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Keane, Michael A. (2009) *Creative industries in China : four perspectives on social transformation*. *International Journal of Cultural Policy*, 15(4). pp. 431-434.

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This is an electronic version of an article published in *International Journal of Cultural Policy*, Volume 15 Issue 4 2009. The *International Journal of Cultural Policy* is available online at informaworldTM

Creative industries in China: four perspectives on social transformation

ABSTRACT

In late 2004, the concept of the creative industries arrived in China. It was warmly welcomed in Shanghai then subsequently adopted with some degree of caution in Beijing. In the years since, officials, scholars, practitioners, entrepreneurs and developers have exploited of the idea of creative industries, and a range of associated terms, to construct an alternative vision of an emerging China. In 2009, Li Wuwei, the Director of the Shanghai Creative Industries Association, himself a leading player in national political reform, released a book titled Creativity is Changing China (*Chuangyi gaibian Zhongguo*), subsequently translated as Creative Industries Are Changing China in English.

The paper investigates the uptake of the creative industries in China and asks: can they really change China, or are they just rearranging the cultural landscape in some cities?

Keywords: China, innovation, creativity, cultural policy

Creative industries in China: four perspectives on transformation

The creative industries are those industries that are based on individual creativity, skill and talent. They are also those that have the potential to create wealth and jobs through developing intellectual property (DCMS 1998).

Creative industries are those industries that rely upon creative ideas, skill and advanced technology as core elements, increase value in production and consumption and create wealth and provide extensive jobs for the society through a series of activities (Li Wuwei 2008).

Introduction

The creative industries came to mainland China in late 2004. With its UK credentials apparent to all, this *nouveau arrivé* in the development stakes was championed by Professor Li Wuwei, an economist within the Shanghai Academy of Social Sciences. As China's business powerhouse, Shanghai maintains a closer association with developments in the southern metropolis of Hong Kong than Beijing. The year prior to Shanghai's reception of creative industries the *Creative Industries Baseline Study* had been published by the University of Hong Kong Cultural Policy Unit (CCPR 2003). This influential document largely facilitated an emerging discourse of cultural development in China, including the term *chuangyi chanye*, which would become the popular translation for creative industries.

In time the Shanghai Academy of Social Sciences would become a focal point for definitional clarity in respect to creative industries in China. However, despite a palpable sense of anticipation in 2004-5, the creative industries 'believers' were in a

minority; they had to convince a political community in the nation's capital, the incumbent power brokers within the central Ministry of Culture (MoC). For conservatives the creative industries was simply a 'cargo cult', a Trojan Horse; it was incompatible, alien and suspicious; furthermore it had not made its way through Chinese Communist Party work groups, the complicated system that adjudicates on sensitive policy reform. In effect, its appeal to city planners, officials and entrepreneurs had short-circuited this process.

In 2004, about the time that the creative industries idea was gaining momentum in Shanghai, the American scholar Jing Wang was expressing reservations about its acceptance in a system guided by central planning, particularly when the 'cultural industries' were designated state policy. She writes, 'The thorniest question triggered by the paradigm of creative industries is that of 'creativity'—the least problematic in the western context. How do we begin to envision a parallel discussion in a country where creative imagination is subjugated to active state surveillance?' (Wang 2004: 13). Indeed, if the creative industries are bringing about change, as one of the perspectives in this paper suggests, might it be a case of the 'economic tail wagging the cultural dog'? Is competition for profit within China's expanding media production sector, increasingly organised into independents and increasingly regional, lessening the ideological straightjacket that has conspired to subjugate creative imagination? Is the need to attract tourists and consumers to China's urban art districts allowing greater risk-taking and tolerance?

In this paper I examine the dissemination of the creative industries in China. I do this by offering four propositions that provide a forecast of its longevity. These are

1. The creative industries idea, and that of creativity itself, is not native to China. While currently fashionable creative industries policy has no real capacity to effect any substantial change; i.e. the more things change the more they stay the same;
2. The creative industries are fundamentally misunderstood in China and are more appropriately construed as cultural industries; because cultural traditionalism exerts so much influence in policy making the creative industries offer little hope of change;

3. The creative industries are here to stay in China although they will always be managed by party officials, thus negating the positive externalities associated with artistic freedoms in the West;
4. The creative industries are changing China; the change is institutional, fundamental, and is occurring along geographical divides;

Creativity: essentially a Western idea?

