The significance of creative industry policy narratives for Zurich's transformation toward a post-industrial city

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1. Introduction

The decades since the 1970s have brought about massive economic changes explained with concepts such as globalisation, industrial transformation, and the shift from Keynesian welfare economies toward neoliberalism. Former industrial cities sought both to adapt to these changes and to actively pursue urban entrepreneurial politics in order to succeed in the new inter-urban competition for economic investments, consumers, and talents (Harvey, 1989). Talents—i.e., the highly skilled workforce—were identified as key for the new entrepreneurial urban strategies. Against this background, the 1990s witnessed the steep rise of a new conceptual approach and economic action plan with respect to what nowadays is known as the creative industries (CI). By referring to the CIs, the UK Government Department for Culture, Media, and Sport undermined much of the traditional rationale for cultural policy and even the cultural aspects of cultural industries policy after its early documentation of the CIs in 1998.1 The CIs are de
duced to be creative, knowledge-intensive service sectors (KantonZürich, 2014, p. 7). Hence, Zurich's well-positioned, distinctive knowledge-intensive service sector and its simultaneous strong expertise, yet has hardly received academic coverage (for an exception, cf. Kunzmann, 2008).

An extensive body of (critical) literature covers the somewhat tense relationships between CIs and urban transformation—dynamics that also apply to Zurich. This article, however, provides two important new insights. First, and in contrast to many other urban economies, Zurich has traditionally been dominated by a strong service sector, namely the financial services industry. Unlike numerous other cities undergoing a post-industrial transformation that have been studied extensively, Zurich has always had a strong base of bankers and other finance-related knowledge workers. This fact, in essence, ties in closely with Florida's (2005) notion of the creative class. In 2011, the financial sector contributed 22% to the city's gross domestic product (GDP) (Kanton Zürich, 2014), which echoed the continuing long-term growth of the sector's net product since 1980. This income has long been a blessing; the curse it brings, however, is Zurich's strong economic dependence on the well-being of a turmoil-prone banking sector. The bursting of two financial market bubbles since 2000, in particular, has illustrated the vulnerability of Zurich's strong dependence on the financial sector (Kanton Zürich, 2014, p. 7). Hence, Zurich's well-positioned, distinctive knowledge-intensive service sector and its simultaneous strong dependence on one major income source both called for and provided an offbeat starting point for the city's economic diversification, which has hardly been discussed in the existing literature.

Second, given this specific adaptation of the creative cities discourse, surprisingly little updated material has been published on Zurich's urban transformation processes. Although different aspects are indeed covered in the literature (cf. Eisinger & Reuther, 2007; Hitz, Schmid, & Wolff, 1994; Koll-Schretzenmayer, Ritterhoff, & Siebel, 2009; Salvini & Heye, 2008; Theurillat & Crevoisier, 2012; Widmer, 1995), this body of work is very limited. Zurich's traditional industrial heart, Escher-Wyss, now known as Zurich-West, and its remarkable transformation into a new trend-quarter—initially pushed from the bottom-up and later changed to a top-down strategy—shows the radical nature of this process, yet has hardly received academic coverage (for an exception, cf. Kunzmann, 2008).
To fill these gaps, we seek to answer two questions. First, to what extent was the Cls presented by city officials as an incubator and engine for economic growth in Zurich’s effort to both transition and diversify its economic foundations? Based on Zurich’s idiosyncrasies, this article seeks to scrutinise the unfolding narrative that primarily served to legitimise and implement a CI-led structural realignment of Zurich’s economy. Second, we critically ask about the socio-spatial consequences of such policies and representations with respect to a particularly transforming city quarter. Empirically, this article is based on the analysis of key official documents, of which particularly Zurich’s three creative industries reports from 2005, 2008, and 2010, and the additional economic and marketing documents mirror key steps in Zurich’s policy discourse and actual policy making (cf. Dörry & Rosol, 2011). Complementary narrative interviews with key representatives of this process in Zurich-West between 2013 and 2014 allowed us to deepen our understanding of the impacts of those policies on the ground.

