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**TARTU'S POSITION IN THE CREATIVE ECONOMY IN RELATION WITH  
OTHER CITIES OF THE EUROPEAN UNION**

Master's Thesis

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I have written this Master's Thesis independently. Any ideas or data taken from other authors or other sources have been fully referenced.

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### Abstract

The not so recent hype on creative cities fed by the increasing number of public policies emanating from government institutions and supported by an even closer collaboration with the private sector towards the implementation of the proper grounding for the sprout of the so-called creative cities, has called the attention of academics, social researches, businesspeople, politicians and the general public. This effect is particularly evident amidst an undeniable competitive environment that reunites the conditions underlined by Porter in its five forces theory (besides the non-market forces defined later as important variables in the game). A nutritious body of literature points out the importance of creative cities as spaces of breeding potential for new ideas and subsequent industrial revolutions. Moreover, a correlation between the establishment of creative cities and the economic growth of the regions where those cities have their base has been empirically tested to bring evidence about the necessity to dig further into the logic behind the emergence of such clusters of knowledge and serendipia. I provisionally call it a hype since it is taken as a given that it is just a matter of time and the sufficient accumulation of ingredients for creative cities to take off. Such an assumption will leave aside the complexity imbricated in the feedback processes that comprehend the whole extension of the system that contribute to galvanise other factors in the equation. To avoid misunderstandings and oversimplifications this article will present a description of the factors underlying the phenomenon known as creative cities in Estonia and most particularly the case by comparison with other cities of similar size. I also make a distinction between the concept of creative city and community-level clusters and its corresponding role in the scenario of the knowledge economy. I finally give some recommendations on the public policies that could be adopted by federal and municipal governments to prepare the terrain for a further expansion of existing cities or its coming into existence.

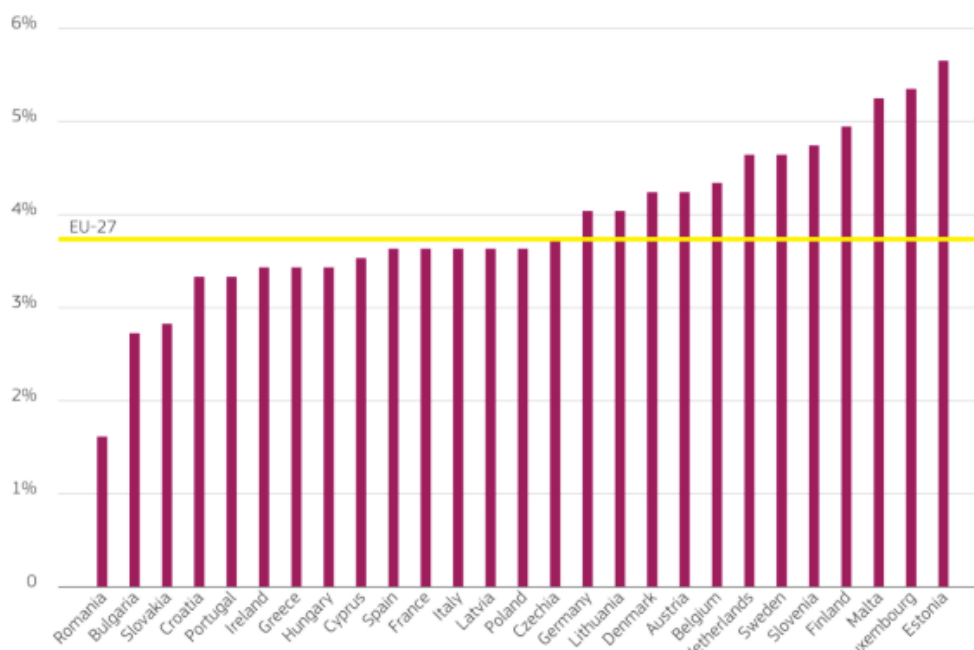
**Keywords:** creative cities, knowledge economy, creative clusters

### **Introduction**

Influenced in great part by the work of urbanist Richard Florida, representatives in the public and private sectors have analysed a series of characteristics to promote the construction of urban spaces where the production of new ideas will be the norm. Important efforts like the one done by the European Commission in coordination with the Joint Research Centre and the policy-making experience of the Directorate-General for Education, Youth, Sport and Culture, have greatly contributed to mould the public policies of the so-called creative cities belonging to 30 European countries (27 conforming the EU plus Switzerland, Norway and the UK). (Merola et al., n.d.) Most of their recommendations have been taken into account to implement programmes to, for instance, directly support creators and those indirectly involved in cultural production in the form of a variety of mechanisms to help them cope with the sudden decline of financial resources to cover operational costs as reported since the beginning of the covid 19 pandemics. (European Commission. Joint Research Centre., 2020)

Their findings on the performance of 190 European cities has been concentrated in The Cultural and Creative Cities Monitor 2019 edition. Although this all is a very noble attempt to map the circumstances in which all the cities have been developing to reach an internationally well recognized status as culturally active economical actors there are still a lot of questions in need for a detailed response as acknowledged by the very team of scholars in charge of promoting the tool. The vulnerability of the people working in the cultural sectors derives from the fact that most do not enjoy the same perks as long-term workers including health insurance and social protection. Moreover, they are very often self-employed or depend entirely on the number of people attending events. Restrictions in attendance, suspension or definitive closure of festivals and exhibitions affect the continuity of small medium size cultural organisations who depend on allowances provided by the government. Their financial struggle has temporarily been solved but it is important that in the meantime they think about new ways to recover by making use of technological innovations. Museums have integrated their catalogues into websites or apps to allow visitors to take a virtual tour through the galleries. Municipalities have launched contests open to citizens to receive proposals on how to bring culture closer to people's homes. Classical music ensembles have been transported in improvised trailers all over Athens wherever people request a private concert in exchange for preferential fees. (Lester & Hartley, n.d.)

The Estonian cities of Tartu and Tallinn have been included in the Creative Cities monitor report in the categories of medium and small cities. As a proportion of its total employed population Estonia is the country in the European Union with the largest number of people working in the creative sector (5.6%).(European Commission. Joint Research Centre., 2020)



*Figure 1.* People employed in the cultural sector as a percentage of the total employed population.

Source: The Cultural and Creative Cities Monitor 2019 toolkit

There is an extended body work available to all researchers willing to study the behaviour of every major city in the creative cultural ecosystem, nevertheless there is still a gap in need of completion in terms of the kind of public policies that should be implemented in the city of Tartu to bring indicators such as Human Capital and Education and Tolerance and trust too higher levels. I currently have a picture of the current situation of Tartu in comparison with other cities of similar size. The gap between the as-is and the to-be scenario must be addressed in some form through the implementation of current measures. This paper will take a qualitative approach to bring the basis for a thorough understanding of Tartu's vulnerabilities to propose a scheme of public strategies that best fits its circumstances.

This thesis mainly focuses on answering the following research questions 1) the circumstances surrounding Tartu's current position in the chart among the rest of the cities in its category and which are the factors that contribute to make it rank in a lower position at some important indicators in the Monitor's framework. 2) What actions can be embraced by private and public decision makers to ensure that the experience of creative cities such as Telliskivi and Apparidehas can be translated to other sites and further imported as a body of good practices to other countries facing similar conditions? 3) What measures can be taken to cope with the negative aspects that come with the growth of creative cities and 4) what can the Estonian government do to diminish the potential vulnerability cultural workers are subject to in the country.

All this will also give some light on the complexity of the whole creative cities system so governments could proceed with greater caution and objectivity to prevent them from engaging in public budget overspending to recreate the environment and experience of creative cities from scratch as if it was the result of a connect the dots instructions manual.

In Section 2 of the paper, I will make a recount of the main points in the literature of creative cities and the creative economy, how it contributes to the economic growth of regions in the form of creative cities per se or cultural clusters/creative industry corridors. I also highlight the issues behind the implementation of public policies and how it impacts the most vulnerable stakeholders. Section 3 explains the data and methodology used in the study. Section 4 describes main findings for data retrieved from Estonian public sources and those that come from the information extracted from the Creative cities monitor toolbox. It provides possible explanations behind the results regarding the position of the city of Tartu among other cities in the European sphere with similar characteristics to explore which aspects need to be improved to keep pushing for a creative culture in the region as well as those patterns that are used as a model for other nations wishing to emulate the success of Tartu. In section 5 I later discuss the implications of the scientific based attempts taken by decision makers to implement a creative cities model and further research opportunities Finally in section 6 I give some conclusions on the matter.