Due to creativity's Western legacy, creative industries policy will have no real capacity to effect any substantial change.

A conventional view of China is that it resists change. For instance, research into business management practices in China reveal deep-seated value systems that defy foreign ideas, and in turn generate a production line of 'how to think like Chinese' manuals (Zhang and Baker 2008). However, the discourse of resistance to change is one that we need to constantly interrogate: while it is often noted, much resistance to the outside is expressed through elite political channels. As Frank Dikötter writes, 'a refusal to engage with the presence of the modern has been one way to preserve the fiction of a more 'authentic' China to be discovered by romantic traveller and historian alike' (Dikötter 2004: 4). Throughout history, with the exception of the revolutionary period from 1949 to 1978, China has absorbed foreign ideas. It has managed to integrate these ideas into its social fabric, albeit while still retaining a cultural identity. In effect, with the acceleration of information technologies in the past two decades we now observe a more contested field of ideas—between slogan-heavy political versions of progress and the more flexible and adaptable concerns of business, creative practitioners and communities.

In the early 1990s, China's architect of economic reform, Deng Xiaoping, coined the phrase 'commodity economy with Chinese characteristics'. This celebrated announcement gave birth to a long list of articles, policy statements and conference papers concerning China's 'pragmatic' adaptation of foreign ideas. In many cases selective modification of foreign concepts was a matter of expediency; it entailed an

element of forgetting—in particular forgetting about the bogey of ‘bourgeois liberalism’, a term that had motivated Chinese Communist Party rhetoric against capitalism for most of the revolutionary period (1949-1978), and even throughout the 1980s. The catchphrase ‘with Chinese characteristics’ soon became Newspeak for how China would integrate on its own terms, and according to appropriate political authentication.

Another term, *yu guoji jiegui*, appeared in popular use around the same time. *Jiegui* literally means to connect with a train track—the full phrase implies the trajectory of bringing China in line with the rest of the world (*guoji*). In December 2001, China formally connected to the world economy. It joined the World Trade Organisation. In the lead up to this event, a senior government official chose the metaphor of a ‘wrecking ball’, suggesting that integration would smash old institutional practices and allow the marketplace to rebuild with greater capacity (Jin 2002). This coded reference to Schumpeter’s ‘gales of creative destruction’ in an address to the World Bank on October 22, 2002 by China’s Vice-Minister of Finance Jin Liqun might have been construed by some members of the international community as evidence of a new willingness to accommodate widespread institutional reforms

From a Ministry of Culture—as well as a Central Propaganda Department perspective—few forces could be as potentially destructive to China’s political sovereignty as creativity. Its association with capitalism were writ clear. At the time of accession, moreover, the media industries — and culture more broadly—were quarantined (Keane 2002). Indeed, culture had assumed the high ground of national sovereignty. China would invest in its culture, not just for economic reasons, but as a way of resisting what many conservatives felt would be the inevitable inroads of Western movies, television and advertising.

In the past few years the Chinese leadership has carefully moved its mode of governance into a more ‘harmonious’ space, emphasising an enlightened attitude towards economic and social development as well as international relations. The concept of ‘soft power’ (*ruan shili*) has assumed the status of international propaganda as China attempts to reach out to the world with its own ideas. To

dissociate completely with creative industries would refute the new openness to ideas and derail China's connecting (*jiegui*).

Scholars have generally agreed that the concept of creativity, at least as it is applied in the UK creative industries bible, is Western. The question we need to therefore consider is: is there a disjuncture between the Western idea of creativity and Chinese tradition? Indeed, these are debates that have exercised the minds of thinkers in the past. For instance, Hegel believed that 'the Orient' never experienced a rupture with nature, such as had occurred in Greek tradition, which ultimately led to discontinuity, together with a propensity to separate nature and culture (Hegel 1975; cited in Puett 2001; see also Makeham 2004). On the other hand, Voltaire (1828) argued that continuity between nature and culture—as expressed in Chinese cultural artefacts and writings—had allowed China a period of early advancement, which was followed by stasis. This argument about stasis, which is elaborated in the work of modern economists such as Landes (2006) and Mokyr (2002), is supported by documentary evidence from pre-classical China. In the period of the Zhou Dynasty referred to as 'the Hundred Schools of Thought', usually associated with Confucius and his followers, debates ensued as to whether the 'superior man' ought to innovate. Despite evidence that suggests that one school, the Mohists, promoted a link between culture and the creation of artefacts, the dominant Confucian view was that people should eschew innovation and model themselves on the patterns that came from nature.ⁱ