The remainder of this article is organised as follows. Section 2 summarises (the critique of) the CI and the creative city debates, and links the economic sector with the urban policy endeavours in Zurich in general. To answer the first question, Section 3 analyses the city’s Cl reports and their quantification of the Cls’ overall importance and growth. Section 4 complements these quantitative perspectives with a qualitative analysis of specific marketing publications, which illustrate the significance of the Cls for Zurich’s future public image. This is important to understand because we argue that Zurich pursues not only a strategy of a structural improvement and economic diversification, but—strongly linked with Florida’s recipes—to attract the smart, the famous, and the wealthy. This article argues that the Cls’ instrumentalisation, both as an important input factor for economic transformation and diversification and as a location factor to attract foreign businesses and what Florida subsumes under the creative class, were key for the overhaul of Zurich’s image as a ‘new’, opportune financial centre. The creative class is hence an important link that specifically applies to Zurich to an extent that does not necessarily apply to other cities.

This strategy has intensely impacted the city’s urban development, as we investigate in Section 5 through the example of Escher Wyss. It scrutinises the processes of redevelopment and recent spatial and socio-economic impacts in Zurich-West and links them with the promotion of Zurich’s new, creative image. Zurich-West represents a development area that has undergone fundamental economic and spatial restructuring since the late 1980s. The quarter’s gradual conversion culminated in the foundation of numerous temporary, small, creative businesses that include architecture and design studios, contemporary theatres, art galleries, and gastronomy facilities (Thissen, 2015). In their entirety and through their spatial clustering, these businesses have established a cultural milieu in formerly inaccessible areas (Eisinger & Schmid, 1999) and provided hundreds of new jobs (INURA Zürich Institut, 2013). Section 6 summarises and discusses the main findings and positions the analysis of Zurich within the wider debate on urban development through creative industries.

2. Creative industries and the creative class

The empirical investigation of the three Cl reports helps unravel the development of a specific narrative that valorised the Cls’ inbuilt economic instrumentalisation and contributed to the legitimisation of the actual policy-making, which is most clearly observable in Zurich-West. Therefore, this section focuses on giving an overview of the most relevant literature on the creative economy and the concept of attracting vital talent.

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Employing Florida’s formulas, Zurich, like many other cities, has been searching for strategies and innovative ways to make its economy more independent from the dominant financial sector and to remain attractive for the two key resources in its knowledge-based economy: financial capital and a competitive labour force. Besides, Zurich, as a financial centre with a particularly long tradition in private banking, has been facing severe competition from emerging Asian financial centres like Hong Kong and Singapore since the late 1990s. It is hence legitimate to assume that Zurich’s banking industry also supported a revamp of the city’s somewhat dusty image as a place of banking secrecy and tax haven (Zucman, 2013) toward a livelier, more glamorous and open city.

The subsequent two sections offer two perspectives from which we make sense of, both theoretically and empirically, the complex relationships between the CIs and the urban-economic policy-making in Zurich: first, the city’s CI reports and second, the CIs as a marketing tool for Zurich’s public and international image.

3. Zurich’s creative industry reports and its (non-)discussion of space

Since 2005, the city of Zurich has regularly published CI reports. The highly positive representation recognises the creatives’ potential for economic growth and the diversification of Zurich’s economy and also illustrates the city’s eagerness to exploit the resulting economic spillovers from promoting the CIs. According to our empirical results, we argue, however, that these reports first and foremost apply a narrative that actively pursues an economic growth agenda and subsequently serves to legitimise new urban policies.