## 1. Literature Review

### 1.1. The role of creative cities

Creative cities have gained worldwide international recognition as a synonym of progress and economical sophistication since the term was first officially introduced by the Government of Australia in its policy documents in 1994. Since then, academics have been discussing what makes cities genuinely creative and most importantly how can the proper conditions be put in place for such spaces of innovation to develop. The notion of space is a key dimension in the concept of the creative city since it is around the physical realm that cities, as an incarnation of human expression, ultimately rise. (Florida R. L.,2002)

This brings into mind Guy Debord's Society of Spectacle and in particular a description of that which he baptised as the no-place. A point located in the urban cartography that brings no immediate personal emotion but that is at the same time valuable in its own terms. Places that have automatically been discarded from the mind of every citizen since they are considered undesirable or not pleasing to the view. Grey zones that are characterised by hurting poverty levels, ecological disturbance, high criminality, and social disorder. (Debord G. ,1992) This subjective estimation of the value of certain places lies at the heart of the NIMBY (not in my backyard) mentality of the members of the community that have been presented with a new but obscure proposal to alter the landscape (often with very good motivations behind). The NIMBY mindset was initially explained in psychological terms as the mere expression of a self-centred attitude and rigidity and often misinformed aversion towards novelty. These conclusions have later been labelled as too simplistic as several other considerations exert an influence as well on the force of communitarian resistance. The symbolic importance of the land that has been granted by its inhabitants whether it is because of its natural beauty or due to its historical significance sounds like a more plausible reason for the chaos that often characterises communitarian consultation meetings. It was also found that sustainable energy technologies (just to give an example of the kind of initiatives that triggers friction between proponents and inhabitants) face less resistance in localities where industrial facilities have already been built. This is because a revaluation of the utility of the land has happened in a more natural way as a result of an unconscious pondering of the pros and cons of the project. It sounds more logical in the mind of the community to reinforce the productive power of an industry-oriented zone with the introduction of modern infrastructure, even more if it is part of ecologically friendly strategy in trend with the global public discourse. (Van der Horst, 2007)

Debord's innocuous zones „are in fact the centres from which creative forces emanate. They are eventually recognized mainly by policymakers and good-eyed urbanists and cultural entrepreneurs. Situated at the very core of the city or in many cases at the periphery or metropolitan outskirts, cultural clusters enjoy a privileged spatial position among the rest of the no-places although it would be fair to acknowledge that their possibilities are not evident at first sight. Examples of this can be found in the local creativity clusters that flourished all over the city of Leeds as part of a citizen initiative directed towards identifying sumptuous but hidden no-places to develop a network of cultural and artistic ateliers in order to revive the splendour of neighbourhoods stigmatised by a decline in the quality of the buildings and streets as consequence of the unemployment wave that hit the metropolitan area once the manufacturing sector that represented the muscle of the region was gradually replaced by other forms of production.

Promoters of cultural clusters at marginal places engaged in a crusade to bring to the common citizen the type of culture that is supposed to be normally consumed at the high spheres of society. Personal perceptions of some of the managers of these cultural centres obtained through surveys reflected the expectation to generate revenue out of the activities (workshops, weddings, art exhibitions, concerts) offered but also by means of donations of the community to democratise entertainment and enhance appreciation of the arts as a whole. (Lee & Rodríguez-Pose, 2014)The economic stories of the city of Shanghai and of the rest of the special economic zones of the People's Republic of China have been subject to international praise due to the level of discipline and monumental mobilisation of material, financial and human resources that their foundation demanded. Shanghai, for instance, transitioned from being a fishing village to the megalopolis it is nowadays as response to the five-year economic plan outlined by the General Secretariats succeeding Mao Tse Tung.

Urban planners took the old quarters of the city with its Western stylized building and houses to accommodate all sorts of new creative residents. It must be highlighted nevertheless that creative cities and creative clusters should not be expected to develop by themselves just by randomly pouring into a soup the ingredients of a proverbial recipe as many policymakers often seem to think.(He & Gebhardt, 2014) By contrast to the cases previously mentioned at the cities of Leeds and Shanghai, the city of Wollongong on the Eastern coast of Australia didn't enjoy the same level of success. In fact, the government invested a great deal of resources to transform the image of the areas surrounding the industrial belt of the city in the hope that face washing efforts will be sufficient to attract the interest of nearby artists and content creators.

Their optimism was nothing to be blamed entirely on them. Wollongong is located just a couple of hours away from Sydney, Australia's biggest city. People escaping from the stress of traffic congestion and seeking for a more relaxed life will rapidly flock to small but more affordable apartments at Wollongong's surf beaches. At least that was part of the plan. A heavy conservative mentality and a more masculinized view on the actual *raison d'être* of the city finally sabotaged the project. The foundations of Wollongong as a steel manufacturing and engineering hub were well rooted on the inhabitant's idiosyncratic beliefs. Design, sculpture, filmmaking, or anything related to art was perceived as soft and feminine in opposition to the hardcore and stark conception associated with metalwork. Besides this obstruction, the very market target of the city's renovation proposal, artists, and creators, found that life in Wollongong was quite boring in terms of the variety of entertainment options it offered. Very few cafes and pubs were adapted to serve the residents of the neighbourhood it was located. Any further attempt to force outsiders to integrate into the well-established social dynamics of those quarters would only have generated further friction and rejection. (Waitt & Gibson, 2009)

## **1.2. The function of creative clusters**

Florida's diagnostic on the inevitable emergence of creative cities is limited to the borders of the metropolis. Restrictive in origin, Florida keeps silent on the role that minor concentrations of population play in the matter of whether they could also be fertile soil for these kinds of places. Constrained as it may appear, our paper will try to establish if the conditions that were found in Florida's eyes as more propitious for the harvesting of creative cities can be also present in the case of villages with a comparatively smaller population. Florida extends his theory back in time and says that we can find examples of creative cities in all ages of humanity. Perhaps something that surges as a common denominator in all these periods is the unexpected destruction of everything that has been established previously in the purest Schumpeterian style. Schumpeter, an economist at the University of Vienna, was the first one to define innovation as the process through which an invention is introduced into the market with the express purpose to fulfil a particular need. During this process it will sometimes happen that a technology, organisation model or work mode radically supersedes all the traditional frameworks to the point that they turn useful given its comparative inefficiency with the new standards. An event of creative destruction thus plunders the ground for further improvements in the future. A less violent shift could also take place when product or services do not vary very much in qualitative terms from the original making the

change more incremental. The transition is like that presented to the world by the “new men”. It is therefore not rare that serendipia pops up from the mind of innovators that have been exposed to a sufficient flow of information as to finally prompt them to take a gaze over the “shoulder of giants” according to Leibnitz to reconfigure scattered pieces of wisdom to come out with a striking discovery. Florida is thus convinced that cities will bring about all the proper conditions for the new men to take over. (Hospers & Pen, 2008)

### **1.3. Typology of creative cities**

A typology of the cities based on the kind of capital they rely on seems like the most didactic way to explain the diversity implicit in modern knowledge economies. I will also help us to clarify that creative cities are not only those in which technologies like software and micro processing have taken its toll. The concept of creative cities extends far beyond that.

Technological-innovative cities like Detroit as the cradle of the Fordist method of production and Silicon Valley in California have been used as role models to imitate many European countries from The Netherlands with its Dommel Valley in Eindhoven to Dresden's Silicon Saxony. Cultural-intellectual cities in the Western World but also in Asia reunited the best of the most renowned artists and scholars: the Florence of the XVI century, Paris in the 1900s and Berlin and Vienna as home for philosophers and industrial designers during the second decade of the 20th century. Cultural-technological cities represent a fusion of the two previous. Technique is then used to systematically reproduce cultural products and expressions with less effort. Hollywood but also Bollywood in Mumbai, as well as Memphis at the Delta of the Mississippi River became prolific contributors to the film and music industries respectively. In the last category technological-organisation cities focus on individual talents to solve practical problems concerning urban life. Examples of this can be found in Rome during the splendour of the Roman Empire. The construction of a long system of roads all along the Roman territories allowed the central administration to retrieve the tributes owed by the villages but also were key to facilitating the trade of essential goods. (Hospers, 2003)

### **1.4. Configuration of creative cities**

Before continuing it will be pertinent to outline the elements present in all cities that for urbanists in general appeared so relevant as to mark them as ideal sources of creativity. Cities are configured in such a way that the interchange of information coming from all

directions is further enhanced as more channels come into play (although it can in fact be contaminated) providing that new actors engage wilfully in the conversation to keep the information flowing without interruption. This information however does not rely exclusively on face-to-face encounters but can be easily transmitted instantly by means of distant meeting platforms. Despite the great advantages that technology presents in terms of mobility, physical presence cannot be replaced for reasons of what we can call synergic proximity. If physical presence was not important the apparition of economic clusters would not have any reason to be. Conversations however need to be facilitated with elements that shorten the physical presence of the actors but that at the same time contribute to their independence. In that sense adequate means of transportation and reliable internet connections everywhere they go are vital. Hubs of encounter will canalise the power of the public discourse as well. Cafes, bars, galleries, museums, associations, and small creator guilds make conversations happen. Enough diversity has been also called as a striker of creative entrepreneurship. Cartoonish as it may appear, the inflow of extravagant artists, geek nomads, foreigners of different ethnicities and members of the LGBT community enrich the dialectical interchange. (Hospers & Pen, 2008)