Following this historical argument to its expression in contemporary society one would expect the discourse of creativity and *inter alia* creative industries to have little impact. Conversely, there are many scholars, critics, lobbyists, and educators in China who point to the historical legacy of eschewing innovation and who see the international 'super-sign' of creativity as a means of breaking down 'the patterns of the past' (Wu 2006; Liu Shifa 2004; Li 2004; Hu 2002; for super-sign see Lydia Liu 2004). However, many who recognize the limits of 'patterning' find little comfort in the shock of the new. As de Muynck (2007) writes, 'cut and paste creativity', the practice of expediently adding the description 'creative' (*chuangyi*) to clusters, zones, precincts, bases, corridors, parks, shopping malls, real estate developments, and theme parks has little to say about engendering creative design principles. The practice of

imitating successful patterns by adding a 'creative' façade is often an exercise in superficiality. In short, the more things change, the more they stay the same.

Here come the creative industries: circle the wagons!

The creative industries are fundamentally misunderstood in China and are more appropriately construed as cultural industries; because cultural traditionalism exerts so much influence in policy making the creative industries offer little hope of change.

Differences, as well as the similarities between cultural and creative industries in China, are split along national and regional fault lines. A broad perspective locates Ministry of Culture policy makers in Beijing, who stridently oppose the creative industries concept, and what McGee et al (2007) call 'growth coalitions'. These municipal and provincial coalitions include local governments, developers and investors, research agencies, and entrepreneurs. As I have argued elsewhere, for these agents the creative industries are a development template into which local characteristics are inscribed (Keane 2009).

In the West protracted debates have ensued for several years about the appropriateness of terminology, cultural vs. creative. Similar debates have taken place in China. While I don't wish to engage with the international quarrels here it is clear that 'neo-liberal' elements of creative industries policy have been at the centre of most critiques. As Yúdice (2003: 82) writes, neo-liberalism refers to 'the set of policies that include trade liberalisation, privatization, the reduction (and, in some cases, near elimination) of state-subsidized social services like health care and education, the lowering of wages and the evisceration of labour rights ...'. Yúdice demonstrates convincingly that the turn to the creative economy, notably the gentrification of urban space, privileges the professional-managerial classes, increases rents, while positioning subordinate groups as service providers or 'providers of "life-giving" ethnic and other cultural experiences' (Yudice 2003: 20; see also Rossiter 2006; Ross 2005, 2009).

In China, ideological positions are arraigned somewhat differently. The fact that the creative industries might be redolent of neo-liberalism seems to less of an issue than their perceived absence of politics. An influential article by a Ministry of Culture spokesperson published in the *Blue Book of Chinese Culture* in 2007 argued that whereas the Chinese cultural industries integrated economics and ideology, the UK creative industries were lacking ideology. As evidence, the writer Wang Yongzhang cited the fact that the core creative industries in the UK included industrial design, which in his view ‘had no ideological character’. In contrast, the national list of core cultural industries in China includes journalism, publishing, audio-visual and electronic publishing, radio, television, movies, performing arts, cultural exhibitions, cultural relics, museums, libraries, archives, mass cultural activities, cultural research, and community cultural organization. All have ideological components and are managed by the state in some respect. This critique of ideological deficiency appears to be provisional, however, if we take into account another widespread criticism by Ministry of Culture conservatives, namely that the creative industries are about individual endeavour, in contrast to the cultural industries which are ‘of the people’.

Aside from their Western origins, it is not difficult to understand why the creative industries provoked antipathy among Ministry of Culture and Party faithful. At the time that the UK’s Department of Culture Media and Sport (DCMS) was unveiling its Creative Industries Task Force in 1998, the Chinese Ministry of Culture was addressing the vexed problem of stimulating the cultural market in China. The master plan was to promote the ‘cultural industries’ (*wenhua chanye*). However, it wasn’t until the Fifth Session of the Fifteenth Party Congress in October 2000 that the cultural industries were introduced as part of the ‘recommendations’ for the national Tenth Five Year Plan.ⁱⁱ In March 2001, these were subsequently ratified in the Fourth Session of the Ninth People’s Congress (Zhang et al 2004). However, it took three more years before the National Statistical Office (*guojia tongji ju*) was able to identify industrial sectors in a way that corresponded to the data sets that were emerging globally (Wang 2007).ⁱⁱⁱ

