- Facilitating the development of creative industries.

Given these objectives the results of the study suggests that Riga has a good potential in reaching the aims of the Development Strategy by 2025. What should be particularly encouraging is that foreigners are overall very happy with Riga as a place where to live and work.

One might however, ask if the picture painted by the report is too rosy and too optimistic. In this respect there might be a problem with the questionnaire and approach as such and on how to interpret the answers. The main problem in this sense is that there is very little information about from the where the respondents "came" and what they think about the future, i.e. the survey is fairly static. To illustrate this issue, consider the following two examples.

Firstly, the Latvian economy has experienced a real economic growth around 10 per cent during the last years, and real wages have, in many cases, increased more than 20 per cent. Could it be that the answers to a large extent reflects this development, rather than the satisfaction with Riga as city where to live and work? In particular since the economic development started from a fairly low level.

Secondly, the foreigners in Riga have experienced the same rapid economic development as the locals. Furthermore, nothing is known about their expectations when they came to Riga. Could it be the case that many of them expected a drab Soviet-style city before relocating to Riga? If so, then they were most likely very positively surprised when they came to Riga, which in turn led to a "too high" level of satisfaction.

Another aspect worth taking into account when interpreting the results discussed above, is that the sample comprises more or less only of respondents with tertiary education and with high occupations. These groups are the ones that have benefited the most from the current economic development both in terms of income and wealth development.

Despite these caveats, it seems reasonable to assume that Riga through a good combination of hard factors, such as for example a good geographical location at the cross roads between East and West, and soft factors such as those discussed in this report, should have a good potential to develop as a city where the knowledge based and creative sectors, through an inflow of creative people, will be one of the most important driving forces behind the city's economic growth.

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