The first CI report from 2005 stresses the CIs ‘high-quality, innovative jobs’ creation, which makes it an ‘important element in the structural change to the modern, knowledge-based economy’ (Held, Kruse, Söndermann, & Weckerle, 2005: preface, translation by authors). To exploit the potential of the creative economy as an ‘element of a broader economic strategy’ and to strengthen it as an independent economic branch (Held et al., 2005, pp. 6 ff., 15, 19), the report establishes an explicit connection to the city because the creative economy is by its very nature anchored locally and often forms particular urban milieus. Hence, suitable physical and non-physical spaces for the culturepreneurs ought to allow for personal exchanges and therefore should be supported by, for example, a corresponding local housing policy (Held et al., 2005, pp. 6, 21, 23). The CIs’ further value also appears in its tight links to other economic sectors, exemplified not least by the specific demand from the financial centre of Zurich for creative input and knowledge-based services (Held et al., 2005, p. 18). Overall, the report concludes that it would be in Zurich’s best interests to address the sector’s spatial demand and provide the appropriate infrastructure to increase the sector’s gains, which in turn would feed dynamics in Zurich toward the creation of a tolerant and open society, a financial powerhouse, and so far latest CI trend (Söndermann, & Weckerle, 2010, p. 47). Yet another example of an explicit but also uncritical recourse to Florida’s theses is offered in the Zürich Themenwelt Weissbuch from certain city districts as residential locations for the creative workers. It is in this context that the significance of affordable rent, practically sized spaces, urban environmental qualities, and the available creative milieus is made explicit. The report concludes by saying that space remains ‘a key element […] for the success of the creative economy’ (Söndermann et al., 2008, p. 70, translation by authors).

In 2010, the city of Zurich published its third—and so far latest—CI report (Weckerle & Theter, 2010), reiterating its goal of creating the basis for a long-term strengthening of Zurich’s creative economy. The report introduces current economic figures like the industry’s number of employees and companies as well as trends and developments for 13 sub-markets of the CIs (the music industry, broadcasting, the design economy, film production, the art market, architecture, advertising, press, the audio industry, the book market, the performing arts, artisan craftsmanship, and the software industry). According to the report, 5000 companies employed 33,000 people in the CIs; these figures correspond to a share of 9% (employees) and 19% (companies) for Zurich’s creative industry. Between 2005 and 2008, employees’ share of the entire cultural and creative economy grew by about 18% and the overall companies’ share increased by 7%, although some sub-markets’ share also decreased. Overall, the games and software industry employ the biggest share of employees, and the architecture and design markets registered the largest growth figures (Weckerle & Theter, 2010, pp. 6, 15).

The report closes with policy recommendations concerning future support for the CIs, such as fostering the general conditions conducive to small entrepreneurship, providing better access to micro-loans and markets, and improving the cultural entrepreneurs’ individual business and management competences (Weckerle & Theter, 2010, pp. 46–47). The entire range of the report’s policy recommendations refers to purely economic instruments, whilst not explicitly relating their impacts to questions of social and spatial development. Neither does this report justify the particular need for promoting and supporting the CIs anymore. In fact, the report solely emphasises that the city attributes a particular role to its cultural and creative economy in order to obtain a positive effect on Zurich’s overall competitiveness as a business location (Weckerle & Theter, 2010, p. 47). Indirectly, the report alludes to suggestions (for example, cf. Power, 2002) that creative firms locate their businesses primarily in lively inner-city environments. This is not least because spatial propinquity and personal contacts are regarded as being key for working in the cultural and creative sub-markets; yet these traits respond well to Zurich’s revitalising and upgrading strategies in some of its long-neglected urban areas.