In the interim period, the policy concepts of ‘innovative nation’ (*chuangxin guojia*) and ‘autonomous innovation’ (*zizhu chuangxin*) were fermenting in Chinese policy

think tanks. Innovation was first and foremost about promoting scientific progress, exemplified by China's sending its first man into space in 2003. By now associated with industrialisation, culture was brought into a planned marriage with innovation, even if the mode of engagement remained unclear. But the big picture was clearly defined. China needed to resolve its dependence on the West; and accordingly it would do so by two means. First, global technology outsourcing combined with local knowledge and cost advantage would effect an initial wave of innovation; following this, China would use the technology and know-how to create large enterprises that would harness intellectual property and become global brands (Liu 2005). While these catch-up prescriptions pertained directly to technology and manufacturing sectors, they were soon embedded in the rhetoric of 'cultural development' (*wenhua jianshe*)^{iv} (Wang 2007: 41).

The term 'innovation' carries a certain flavour of expediency, and this is no more so than in the People's Republic of China. Steve Fuller calls it 'the first global policy craze of the 21st century' (2007: 103). He notes that the tightness of fit between innovation and capitalism in turn reflects a desire to turn non-capital into capital. Indeed, the flavour of the creative industries, particularly as articulated within the DCMS Task Force format reinforces the goal of making underperforming and non-capital cultural assets more accountable and already performing enterprises more successful. For this to occur, however, there needs to be an ecology that supports the origination and dissemination of ideas. However, an ecology that allows powerful interests to dominate, whether these are transnational corporations or state conglomerates, is unlikely to produce real innovation.

In this respect, the link between cultural development (*wenhua jianshe*), innovation (*chuangxin*) and creativity (*chuangyi*) remains an unresolved policy issue. In linking the first two of these elements Wang Yongzhang notes the dual nature of China's cultural industries, that fact that they are both public institutions (*shiye*) and industries (*chanye*) (See Zhang 2006). The key point here is that the gradual transition from the former state-owned and managed institution model to the more autonomous industry model is a process guided by enlightened officials who have the best interests of the population at heart. For some state-owned companies, however, the shift to becoming

entrepreneurial is not so easy; it means adopting changes in management style and accepting risk.^v

In addition to demonstrating the fit between guided development and markets, The MoC official Mr. Wang points to the fact that the emphasis on wealth creation and employment in the DCMS is different from China's core intention 'to cultivate autonomous innovation capacity', which he says entails producing famous brands and nurturing competitive cultural enterprises, as well as enterprise groups that generate their own intellectual property. In this reading, the Chinese government should avoid international trends and maintain its right to define 'soft power' (*ruan shili*) in terms that reflect national sovereignty.

In retrospect Jing Wang was undoubtedly correct in her assessment of the hegemony of cultural industries and its political differentiation from the new foreign interloper. This was a Trojan Horse in more ways than one. The discourse of creativity conspired to usher in a Western model of individuals, autonomous artists, entrepreneurs and iconoclasts: 'The creative industries are those industries that are based on individual creativity, skill and talent'.

Central to the popularisation of the creative industries discourse in China are growth coalitions who court the favours of propaganda officials. As mentioned earlier these are often loose alignments of interests, some focused on turning a profit, others more concerned with keeping up with international trends. In this collusion of networks, municipal, city and district governments were opting to choose their development paths. The Beijing Municipal Government decided to split first, settling for the hybrid term Cultural and Creative Industries (CCI). In 2006, the Beijing Municipal Government established an annual event, the International Cultural and Creative Industries Expo (ICCIE), which was heavily inclined towards establishing business relationships, highlighted by the ceremonial signing of contracts and the bestowal of gold plaques for clustering excellence. As I have discussed elsewhere (Keane 2007) this foot-in-both-camps strategy allowed more entrepreneurs to join the fold and it facilitated the inclusion of so-called non-ideological sectors such as design, which were fast-growing sectors in the light of Beijing's hosting of the Olympic Games. Another research 'school' in Beijing chose to drop 'cultural' and concentrate on

creative industries. *The Development Report of Creative Industry in China* subsequently emerged from the Beijing Academy of Science and Technology.