We shall then find a more proper definition to the type of socio-economic structure that supports and feeds the concept of creative cities. The old Fordist or even post-Fordist definition is no longer valid since it is still linked to an industrialist view of production and consumption which depends on the gradual perfection of technologies and technology-based processes. As mentioned at the beginning of this paper, we want to transcend the ideological perception of creative cities as based solely on hardware and its improvements whether they are disruptive or incremental. We then talk about cognitive-cultural capitalism to be precise. A coalition of human talents that use culture and historical heritage to conceive new products, organisational models, and methodologies. (Scott, 2014)

Creative cities enjoy the benefits that close interconnections among a multiplicity of a diverse labour market brings. This makes it easier for employers and agencies to recruit specialised personnel with a very particular toolkit of abilities. People sharing similar identities and professional backgrounds normally approach each other to build tight networks of collaboration. This is precisely the reason why firms rely on creative cities to have a more direct contact with their clients while they take advantage of the established infrastructure and the supply chain of materials and information. (Scott, 2006) I have said that minor urbanizations can also have the potential to take a piece of the cake as long as adequate conditions exist. Clusters do not remain static, but they evolve and further expand in

response to external exigencies. They can, for example, subdivide into new more specialised sectors. Cluster life cycle theory claims that the shifting nature of the technological environment pushes the cluster to adapt into new circumstances. (Sinozic & Tödting, 2015)

Kahneman and Tversky acknowledge the importance of other elements present in economic interactions moulding the way it performs. They highlight the fact that the economy does not self-regulate as organically as Adam Smith would have suggested by following the harmonic movements of an invisible hand. Decision takers represented by common consumers, investors and entrepreneurs are human after all. Constrained by their innate imperfection they are subject to a myriad of psychological prejudices creating a complex influx of interactions. (Kahneman, 2011). Clusters then learn from their mistakes and coevolve with other elements of the economy to correct previous anomalies. We can then see the cluster and the creative city as living organisms. The latter is attested by the relationships that producers weave with each other. It is not rare to find where these interactions are rather scattered, but it is certainly not the norm. Producers find their way among other providers. To accomplish that purpose firms must be flexible enough to look at other companies (normally smaller than them) to complement their services and sublet the completion of any final products. Clusters are better integrated under a vertical configuration with various degrees of specialisation at each branch. The film industry in Hollywood capitalises the options on cost reduction brought by capitalism whenever it searches for more favourable conditions to complete a shooting. In this sense the activity of clusters is not limited by geographical proximity but there are other advantages besides reduced fees that inspire companies to come together under a cluster. Highly skilled human resources flow from one company to another whenever it is needed. Schumpeter advised against conformity.

The shape of the market is constantly changing for companies. Not adapting to the new circumstances will leave incumbent companies going into dire straits, a situation Blockbuster had to face until its final dissolution. The risk of failure and bankruptcy once the environment has shifted is real. Well prepared companies embedded in the cluster pivot to new products and processes. It will frequently occur that the capabilities they possess are not mature enough to generate innovation and so they turn to other companies to extract the raw materials they need (being them material or immaterial) to engage in a new process of research and development. Market failure is nonetheless something that policymakers must be aware of. The very tightness in the network configuration of clusters can (paradoxically) create troubles as one element of the mesh suffers from issues out of their control. It is not always evident, not even traceable to what extent anomalies are endogenous. It can happen,

for instance, that a lack of trust by one of the parts triggers a series of misunderstanding that culminates with a spare part not being delivered on time or that does not comply with quality standards. Not following procedures in line with what was initially agreed on an outsourcing agreement can lead to major delays and loss of credibility. Companies that hold a great deal of prestige cannot allow themselves to be dragged into trouble by a negligent subcontractor. As we can see even the most powerful firms are not immune to discrepancies happening in the network. Risk management within companies first seeks to reduce the impact of any possible contingency. Problems within the network should not deter companies from forming clusters because problems are inevitable. It is just an announcement about the need to deploy public policies dedicated to containing and prevent the damage. (Scott, 2006)

Fierce competition prepares firms to embrace a different perspective on the way they exploit their material and intellectual capital. It does not seem to be a very good strategy for firms to see themselves as a collection of business units but as a collection of business capabilities. The reason is that business units are fallible and rather unmovable. Chrysler did not realise until late (when a big chunk of the automobile market was taken by its rivals) that it was a huge mistake to consider itself simply as a car company. Honda, on the other hand, looked deeper at the roots of the organisation to figure out what was that that they did best. Their superior engineering capabilities focused on engines gave Honda a considerable competitive advantage. Honda was then able to adapt final products into different markets beyond the car industry. Companies within the cluster should benefit greatly from this approach. (Prahalad & Hamel, 1990)

Labour markets accompany creative clusters as they grow. The multivariate profiles of the companies in the cluster leaves wide space for the recruitment of all kinds of workers. From low-skilled personnel mainly engaged in activities like manufacturing, maintenance and serial artisanry production and clergy, to high-skilled professionals trained on very specific tools and methodologies. The inflow of workers into the metropolis from neighbouring cities collaborate hand to hand with locals and individuals with complementary skills in project-based cells that can be integrated and disbanded at will as soon as the goals of the project are accomplished. This brings the discussion to how flexible are the skills acquired by the employees and how vulnerable are those who suddenly find themselves into the kind of skills demanded by the companies in the clusters. A distinction must be made between general and firm-specific human capital. General human capital refers to a collection of professional skills and capabilities that employees acquire through formal

education and training and that can be exploited to adapt to a variety of different job positions offered by the market. It is said that such a generalisation gives employees a competitive advantage since it increases their bargaining power. Firm-specific capital is in opposition to the knowledge that can be applied in the context of the firm one works for. It can be seen as a form of very tropicalized specialisation that cannot be easily replicated by other companies since it entails a combination of complex ingredients that can only be copied if firms could recreate the entire tacit knowledge and organisational dynamics of their rivals.

Hollywood, for instance, is a malleable industry in search of talents of all kinds. Minor studios are often commissioned with tasks during the production and postproduction phases. Teams are thus constituted under a common goal until it comes the time for its disaggregation and subsequent absorption by other firms. (Scott, 2006)

### **1.5. Side effects of creative cities**

Creative cities as complex as they are not immune to market failures feeding the arguments of more pessimistic academics. One of the most sounding effects is that of gentrification and the consequent displacement of the local population of the neighbourhood where the cluster decided to establish. It has recently become a trend among city majors and policymakers to take old manufacturing facilities, factories, and decayed government buildings at the outskirts of the city and transform them into offices and tech hubs through a costly process of renewal that in most cases justifies the investment. The beauty of the zone succeeds in attracting companies, entrepreneurs, designers, and creators with superior skills. The value of real estate increases after the creative cluster has consolidated and it further attracts other businesses in syntony with the image of the hub: coworking spaces, cafeterias, book shops, barber shops, tattoo studios, business incubators and accelerators. The price of the houses gradually increases and with it the rents that former low-skilled workers pay until they are finally displaced. The effects of the inequality that globalisation brings materialises indeed with the creative cluster phenomenon. It is important to notice that the problem of gentrification entails a seemingly unavoidable trade-off between a reconstruction of buildings to their former glory and with it the introduction of new structures of work, and the replacement of the middle- and low-class population with high skilled professionals. It is often in a move of good faith that policymakers promote the development of new creative hubs without attending at the same time the magnitude of the externalities. For the critics of globalisation and the indiscriminate expansion of neoliberal mandates, creative clusters are no other thing than the vivid incarnation of antidemocratic elitism. A planning process that

does not consider all the possible ramifications of apparently well motivated decisions will be later at the centre of social condemnation. A study on the effect of gentrification confirmed that jobs were gained but many others were lost in other demarcations. (Lester & Hartley, n.d.)

Structural changes on the economic panorama when good producing activities are substituted by service sector positions. It was not clear however that it was because of gentrification that manufacturing firms located in the constituted creative hub had gradually declined. At least the correlation is not direct. It may happen that these are isolated little by little from their former sources of supply as they become surrounded by other industries that are unrelated to their activities. (Kostic et al., 2018)

## **2.6. Models explaining creative cities.**

Several models have been developed in an intent to explain how different socioeconomic factors add up to the promotion and proliferation of creative cities. Some of them, like the mentioned creative class theory by Richard Florida, have faced extensive criticism due to its neoliberal emphasis on pure economic growth at the expense of the least favourable working class. In fact, one of the collateral effects of Florida's proposal- to attract specialised creative staff through the general improvement of the city, particularly focused in cultural entertainment facilities (theatres cinemas, bookstores) and associated amenities- is gentrification and the consequent displacement of those less adaptable to the new labour conditions.