4. Creative industries as a marketing tool?

Marketing documents published by and on behalf of the city of Zurich also ascribe significance to the creative economy and strongly refer to Florida’s theses. They lack, however, a critical discussion of the problematic socio-economic implications of an urban development policy that is geared only toward the select group of the creative class. Zurich’s economic development agency published, in German and English, a 26-page central information brochure Zurich – The economic metropolis of Switzerland (Leutenegger, 2009). In it, Zurich presents itself as a city with a high quality of life and an especially business friendly location. The promotion brochure addresses, above all, two main target groups: (foreign) firms and the highly skilled workforce. With implicit reference to Florida, in a section named ‘Creativity Creates Class’ (Leutenegger, 2009: p. 16 ff.), Zurich presents the creative economy as a significant location factor, both in economic terms and as an ‘indicator for prosperity and quality of life’ (Leutenegger, 2009, p. 17). The creative economy, hence, does not only prove the city’s vast innovation potential but is itself a key innovation driver that has transformed Zurich into a trendy city representing cosmopolitanism and internationality (Leutenegger, 2009, pp. 2, 16–17).
2003. It seeks to portray Zurich as being exceptional in the long-term global competition between cities (Arthesia, 2003, p. 3). Commissioned by the canton of Zurich, it was published by a private consultancy firm. This study aims to both communicate a convincing narrative about the city and developing policy guidance to promote Zurich’s economic attractiveness. Seeking to achieve a long-term ‘effectiveness and efficiency increase of Zurich’s external image’ (Arthesia, 2003, p. 4), ‘knowledge eccentrices’ as ‘guarantors for innovation, tolerance and progress’, and tolerance as a precondition for the city’s appeal to ‘thinkers, creatives and scientists’ (Arthesia, 2003, p. 29). According to the brochure, Zurich has been attracting the creative class due to location factors such as the Swiss Federal Institute of Technology in Zurich, the Neue Zürcher Zeitung (daily newspaper), and the ‘cosmopolitanism of the local elites’ (Arthesia, 2003, p. 30). The recourse to Florida’s recipes becomes especially apparent when Zurich promotes the fact that it offers a world-renowned individual lifestyle scene, ‘grown to large parts in the homosexual sub-culture’, also expressed, among others, by both the amount of classic car ownership and the number and distribution of psychotherapists and cosmetic surgeons for Zurich’s knowledge eccentrices (Arthesia, 2003, pp. 30–36).

5. Zurich-West, a marketing product?

So far, we have illustrated how Zurich’s marketing material and creative industry reports have framed the importance of the creative economy as both a direct and indirect incubator of local economic growth. In this section we provide complementary empirical evidence and we analyse to what extent creative firms have indeed served as levers within Zurich’s economic transition and as necessary constituents for the creation of a lively new city image. Within this scope, we analyse the transition of the former industrial district Escher Wyss into the creative, trend-setting district Zurich-West. We particularly point out the heterogeneous group of culturepreneurs and predominantly small- and medium-sized creative entrepreneurs’ access to spaces that fulfil the vital, manifold, yet specific needs of creative actors, in order to initiate contacts, exchange new ideas, and set up avenues for collaboration (cf. Brake, 2011). The empirical findings on Zurich-West are informed by results from 25 narrative interviews with former pioneers, residents, initiators, and contemporary creatives in the winter of 2013–2014.2

Developments in Zurich-West illustrate how the creative economy—defined as companies from the private sector which are economically involved in the creation, production, distribution and/or media dissemination of artistic and creative goods and services—affected and was affected by spatial and functional qualification strategies. The original quarter of Escher Wyss comprised several industrial sites producing, for example, gear wheels, dairy products, soaps and detergents and textiles. Starting in the mid-1980s, within a period of 15 years, most of the industrial production sites in the district either closed down or migrated to suburban locations, creating a need for redevelopment. Conflicting ideas between two powerful groups about the scope and strategy of the transformation of the former industrial areas, however, led to a de facto gridlock for many years: Potential investors campaigned to transform the abandoned industrial district into a business location for the emerging service sector, whilst the governing left-wing-coalition sought to create a mixed-used district (Hitz, Schmid, & Wolff, 1995; Thissen, 2015).

This and the collapsing real estate market in the early 1990s forced landowners to seek a new profitable valorisation of their fallow sites. They temporarily teamed up with the expanding culturepreneurs (Eisinger & Schmid, 1999). A steady rise in new culture spaces, pushed by an emerging club scene and ‘illegal parties’ (interview with gallerist, 5 December 2013), encouraged several landowners to lend their vacant properties to temporary culturepreneurs, such as stage designers, actors, architects, art gallery owners, and designers. In particular, the opening of three large clubs, closely linked to the music industry, by private investors in vacant, former industrial sites in the early 2000s formed Zurich-West’s image as a trend-quarter: ‘Those were trendy. Just a few people came here. And then it became really hip!’ (interview with restaurant owner, 12 September 2013). This situation allowed landowners to generate stable revenues and benefit from the increasingly apparent gentrification, transforming the declining industrial quarter into an emerging boom quarter (Klaus, 2013), which consolidated Zurich-West’s international perception as a trend-quarter and undoubtedly attracted a broader mix of socio-economic activities.