In a sense, these developments were following the lead of Shanghai, which instituted its annual Creative Industry Week in 2005. Indeed, the article by the Ministry of Culture official illustrates how local officials and developers were beginning to operate. The official is critical of the trendiness of the term ‘creativity’. He accuses city, municipal and district governments of ignorance. In doing so, he cites one media report from the city of Nanjing in Jiangsu Province, which reads, ‘we should energetically develop creative industries with a focus on cultural construction and we should prioritize cultural industries as those industries we should support’ (p. 44). He asks: ‘does this article emphasize cultural or creative industries?’ In effect, as much as misunderstanding, this kind of report reflects the desire of local officials and entrepreneurs to identify with whatever idea is fashionable.

Another important factor that has bearing on how the creative (and/or cultural) industries are defined, categorized, and accounted for is tradition. I referred to this in passing in the previous section, noting that ‘the more things change the more they stay the same’. From a national perspective China’s tradition is its prime cultural resource. It is important to understand therefore just how important tradition is to Chinese people and *inter alia* how government is cognisant of its economic potential. In this respect, it is interesting to note that cultural tourism, including the manufacture and sale of souvenirs, figures heavily in the data purporting to show China as a dominant force in the global creative economy (UNCTAD 2008). While the heritage economy is understandably associated with cultural industries data, the *Development Report on the Creative Industry in China 2007*, lists tourism services under recreational services.^{vi} Tourism revenue has become essential to ensuring China’s cultural and creative industries are world competitive.

The centrality of tradition is by no means universally accepted. Speaking of the need to incorporate creative planning into the 2010 Shanghai Expo, Yu Qiuyu, a well known artist argued that it is necessary, ‘to avoid getting carried away by tradition because the objective of the World Expo is to demonstrate the newest things in the world’ (Yu 2008: 10). He also made the point that a Shanghai Expo without some

element of controversy would be one that lacked creativity. This brings us to perspective three.

The pragmatism of creative industries

The creative industries are here to stay in China although they will always be managed by party officials, thus negating the positive externalities associated with artistic freedoms in the West.

In 2008, UNCTAD's *Creative Economy* report made headlines in China. Drawing on a longitudinal study of cultural exports conducted by researchers associated with UNESCO, the report concluded that China's 'creative economy' was in very good shape, even despite much soul-searching the previous year within China about its 'cultural export deficit (Keane 2007). UNCTAD's methodology and definitions of the creative economy ranked China third to the UK and the US in cultural export rankings. Indeed, the arrival of the *Creative Economy Report* was fortuitous for many Chinese intellectuals and researchers who had championed the creative industries but who felt they needed to include heritage and associated manufacturing activities if only to prove that Chinese creative industries had comparable scale to the cultural industries. The United Nations was soon regaled as a friend of China's cultural planners, notwithstanding much published problems of data coherence.

Proposition three is built on the assumption that the suspicious Trojan Horse sighted by officials has by now transformed into a Chinese phoenix. In Chinese mythology the phoenix symbolized high virtue and prosperity. More importantly, it represents rebirth; it is a composite of several bird species: for instance, it has the head of a pheasant, the beak of a parrot, body of a mandarin duck, wings of the roe, plumage of a peacock and legs of the crane (Zhang and Bu 2007). The creative industries had metamorphosed; they had taken on a hybrid character. From one perspective they were traditional, political and slow moving, highly centred on tourism and manufacturing; from another perspective they aspired to be 'more free' of politics, to 'take off' into the new media age.

Despite this heady aspiration to fly, creative freedom is the essential ingredient that is difficult to discuss in China. Creative clusters require 'creative space': this can be workshops and studios, as well as market space. But it also implies a creative mental and entrepreneurial space, a willingness to experiment with new ideas, competitive cooperation across networks of businesses, and fast learning and adoption of successful ideas. O'Connor and Gu (2006) have raised the question as to whether China can have creativity and innovation without social, cultural and political change. Will the creative industries deliver greater tolerance, as suggested by its Western provenance, or will it play directly into the hands of conservative officials?

Without doubt, creativity is compromised in China due to official management. The problem of politics interfering into the realm of expression is the institutional roadblock that Jing Wang referred to in 2004, and which has been the focus of numerous studies of China's cultural sphere (see Goldmann 1967; Kraus 2004). Significantly, however, it is the economic bottom line that increasingly dictates the nature of activities undertaken. Some places provide outlets for rock music, hip hop and digital art festivals. For many, being able to locate in art district or creative cluster brings them closer to the ideal consumer, often the international tourist or collector. The key problem with this model, however, is that officials are prone to risk aversion, and emanating from this they are inclined to support projects that will further their careers. Nevertheless, more tolerance is evident. In 2007, officials at Songzhuang Art District outside Beijing allowed the screening of a Queer Film Festival while also condoning exhibition of visual art expressing unconventional political views (Ulfstjerne 2008).