Conventional economic theory centres on bringing to the city as much investment as possible regardless of the possible impact to the environment or the social tissue. Normally the kind of public policies inspired by this model are negligent about the asymmetrical benefits that new projects generate. Investments of all sorts are welcomed indiscriminately without a proper evaluation of the benefit spill over on the local population. This phenomenon is well represented in the case of huge touristic complexes built on the grounds of protected reserves. There is no special consideration for cultural development under this framework.

The creative city model comes from Richard Florida's creative class theory. Being the target of harsh criticism, the author later claimed that in fact social polarisation and great deal of resentment coming from less favoured groups could escalate. He proposed a policy fit to bring balance to the situation to counteract inequality.

The cultural industries model proposes the creation of cultural clusters within the city. Commercial cultural industries are at the centre of this theory. Subcontracted employment of highly skilled workers ordained in temporary project-based work cells forms the basis of an interdependent working model constituted by firms with complementary services. These firms deliberately group into clusters to facilitate work ordering and communication as well as to provide necessary human and material resources. Whereas the creative city model prioritises a better working environment to fit to the exigencies of exuberant creative individuals, the cultural industries framework believes it is not simply individuals who bring prosperity to the economy in the long term but the industries that shelter them, train them to hone their abilities, attract more talents to expand a network to interchange ideas and inject investment.

The cultural occupations model does not consider other industries like advertisement or design as part of its definition. Of being relegated to the mere utilitarian. A greater focus is put on the needs of artists and their wellbeing. Musicians, writers and performing artists are privileged under this model because its author thinks the world of art has been banalized to the point For Markusen, the author, the role of the artist must be supported as any other occupation, mainly because it is vulnerable in the sense that they are often self-employed. Affordable accommodation and better living conditions for artists as well as promotion and financing of small and emerging cultural associations and institutions is necessary.

Cultural planning approach focuses on the development of neighbourhoods and the promotion of local artists. It is more community based in the sense that it prefers to work at the base of the pyramid in search of emerging artists or communitarian projects. It also highlights the need to create a network of similar communities to have better spaces of expression for nascent proposals. Contrary to industry based approaches, the cultural planning model favours grassroots institutions and small companies because they are more efficient at cultivating civic cohesion.(Potts & Cunningham, 2010)

## **2. Data and Methodology**

The European Commission's Cultural and Creative Cities Monitor is the most comprehensive projection of the current situation of the creative sector in the European Union. In its most recent version of 2019, a total of 190 cities from 30 European countries have been analysed. Tallinn and Tartu are represented in the categories corresponding to their size (total population). Tartu has a population of around 93,127 inhabitants according to the census of 2017 and thus it is considered to be part of the small group jointly with other cities

like Weimar and Matera. (Between 50,000 and 250,000 inhabitants). I think size can be taken provisionally as an accurate dimension of comparison with other cities as this variable is often considered by policymakers as a reflection of the complexity inherent in the social structure and taken primarily as a base for the deployment of public policies. Further conclusions with different parameters can be drawn in the future by those interested in knowing other perspectives of the matter. The selection of the cities included in the analysis is not arbitrary. They appear in the top 7 places of the ranking within the small cities category. Comparing them makes sense as they are in very different geographical regions and come from diverse cultural backgrounds. Hofstede's cultural dimensions model has been partly taken as the basis to justify the heterogeneity of the cities compared to ensure some diversity. (Hofstede, G. ,2011) I believe the selection of the cities is very well balanced according to the aforementioned criteria. On its quantitative aspect the Monitor has been divided into 29 individual indicators and grouped into 9 dimensions which comprehend 3 main facets.

- **Cultural Vibrancy** measures a city's cultural 'pulse' in terms of cultural infrastructure and participation in culture.
- **Creative Economy** captures the extent to which the cultural and creative sectors contribute to a city's economy in terms of employment, job creation and innovation.
- **Enabling Environment** identifies the tangible and intangible assets that help cities attract creative talent and stimulate cultural engagement.(Merola et al., n.d.)

The qualitative part of the Monitor underlines strategies followed by each city as an example of good practices. I will mainly focus on the quantitative dimension to show Tartu's profile with respect to other cities with similar populations. The qualitative section will be used to summarize some of the measurements that have been collected.



*Figure 2.* The Cultural and Creative Cities Monitor framework.

Source: The Cultural and Creative Cities Monitor 2019 toolkit

The Index score at the top of the table presented in the Results section is calculated as the weighted average of each of the 9 dimensions. This gives a broad panorama of the situation of each city and the degree at which it is exceeding or lacking with respect to other cities of similar size. The dimensions defined in the framework are the result of the study of a group of investigators who considered these would be the most representative in terms of the kind of ingredients that normally accompany the outline of public policies. Regardless of the type of approach policymakers are using (as explained in the Literature Review section) there is always a variable seeking to capture the vibrancy coming from the presence of cultural and entertainment facilities in the surroundings. Such places would not be complete unless there was an avid public attending shows and exhibitions. That's why the Vibrancy dimension encloses not only the physical structure represented by theatres, cinemas, museums, and galleries, but also the human activity happening within their walls.

Creative Economy is more palpable through the economic boost technological and cultural innovations bring to the city. Enterprises are created to support emerging startups while big and small firms vertically integrate with them to complement their services by working as providers and contractors. Once established, specific human resources are attracted and most of them end up settling in the city. Original works need to be protected by the rule of law. This is an aspect that the Estonian government has been exhaustively promoting to buy initiatives like the e-residency. It is vital for the national economy to make the country appear as a haven for foreign investors, which leads us to the third dimension. An Enabling environment for all investors seeking to make Estonia and Tartu their new base of operations need to find an ecosystem where everything works without delay or interruptions. Unpleasant surprises coming from an unstable government are not well received by incumbent companies or novel entrepreneurs. An appropriate education platform is also needed to provide the talent that companies require. The number of graduates in arts and humanities but also those coming from management faculties, computer science and engineering are faithful reflection of a nutritious pool of professionals ready to join the job market. Diversity has been highlighted as a catalyst of new ideas; however, interrelationship of different actors can only thrive provided idiosyncratic ideas are tolerated in the first place. Inflow of visitors, founders and investors will not be possible without adequate transportation infrastructure.

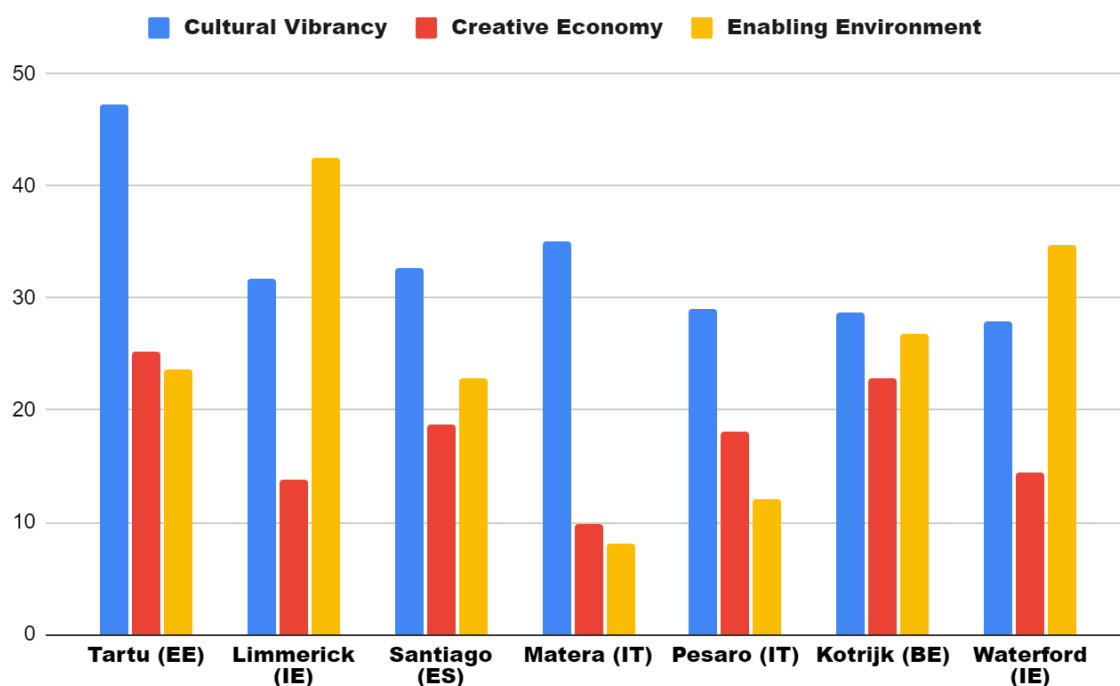
The ease with which people can access the different cultural venues is also crucial to encourage all sorts of public to consume culture without the need to use private means of transportation. Government institutions at the municipal and national level must follow the rule of law. Corruption, institutional fragility, complicated bureaucratic processes, and

negligence in services given personally to the citizens by public functionaries hinder the capacity of founders to run their businesses. These dimensions will be further explored in the upcoming section.