The old-industrial, expensive, empty spaces subsequently enticed renowned institutions for contemporary art and performance, further contributing to the shaping of a new cultural milieu in this area. Alongside a number of other high-profile redevelopment projects, they heralded the beginning of a parallel-executed revaluation strategy. With the development of a few pioneer projects, spaces for start-ups and creative firms were supplanted (INURA Zurich Institut, 2013). During the last 5 years, the full scale of the official revaluation strategy became more obvious because Zurich’s policymakers valorised the creative scene’s potential more purposefully. Zurich-West’s intermediate users no longer only filled the gap in order to initiate new developments, create a new identity, and unintentionally promote this particular specific image beyond its borders. Rather, since 2010, the city council has actively campaigned to preserve and promote the CI sector.

The subsequent establishment of both the Art Centre Löwenbräu in 2013 and the Zurich University of Arts in 2014 augmented the trend to ensure the future supply of the city’s creatives and to attract new talent from around the world. The creative economy’s particular promotion and the city council’s commitment to the provision of affordable spaces for unestablished artists, however, came too late for many non-established creative firms in Zurich-West, including, for example, theatre and drama, stage production, and smaller galleries. Most of them already had to leave the district because the spaces that fit their needs became unaffordable. Thus, what seems at first sight to reflect a noble purpose is revealed on closer inspection to involve much harsher economic story. Zurich-West’s trendy image is, despite the increasing upscale homogeneity and sterility, still successfully maintained by the city for advertising and marketing purposes (Heider, 2011; Thissen, 2015).

6. Discussion and conclusion

This article discussed the development of a narrative and its successive translation into urban policy realities looking at the example of Zurich and, in particular, Zurich-West. Zurich’s CI reports from 2005, 2008, and 2010 promote the CIs for several reasons. Whilst the first report carefully assesses the CIs as an important lever to manage structural change in Zurich’s economy, it also recognises its role as key input supplier for the knowledge-based industries of the future and, as such, also as a heterogeneous, independent sector with particular requirements for growth. The second report alludes to the CIs’ particular needs and assesses the spatial and social impacts of the industry’s dynamics. Deriving a policy recipe to manage the transformation and diversification stemming from it, the third report establishes the CIs’ commercialisation altogether. It recognises the CIs as a growing industry in itself and, above all, as a valuable source to foster Zurich’s new image as a shiny banking and entertainment city, far from the notorious image of the city as a tax-haven exuding grey dullness.

The entirety of the suggested policy measures aim at deriving potential economic benefits from the CIs in order to strengthen the city’s overall competitiveness. Yet a critical discussion about the relationship

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2 15 interviews (60 min each) were conducted by Fee Thissen; 10 interviews (60 min each) by sociology students from the ETH Zurich.
between the diverse creative industries and questions of urban development, particularly the resulting growing social and spatial inequalities, is largely missing, particularly in the most recent CI report. The official narrative of Zurich as a creative city was cemented further by a report from a private consultancy firm that argues, in line with Florida, in favour of strengthening the talent, technology, and tolerance trinity. Both aspects demonstrate the significance ascribed to the sector in Zurich’s economic transformation and diversification processes. To conclude, the type of creative industry that the city of Zurich supports relates far more to the economic valorisation and exploitation of the structural traits that determine CI for purposes of urban upgrading and renewal processes than it relates to Horkerime and Adorno’s (1969) original idea of promoting cultural differentiation to counter the increasing conformity of society.

The redevelopment of Zurich-West stands as an exemplar of the changing role of Cs in urban policy narratives as well as for the impacts of its economic reorientation. The beginning of Zurich-West’s transformation clearly was a grassroots, unplanned, bottom-up process that gave rise to gentrification and the subsequent impacts of its creative city strategies differ. For Zurich-West is better described as a market-friendly, unplanned bottom-up process that provided the legitimising foundations for such policies, an approach that argues, in line with Florida, in favour of strengthening the Cs in the city and the subsequent impacts of its creative city strategies differ. For