The expansion of venues has contributed to the exchange of ideas between local and international artists. The propaganda officials who manage creative clusters and cultural zones are now seeing the opportunities first hand. China may not be able to develop the same kinds of creative expression as the West. However, increased awareness of the benefits of 'freer expression' can be illustrated by the example of Beijing's *Nanluo guxiang* hutong in Dongcheng District. This is a traditional alleyway (*hutong*) area where young film makers, musicians, artists and designers freely mix with international visitors in cafes and bars. Local propaganda officials have adopted a tolerant attitude. Realising that this milieu has spontaneously emerged, they are

mindful of the fate of the 798 Art Zone in nearby Chaoyang District, which some suggest has been over-commercialised and over-managed by zealous officials, resulting in negative attitudes among artists towards the development. In order to avoid the 798 effect the enlightened managers of *Nanluo guxiang* have so far resisted the temptation to turn it into a yuppie marketplace.^{vii}

Creative industries are changing China

The creative industries are changing China; the change is institutional, fundamental, and is occurring along geographical divides.

‘They eat the meat and we have the bone; they eat the rice and we have the husk’.

Li Wuwei, *Creative Industries are Changing China*.

In late 2008, Xinhua Publishing released Li Wuwei’s book called *Creative Industries are Changing China*. Li is an extremely influential actor in the current debates about whether cultural or creative industries are the best road forward for China. As mentioned in the introduction the idea of creative industries came into China via Shanghai. Li is Vice-chairman of the National Committee of the Chinese People's Political Consultative Conference as well as Vice-chairman of the Central Committee of the Chinese Guomindang Revolutionary Committee. In a more specialist sense, he is an economist and is the Director of the Shanghai Creative Industries Association (SCIA) and the Director of the Research Centre for Creative Industries within the Shanghai Academy of Social Sciences.

In criticizing China’s reliance on Made in China, the economic dominance of Chinese factories, Li says it is time to change China’s development model. He calls these ‘sweat industries’, and he criticises the fact that the profits usually go overseas. Li’s work is in keeping with the ‘harmonious society’ and ‘soft power’ rhetoric of the Chinese government. He positions his arguments strategically, aware that his

organization, the Shanghai Academy of Social Sciences, stands exposed as a mediator of the Western idea of the 'creative industries'; the task is therefore to negate some of the problematic foreign elements while taking on board what is useful and progressive for China. Echoing the views of Wang Yongzhang, the Ministry of Culture spokesperson cited above, Li contends there is considerable overlap between cultural and creative industries. Rather than attempting to construct an either-or standoff, Li is conciliatory. He says that whereas cultural industries emphasize the industrialization of culture, creative industries stress creative capacity and place more emphasis on their contribution to the economy. Li also brings innovation into the frame in a more sophisticated way than Wang. As I have mentioned, the MoC view is articulated through the government slogans 'autonomous innovation', 'innovative nation' and 'cultural development'. In attempting to build a more robust argument for creativity, Li disaggregates it into (scientific) innovation and cultural creativity. He argues that innovation results in greater efficiency and time saving, while cultural creativity allows people to have improved experiences in their own time. Furthermore, in integrating 'cultural development' into the argument, Li is agreeing in principle with Wang that the fundamental goal of creative industries is not creating wealth and jobs, but points out that value is manifest in how they improve and renew society.

An important ingredient in the Shanghai approach is the concept of a creative community, an idea borrowed from John Eger (2003). Here again, the idea is potentially destabilising to the mainstream political view of the Chinese population as 'the masses' or 'the people'. Li says the creative industries have the capacity to foster creative communities, which will enhance social harmony. In the context of Hu Jintao's 'harmonious society' these will have positive benefits for overall social and economic development. In a revision of conventional investment seeking policies, Li argues that the secret to success for 21st century cities is no longer limited to attracting foreign enterprises and capital through favourable policies, or constructing large-scale industrial precincts, or even promoting science and technology. The answer lies in the diversion of attention from the material to 'the people'; that is, the construction of a creative community.