For the creation of scenarios related to the province of Tartu and the city of Tartu I have used the diagnostic tools in the Competence Centre on Composite Indicators and Scoreboards website that accompany the Creative and Cultural Cities monitor report. The tool has been designed to work as an aid for policy makers at the municipal and federal level to support their decisions on everything related to creative cities. It also facilitates the simulation of hypothetical scenarios by using countries with similar characteristics as a benchmark to evaluate the introduction of improvements in their respective territories. Qualitative data based on a collection of good practices implemented per country and quantitative data represented by the relative scoring in each of the dimensions explained in the beginning of this section can be consulted as well. The selection criteria have been established according to a particular definition of the concept of a creative city. This is very useful to reduce the number of candidate cities from an original number of 1000. In the end 190 cities have been selected given they 1) have been awarded the distinction of Cultural capitals of Europe before 2019 or they are about to become one by 2023. 2) They have been nominated as UNESCO Creative Cities until 2017 except when they overlap with a previous distinction as Cultural Capitals of Europe. 3) they have hosted at least two international cultural festivals until 2017 or 2018 in the case biennale festivals. It then happened that all the capitals of all the countries selected have been automatically included in the list. The aim of the Monitor and complementary tools is meant to be actionable. That is why the qualitative part of the study brings examples of the strategies followed by each country and the cultural infrastructure available. The details per country can be consulted in the Cities pages. I have extracted from the available databases just a sample of the many cities that belong to the same size category as Tartu. Once these cities have been isolated from the rest of the data, I can visualise their performance based on criteria already established in the report. So, for instance, Tartu can be compared with other cities on the Local and International connections subcategory. To complement the results of each one of the categories shown in the framework (see Figure 2.) statistical data has been obtained from the national databases provided by the Government of Estonia. All this information can be accessed without any restriction. It shows numbers for the county of Tartu or the city of Tartu. It will be indicated

whenever the results presented in the following section represent the county of Tartu or the city of Tartu. CERC code S190

### 3. Results



*Figure 3.* Performance of the main dimensions of the framework for small cities

Source: The Cultural and Creative Cities Monitor 2019 toolkit

As I scrutinise the highest dimensions in the table (Appendix A) I find Tartu ranks at the top of all other cities in the monitor with a similar number of inhabitants, (between 50 000 and 250 000) for Creative Economy and Cultural Vibrancy.

Cultural Vibrancy presents the most noticeable variation among the cities in question with the closest gap being that one between Tartu and Matera of 12 points. The largest gap is found between Tartu and Kortrijk with almost 19 points. Of special consideration is the case of Matera. Despite being Matera at the crossroads of one of the most touristic corridors of Southern Italy (situated between Brindisi and Bari, a renowned balneary in the Mediterranean) it does not immediately follow the culture infrastructure that has been adapted at the same level as other surrounding cities. The availability of cultural venues and facilities supersedes at least in two aspects the number of Tartu. Matera scores a perfect mark

with respect to Sights and landmarks and is also 10 points above Tartu in the number of cinemas. Cultural landmarks are the norm in this region of Italy where ancient Roman settlements and ruins can be found everywhere.

Even though Tartu does not have a similar density of archaeological findings (or at least not as widely promoted as in the case of the Roman period remains in Italy), museum visitors, cinema attendance and the overall satisfaction with the cultural facilities is above Matera by 46.1, 33.2, and 21.5 points respectively (Cultural Participation and Attractiveness). Kortrijk, Belgium on the other hand offers very few cultural options for tourists and local population and this is in turn reflected in the interest of the audience. Municipal governments must then not rely entirely on the presence of nearby touristic hubs as to establish a relationship of dependence with them. As seen from the example of Wollongong in the Literature Review section, policymakers were confident in the solidity of their assumption when they began to promote Wollongong as a cultural city given its strategic position at the outskirts of Sydney. They believed herds of new talents will migrate from the city in search for more quiet conditions. Policy makers took it as a given that highly skilled cultural workers would want to escape from the city in search for a life by the sea in more affordable accommodation. We have seen that the local population had a more traditionalist mindset as they got stuck in a period of Wollongong's history as a glorious manufacturing centre. Yet there is no reason to believe that the low number of participants in the cultural life of Matera is due to negligence, although the case is worth analysing for the very reason that it lies inside the popular Italian South-eastern tourist route. The potential of Tartu's tourist infrastructure very much compensates the investments done on them. The Estonian National Museum actively promotes a cultural program directed at new foreign newcomers. For a period of 5 weeks participants engage in depth in a programme covering all aspects of Estonian culture from Linguistics to nature. The entire programme is free of charge, and it is repeated several times during the year. There are also other options available to the foreign students at the University of Tartu like the cultural visits to emblematic sites of the city organised by the Welcome Centre. An introduction to the Estonian way of life and the basic procedures to ensure a soft adaptation into society are also part of the series of activities included in the mission of the Welcome Centre. I will later review how all this is related to the scoring in the Openness, Tolerance and Trust dimension.

The differences between Tartu and other cities in the Creative Economy is not as large as in the previous case however there are some points worth remarking. This time the role has been inverted. The latest gap lies between Tartu and Matera and the smallest between Tartu

and Kortrijk. Numbers for jobs in arts, culture and entertainment are very close to those in Pesaro and followed in second place by Santiago. Numbers for Job in media and communications place Tartu as well at the lead of this sub dimension. The difference in the presence of jobs in both sectors in the case of Matera and Pesaro may be explained by the well-known economic gap between North and South Italy. It can be said that Tartu has integrated into its economy other activities to complement and sustain the cultural infrastructure. The apparent contrast between the arts and communications sectors is in fact a well-tuned recipe for success. The literature calls for the extension of the concept of creative cities to include activities like the media, fashion design and even creative marketing. The presence of a branch of ERR in Tartu helps to cover in a very timely manner everything that happens in the cultural life of Tartu, from festivals to sports activities and expositions. The talents in the media and the art sectors are thus complementary. Active participation of the people in culture is a result of the saliency of the importance of arts and culture in their lives.

In terms of ICT patent applications and community design applications Pesaro and Kortrijk appear better positioned than Tartu. Kortrijk has 13.1 points of difference with Tartu in ICT patent applications and 47.2 points in community developed apps. On the other hand, Tartu exceeds Pesaro by just 1 point in ICT apps but is left in second place with a difference of 20.6 in community developed apps. Every year many students from the Computer Science and Business Administration faculties graduate in majors like Artificial Intelligence, Software Development and Innovation and Technology Management. According to a list of May 2022 curated by The Manifest, a website specialised in the publication of data driven information for businesses, 90 % of the IT services companies situated in the top 60 have their headquarters in Tallinn. Only one of them is in Tartu. Graduates find therefore more attractive to migrate to the capital and that includes professionals willing to engage in app development. (The Manifest, 2022). A series of incentives in the form of tax reliefs could be used to persuade IT companies in Tartu. Also, closer collaboration between academia and the industries will be most beneficial. The synergy between the two sectors is a growing interest for the government, according to Lockett, Kerr, and Robinson (2008). They pointed out that the academic community has not been slow to research the relationship between knowledge transfer, entrepreneurs, small firms, regional policy, and higher education institutes. In Australia, Chugh, Wibowo, and Grandhi (2015) investigated whether the transfer of tacit knowledge should be made mandatory and a key performance indicator for universities. The findings hold implications for policymakers fostering collaboration and synergizing universities and industry participants towards economic prosperity. According to research

conducted by Ifedayo, et.al, 2021) there are a number of factors restricting a full integration of academia and the industries in the case of the University of Tartu. 1) Time constraints in delivering impactful work was a central recurring theme for all the participants. Interviewees mentioned that carrying out research is a time-demanding process that partner companies in the industry fail to understand. 2) Unrealistic expectations from partner companies and not clearly stated requirements. 3) Limited opportunities for academic researchers and difficulty in getting firms to collaborate with 4) Funding constraints.