What a creative community actually entails in terms of greater openness, however, remains to be seen. Certainly, the work of Li Wuwei is not averse to citing Richard

Florida, which brings the focus back to the creative class, a concept that has hitherto lacked official support in China. Li argues, 'Creativity demonstrates the power of ideas. Creative industries have become a new form of urban economy; they are a fertilizer of urban vitality and dynamics and a source of strength for urban development. It can bring about huge economic and social benefits for cities' (Li 2008: 14).

The entry of business entrepreneurs into creative endeavours is also strengthening the power of ideas in China. At the same time the influence of cultural officials in the realm of event planning may be diminishing. A CEO keynote speaker at the Shanghai Creative Industries Week in 2008 expressed the following view: 'We believe that the development of creative industries is about the innovation in thought; this entails further liberation of thought, along with the discipline of the market and the realization that this a transformational economic development model' (Wang 2008). In this presentation there is a significant shift from the rigidity of official Newspeak whilst paying lip-service to Deng Xiaoping's 1978 dictum 'the liberation of thought'.

Another perspective comes from Shao Longtu from the Shanghai Design Centre, who cites the challenge of balancing collective and individual approaches to intellectual property protection. Too often in China, he believes, the individual is subsumed within the collective and not allowed to recoup the benefits of his or her creativity (Shao 2008). As mentioned earlier, the dominant Beijing view is that the cultural industries are about generating enterprises that have 'autonomous innovation' potential and which will generate collective intellectual property. While both these camps agree with the importance of intellectual property protection and the crackdown on illegal cultural products, it remains to be seen which approach, individual or collective, will provide the creative ecology to enable China to actually realise 'autonomous innovation' (see Pang 2006; Keane 2007).

Concluding remarks: from the tangible to the intangible

In this article I have proposed four ways of thinking about the reception and impact of the creative industries in China. Introduced into China in 2004, the concept met with resistance from central government power bases while engendering support amongst growth coalitions. Despite a history of Sinicizing foreign ideas, often noted by adding the phrase ‘with Chinese characteristics’, the idea of creative industries might be viewed as somewhat incongruous in a culture which has for more than two thousand years advised people to follow the prescriptions of sages, worthies—and in the case of Chinese Communist Party Chairman Mao Zedong, charismatic leaders. The Confucian view, although modified over history, was that a sage does not create, but merely transmits (Makeham 2003). The education system in China has followed, and continues to follow this pattern. However, while the idea that creativity has its natural home in the West is contested, there is a move within some intellectual and business circles to make China more innovative and creative; this has in turn provided an ideological buffer for the creative industries.

Proposition two recognises the persuasive effect of creative industries on members of the business and intellectual community. In some ways this recognition is reminiscent of the May Fourth Period in China (1915 – 1925) when literary societies such as the Creation Society (*chuangzao she*) emerged, advocating a fusion of Chinese art and culture with Western romanticism. By the end of this decade the ground had shifted and Western-influenced writers were ostracized by China’s left-wing cultural policy cadres. The policy response of today is less stark, given the buy-in of the creative industries by municipal and local governments. Significantly however, the Beijing ‘national school’ has attempted to maintain the political high ground of cultural industries and ‘cultural development’ while evoking ‘autonomous innovation’ by and for ‘the people’. In this model the emphasis falls on traditional culture. Moreover, the national remit of the cultural industries, as opposed to the city-based appeal of the creative industries, produces a more seamless ideological fit with ‘harmonious society’, the Chinese Communist Party’s vision of a more egalitarian society extending beyond the large urban centres into the Western regions. In this version of economic development theme parks, cultural sites, guided tourism and artefacts, often mass produced, provide employment for ordinary Chinese and new income for regions struggling to shift from manufacturing to services.

The third version is the most pragmatic; it accepts whatever version of ‘cultural’ or ‘creative industries’ works, while maintaining a role for government as the architect of transformation. The conversion of residential and factory space into clusters, with the assistance of officials, however, means that there is a need to show return on investment. The emphasis falls on activities that generate visible returns, attract tourists and cause minimal disruption. It is probably the model most likely to succeed in the current climate. This model is also stimulated by a flow of scholar-consultants and practitioners from northern Europe, most of who are ‘literate’ in the language of the creative industries and willing to engage in co-productions, partnerships and joint ventures. Again, the language used here is pragmatic: cultural, creative or cultural creative.

The final version is to some extent utopian. One way of reading this change concerns a move to greater openness, an embrace of creative communities, and internationalisation. However, the discursive field maintains key elements of cultural policy discourse, particularly the emphasis on ‘cultural soft power’. It notes the continuity of traditional culture but more importantly focuses on China’s creative development in the following terms: ‘the creation of an unprecedented, brand new, modern and fashionable cultural and creative brand’ (Li 2008).

One of the themes of *Creative Industries Are Changing China* is that of a major turning point. Recalling China’s WTO accession, one might anticipate the potential of another institutional ‘wrecking ball’. However, Li Wuwei is a modern day reformer, ideologically removed from hardline Ministry of Culture positions. But he is still pragmatic. The claim that the creative industries are changing China will need to be tested over time. Moreover, such change is incremental. As China’s great reformer-scholar Hu Shi (1891 – 1962) proclaimed during the May Fourth Period in his seminal essay ‘The meaning of the new trend in thought’:

Civilization is not created in a vague and general fashion, it is created bit by bit and drop by drop. Progress is not achieved in an evening, in a vague and general fashion, it is achieved bit by bit and drop by drop...’ (cited in Wang 1995, p. 53).

The creative industries discourse in China should not be evaluated through the same ideological lenses as in the West where creative expression is a given. Nonetheless, its uptake is shaped by Western influences. Many of the scholar-consultants who advise propaganda officials in municipal and local governments present a case for creative communities, greater tolerance and more business transparency. These arguments about tolerance and transparency are more difficult to prosecute to the supporters of the cultural industries in Beijing, where proximity to Tiananmen conjures up memories of Western-influenced democracy supporters. In effect, the Western discourse of creativity is central to the ‘creative industries package’ in China.

However, whatever positive benefits result from debates about creative industries in China—and here I am referring specifically to a greater emphasis on the shift from low-cost manufacturing towards higher value services, the gradual opening of Chinese society to a more plural communicative ethos, the emergence of independent production sectors in film, television and animation, and the transformation of imitative practices towards producing original ideas—there are a range of negative externalities. As Yúdice (2003) has noted, the creative economy serves the interests of managerial classes, entertainment conglomerates, real estate developers, and the holders of intellectual property more than the subordinate classes of civil society. One might expect that the current fashion with the creative industries, particularly within policy and business circles, to diminish if (and when) returns on investment fail to match expectations. One might also expect support for creative industries from those currently disillusioned with the rhetoric of national cultural policy to evaporate if the creative industries idea becomes the handmaiden of developers and entrepreneurs. The same caveat applies if the ‘creative industries’ becomes a national political slogan. As yet, this hasn’t occurred.

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ⁱ The Chinese word that expressed the idea 'to create' in the ancient texts was *zuo*: literally meaning 'to make' or 'to cultivate'. In modern Chinese the word 'to create' is *chuang* which is used as a verb in association with the morphemes *zuo* (to make) and *zao* (to make). As a noun it is necessary to introduce the idea of applying some action or force (*li*): creativity is therefore *chuangzaoli*. The contemporary adjectival usage of *chuangyi* found in the expression *creative industries* is a neologism; *chuangyi* is rarely found in dictionaries. In the comprehensive *New Age Chinese English Dictionary* published by The Commercial Press in 2000, *chuangyi* expresses the idea 'to create a new concept of art; to break fresh ground in imaginative art' (p. 237)

ⁱⁱ The '*Zhonggong zhongyang guanyu shiwu guihua de jianyi*' advocated 'perfecting cultural industries policy, strengthening the establishment and regulation of the cultural market and promoting the development of cultural industries' (Zhang et al 2004: 2)

ⁱⁱⁱ The Document was called *The Statistical Classifications of Cultural and Associated Industries (wenhua ji xianguan tongji fenlei)*.

^{iv} Literally 'cultural construction.'

^v This dilemma is illustrated by the formation of the International Creative Industries Alliance (ICIA) in Beijing in December 2007, funded by the Gehua Cultural Development Group, a major state-owned enterprise. In spite of having a new purpose built centre, the Beijing Creativity Centre (see Keane 2007), by the end of 2008, the centre remained virtually vacant as Gehua management reconsidered its strategic development.

^{vi} In the *Development Report of the Creative Industries in China 2007* by Zhang et al (2008) Recreation and entertainment includes: mass cultural activities, sports organization, gymnasiums and stadiums and other sports, indoor recreation, amusement parks, body-building recreation, other recreation; travel agencies, the scenic spots management, parks management, other excursion districts management, p. 27 English version.

^{vii} Conversation with Dongcheng District cultural official, Communication University of China, Oct 5, 2008.