They also give some recommendations to address the problem: 1) implement strategies to involve the academic staff early in the process to identify their challenges, improve their perception of the knowledge transfer process, and adequately communicate the complexities of projects to partner companies when signing engagements. 2. interaction between academic staff and companies at least a year before an academic staff decides to take a leave period to join a company on a specific project. This will help clarify the requirements of the position and set specific measurable goals. 3. The university should seek out and sell the accomplishments of its academic staff to partner companies so the companies can know what they stand to gain by having researchers on their team. Keep a mentorship program to encourage younger academics so that they can leverage the network of more experienced staff who are sought after by industry for their expertise. 4. Special interventions to fund scientific research on topics of relevance to the Estonian local and niche markets should be considered while paying attention to the academic staff welfare. 5. All stakeholders involved in the knowledge transfer system should encourage documentation of the process and learnings that can be passed on while recognising those who participate in the knowledge transfer

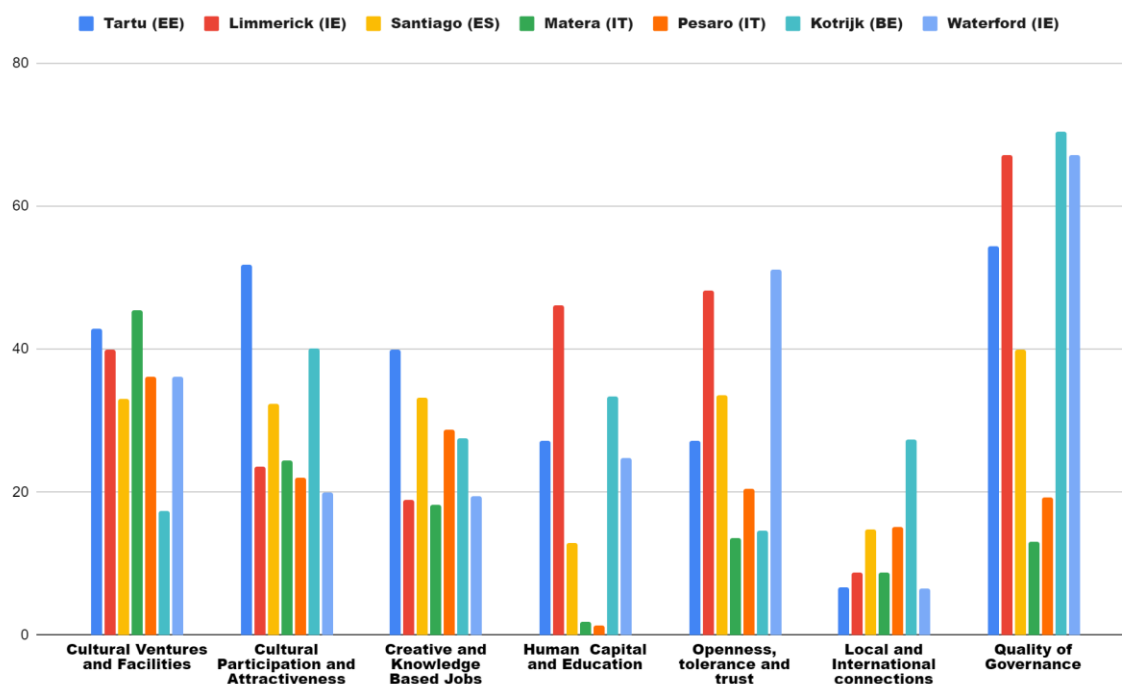
(Figure 3.) gives a visual view of the aforementioned indicators. The rest of the dimension in the table of Appendix A will be explained in the following paragraphs.

A detailed view on the relative performance of the city among its peers can be seen on Figure 4. Perhaps this chart better captures how Tartu is exceeding other cities in the first two dimensions of the framework. The analysis would not be complete if not dug deep enough into the circumstances underlying each of the dimensions. As a basis for an efficient implementation of policies in the cultural realm it is important to get acquainted with the patterns that make each city particular by considering the externalities affecting its position in the international concert as well as the endogenous factors moulding its national character. The particularities can be consulted in Figure 4. It can be seen from the graph that Tartu is being followed closely by Katrijk in Belgium and in second place by Santiago in Spain.

Although it cannot be immediately inferred that the main factor pushing the difference in ranking can only be explained at a city size level, I still stick to the report's grouping criteria although I acknowledge that other scenarios including different variables can be run as well.

Tartu's main cultural venues are represented by the TYPA Printing and Paper Arts Centre, The Estonian National Museum, the Tartu Toy Museum, The University of Tartu Museum, the A. Le Coq Beer Museum, the Alatskivi Castle, the Estonian Aviation Museum, the University of Tartu Natural History Museum, the U of Tartu Botanical Garden, the Tartu Art Museum, the KGB Cells Museum, the Gallery of Tampere House, the Old Observatory, the Vanemuine Theatre, the Estonian Sports and Olympics Museum and many more.

Figure 5 depicts the number of attendants to museums in the entire Tartu County being Tartu the city hosting most museums in the region.

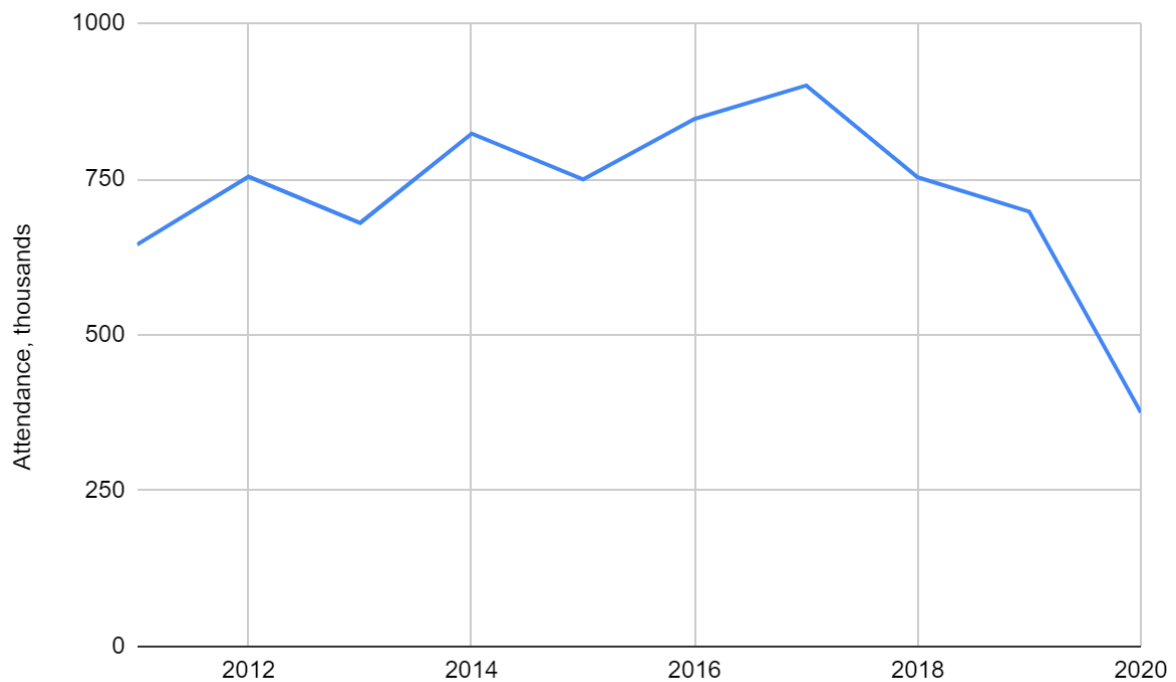


*Figure 4.* City ranking for each Small city on the Subdimensions of the framework

Source: The Cultural and Creative Cities Monitor 2019 toolkit

It can be observed a sudden decline of visitors at the peak of the covid 19 pandemics in 2020 (Figure 5). The same happens with the number of people attending different kinds of events in that year in comparison with 2015 and 2017 (Table 2 and Figure 6.). The fact that Tartu is a small city does not diminish its capacity to attract a considerable number of visitors. Its fame derives from the prestige of its university and the cradle of academic life

during the 19th century in the Baltics. Not coincidentally Tartu was picked as the site of the Estonian National Museum. As evidence of the relevance of Tartu in the dimension of Creative Economy I present the number of people involved in economic activities of cultural significance. Table 3 shows cultural employees working in the Southern counties as a percentage of the total of cultural employees working in Estonia. As unofficial capital of Southern Estonia Tartu and second largest city in the country Tartu concentrates most of the human resources in the region.



*Figure 5.* Attendance to museums in Tartu (thousands) from 2011-2020

Source: The Cultural and Creative Cities Monitor 2019 toolkit

Table 2

Number of visitors to cultural venues and other events in Tartu

Source: The Cultural and Creative Cities Monitor 2019 toolkit

Activity	Number of persons, thousands			Share, %		
	2020	2015	2017	2020	2015	2017
Persons having participated in cultural activities (excl. sports events)	111.2	106.6	98.8	87.5	83.4	76.9
Theatre visits	63.2	62.7	54.3	49.7	49	42.2
Concert visits	71.3	69.1	52.7	56.1	54	41
Cinema visits	68.7	77.8	75.5	54	60.9	58.8
Museum visits	58.7	67.1	54.7	46.2	52.5	42.6
Art gallery visits	33.4	21.1	24.5	26.2	16.5	19.1
Cultural site visits	76.8	53.1	57.8	60.4	41.5	45
Literary event visits	10.6	7.6	8.2	8.4	6	6.4
Library visits	60.6	56.3	51.5	47.7	44	40.1
Handicraft event visits	47.5	21.4	..	37.4	16.7	..
Participation in architectural event	..	..	..	..	..	..
Sports event visits	48.3	44.2	43.1	38	34.6	33.6
Participation in other cultural events	53.7	8.1	5.5	42.2	6.4	4.2
Persons not having participated in cultural activities	15.9	21.2	29.3	12.5	16.6	22.8

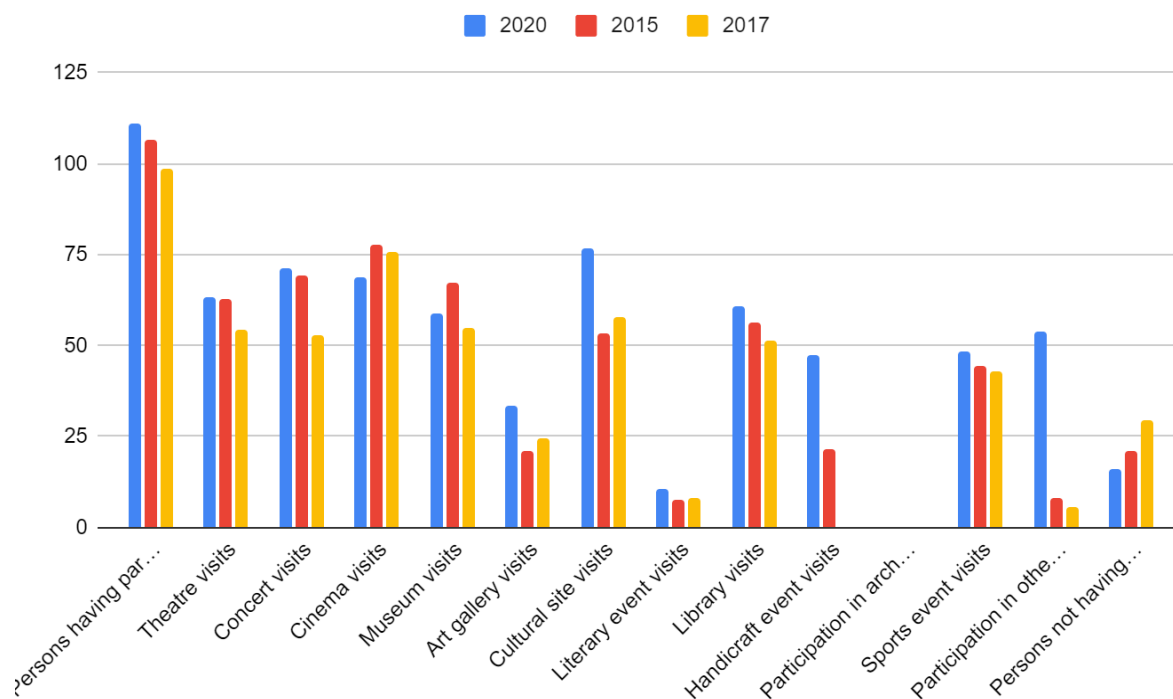


Figure 6. Graphic representation of visitors to cultural venues/participants in cultural events

Source: Statistical Council of the Government of Estonia (2022)

The University of Tartu has appeared consistently in university rankings making it the first education destination of the Baltic region, even though the number of graduates in the ICT fields and in arts-related disciplines still lags in the general score of the Human Capital and Education subindex (Enabling environment dimension). Table 4

Full integration of foreigners in daily life is still an issue to be solved. According to a study commissioned by the Estonian Ministry of the Interior “The major challenges identified are mainly cross-cutting but also include issues that are specific to a more particular area or target group. For example, there are significant differences between members of the newly arrived population. Among others, they can be distinguished by their country of origin or by their reasons for moving to Estonia. Thus, their needs, desires, and concerns, as well as adaptability within different communities (Estonian, Russian, international) may be completely different from each other.” (European Commission, 2022).

Local and international connections represent the gateway of entry of foreign investment. It is also the way in which the supply chain strategy deploys to bring products and services to customers and stakeholders. Table 5 shows the extension of terrestrial, aerial, and maritime paths of connections from and into the county of Tartu.

Table 3

Persons employed in the cultural sector as a percentage of the total in Southern counties

		2011	2012	2013	2014	2015	2016	2017	2018
Number of persons, thousand	Employment in cultural occupations	29.6	30.1	32.2	28.2	30.9	33.4	33.8	33.1
	Residence in Southern Estonia	9	9.2	9.6	8.5	9	11.7	11.2	10.7

Source: The Cultural and Creative Cities Monitor 2019 toolkit

Table 4

Graduates from Estonian institutions of higher education

		2012	2013	2014	2015	2016	2017	2018	2019	2020
Universities	Graduates	8,073	8,091	7,622	8,170	8,216	7,682	7,318	7,463	7,328
Professional higher schools	Graduates	3,064	2,459	2,257	1,962	1,832	1,924	1,755	1,562	1,795
Vocational education institutions	Graduates	360	317	311	359	229	.	..	..	

Source: The Cultural and Creative Cities Monitor 2019 toolkit Statistical Council of the Government of Estonia (2022)

Table 5

## Situation of transport infrastructure in Tartu County

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Length of national roads	16,512	16,542	16,576	16,584	16,597	16,594	16,605	16,609	16,609	16,668
Length of high road public railway*	918	918	918	918	918	916	916	916	922	922
..length of electrified public railway*	132	132	132	132	132	132	132	132	138	138
Length of navigable inland waterways	335	335	399	416	416	416	416	449	449	449
Length of air routes (excl. coinciding sections)	8,852	9,702	11,595	12,051	12,051	12,890	12,890	13,036	13,036	919

Source: The Cultural and Creative Cities Monitor 2019 toolkit Statistical Council of the Government of Estonia (2022)

In the most recent Transparency International's Perception of Corruption Index report, Estonia ranked in the 13th place of 180 countries evaluated.

Regarding the Quality of Governance, the government has implemented a series of strategies to ensure transparency at all levels mainly by integrating e government resources. All citizens have the right to consult public information gathered by government agencies including biometrical and personal Among the EU-27 Estonia ranks in the upper half of the list in the categories of access to government information and transparency, however there is still space for improvement about open data.

Regarding policy making, coordination and implementation the Estonian government regularly consults citizens about projects. The policies issued to regulate them are also well graded in comparison to the rest of the countries in the EU-27. Regulatory policy and societal consultation have been praised with the European Commission in the study. The Good Practice of Public Engagement statute defines how ministries should engage citizens in the decision process of any major projects. A public website allows stakeholders to keep track of the initiatives since its conception as a draft up to its formal preparation to be presented before the parliament for discussion. Impact assessment of initiatives is founded in evidence collected though exhausted studies that appointed researchers from academia perform. (European Commission. Directorate General for Structural Reform Support., 2021)

#### 4. Discussion

In an attempt to position their respective national economies as examples of well-functioning catalysers of growth, Governments all over the world have been releasing financial resources dedicated to promoting activities in the Research and development realm. Part of this huge effort of escalation has also been directed to provide their cities with the conditions they need to continue thriving. It has recurrently been seen in recent years how economies have contracted because of the covid 19 pandemics and the collateral effects it brought. The war in Ukraine has also contributed to increasing the stress on global economies and especially those in the European Union depending on gas coming from Russia. Prices of energy have been escalating to the point that new alternatives are envisioned to avoid a state of possible stagnation in the markets. As a preventive move, countries have assumed larger risks while being cautious about the kind of investments they engage in. The route of diversification seems to be marking the rhythm of trends. Countries like Norway and Saudi Arabia are known internationally for their sovereign funds with investments all over the world touching all the industrial sectors imaginable, from sports to art, telecommunications, and pharmaceuticals. Art and entertainment are no longer seen as a minor trigger of economic prosperity as the concept of the knowledge economy permeates in the public discourse. The world of academia now dedicates serious research on the topic to find a tool to complement traditional economic sectors like finance, agriculture, and manufacturing. Everything the human mind conceives can potentially be translated into an innovation, but it won't be fair to say that inventions and their direct application in the real world and further commercialization originate in the void. It has been noticed that great thinkers like Einstein and Gandhi followed a similar pattern of life before a great theory emerged from their minds. They grew up at the periphery of the mainstream sphere where they began to sketch their thoughts according to the conditioning of the epoch and culture. They then moved into a more urbanised environment where their concepts could take proper shape. It is not coincidental that they had to move into a more developed urban centre even against their fears and personal prejudices. They found in these places a lively interchange of new ways of thinking coming from the most eccentric personalities. Personalities that, like them, were initially attracted by the vibrancy of the scene, the presence of everything they dreamt to stimulate their reactivity. Moreover, discussions in emblematic places were nurtured by innovations taken by other parts of the world by incoming evangelists. The recognition of creative cities has given rise to theories whose goal has been to disentangle the mystery

behind the power of cities as sources of genius. Different perspectives have been used to explain the origin of this phenomenon. Emphasis has been put on the attractiveness of the city for new talents, foreign investors, and outsiders. Some of them are looking for cultural venues and forms of conversation. Others care instead for a dynamic job market where a mixture of highly valued skills takes place. I have explored the logic behind vertical integration of creative clusters and the unintended damage it can bring to societies. The government of Estonia is perfectly aware of the potential behind the creative economy. The prestige of the country as the new Silicon Valley of Europe has been recognized by the European Commission in recent reports. To guide their policies more precisely, the government of Estonia and the rest of the European Union countries can now rely on a concise compass. The Creative and Cultural Cities Monitor provides a photograph of the current state of the creative stage among the EU 27. I have tried to integrate the benefits of this tool with the information found in open sources of information released by the Estonian Government in an attempt to visualise how these two catalogues of information can complement each other to design more effective public policies in the creative economy space. This study nevertheless has some limitations. The variety of the information that can be found on the Estonian databases is not available to all citizens. Perhaps more complete research can be assigned to scholars coming from Estonian Universities and think tanks to fill the gap. It is also not yet clear how geographical circumstances can constrain the performance of cities. It will be interesting to analyse how other cities in the same size category as Matera and Santiago became so relevant in creative terms. Does it have anything to do with belonging to Western Europe or is it the presence of nearby touristic corridors like Barcelona, Milan or Rome what makes them attractive in the eyes of international students, founders, and foreign investors.

## 5. Conclusions

There is yet much to be done before I can come up with a framework for the design of public policies with the potential to be adapted to the circumstances of each country. In the meantime, European countries must still deal with the effects of the pandemics. This will bring into play a completely new level of complexity not seen since the 2008 financial crisis. It is a fact that the future relies on the power of ideas. Primary sectors will always enjoy a privileged place in the economy of nations, but as I have seen resources turn scarce and have become less reliable as a source of wealth. It is time to prepare the ground for innovators to

flourish. Such a statement could sound elitist considering entrepreneurship is often labelled as an activity that creates more inequality, however social entrepreneurs in the art sector have taught that culture is also means to generate cohesion and reduce rather than expand the distance between socio economic strata.

There are several contributions derived from this work: 1) To raise awareness on the key aspects surrounding the genesis of creative cities so that the theory can be taken as a serious object of study by policy makers and research think tanks. Laws would probably have to be adapted after some discussion in the legislative bodies to pivot where it is necessary. 2) The model of creative cities like the one used for Telliskivi and Apparaditehas has the potential to be replicated in other regions in Estonia. Furthermore, alliances among other cities of similar size or level of economic development can be established to create a network or creative corridor for the interchange of resources and good practices. 3) The paper can also prompt a discussion at the legislative level regarding the need to incorporate the results of this work into a more complete guideline aiming at improving the conditions of existing cultural clusters. 4) The issue of the vulnerability of cultural workers in Estonia can be better addressed through the creation of special social protection packages and State aids. A long-term contingency plan can be conceived to lessen the impact on the lives of cultural workers in the event of future economic turmoil like the one people had to face during the covid pandemics 5) Finally this paper would contribute to further investigate the possible side effects that come along with the creation of a new cultural city.

In relation to other cities of comparable size in the European Union Tartu enjoys a well-earned position among them and can be taken as an example of what cooperation between governance, academia and the private sector can do when they align to achieve a common goal. Several indicators were considered by the local city government to monitor the performance of smart city initiatives. The opinion of citizens was also retrieved through polls and surveys. All this information helped policy makers to make informed decisions based on facts.

In coordination with a private sector company the city of Tartu successfully implemented a public bike rental network to which citizens have access via an app. This has allowed the citizens to help reduce the carbon footprint and promote a healthy lifestyle. The local city government has invested a considerable amount of resources to develop a digital network that is available to all citizens in public places.

Tartu's smart city initiatives have focused as well on the development of intelligent buildings to support a better administration of energy use. As an example, sensors have been distributed all over the Delta building to measure the energy that is consumed during the day.

An intelligent system of traffic control has helped the city to prevent any traffic jams. Smart parking solutions and traffic light control adapt to the conditions of traffic. Travel times and air quality have been improved consequently.

A free access to some of the most relevant databases provided by the city government has empowered the common citizen as well as the academia and the private sector to engage fully into the innovation process. Tartu is very much of the necessity to democratise knowledge and delegate the experience of creation to those that are more capable to do it. In that sense a non-hierarchical structure is encouraged in which different institutions leverage on the capabilities each of them possess to solve concrete problems.

Estonia as a whole has heavily encouraged the introduction of e/government services. Self-service platforms allow their citizens to participate in elections, communicate directly with functionaries and have a say in the decisions of the municipality.

Waste collection is closely monitored by the municipality with sensors installed on the trash bins. Once waste reaches a certain critical level the route of waste collection trucks can be traced accordingly to reduce times and keep the city clean.

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## 8. Appendix

## Appendix A

Table 1

*Scoring of Tartu according to the framework*

	Tartu (EE)	Limerick (IE)	Santiago (ES)	Matera (IT)	Pesaro (IT)	Kortrijk (BE)	Waterford (IE)
<b>Index</b>	<b>33.8</b>	<b>26.7</b>	<b>25.2</b>	<b>19.6</b>	<b>21.3</b>	<b>26</b>	<b>23.9</b>
<b>Cultural Vibrancy</b>	<b>47.3</b>	<b>31.7</b>	<b>32.7</b>	<b>35</b>	<b>29.1</b>	<b>28.7</b>	<b>28</b>
<b>Cultural Ventures and Facilities</b>	<b>42.8</b>	<b>39.9</b>	<b>33</b>	<b>45.5</b>	<b>36.1</b>	<b>17.3</b>	<b>36.2</b>
Sights and Landmarks	64.6	59.4	49.1	100	100	20.8	32.5
Museums and Art galleries	75.2	74.8	33.8	75.7	31.1	14.6	31.7
Cinemas	52.6	31.5	50.7	61.5	37.7	30.8	52.6
Concert and music halls	26.6	43.5	12.8	20.5	19.6	8.2	13.3
Theatres	22	17.5	27.2	12.2	21.6	12.5	46.7
<b>Cultural Participation and Attractiveness</b>	<b>51.9</b>	<b>23.5</b>	<b>32.4</b>	<b>24.4</b>	<b>22</b>	<b>40.1</b>	<b>19.9</b>
Tourist overnight stays	20.5	21.3	63.1	29.7	37.8	12.9	10
Museum visitors	62.8	13.6	28	16.7	4.3	7.4	5.3
Cinema attendance	59.9	40.9	45.3	26.7	45.3	76.7	42.2
Satisfaction with cultural facilities	48.6	17.1	8.6	27.1	8.6	50	17.1
<b>Creative Economy</b>	<b>25.2</b>	<b>13.8</b>	<b>18.8</b>	<b>9.9</b>	<b>18.1</b>	<b>22.8</b>	<b>14.4</b>
<b>Creative and Knowledge Based Jobs</b>	<b>39.9</b>	<b>18.9</b>	<b>33.2</b>	<b>18.3</b>	<b>28.8</b>	<b>27.6</b>	<b>19.5</b>
Jobs in art, culture, and entertainment	63.4	30.8	54.4	36.7	62	32.2	24.1
Jobs in media and communications	37.9	13.2	24.2	7.1	9.3	17.6	24.8
Jobs in other creative sectors	18.3	12.5	21	11.1	15.2	33	9.8
<b>Intellectual Property and Innovation</b>	<b>8.6</b>	<b>8.4</b>	<b>3.8</b>	<b>3.7</b>	<b>18.4</b>	<b>38.8</b>	<b>5.5</b>
ICT patent applications	2.6	11.6	3.5	1.4	1.6	15.7	0.6
Community design applications	14.6	5.2	4.1	6	35.2	61.8	10.5
<b>New jobs in creative sectors</b>	<b>18.9</b>	<b>11.5</b>	<b>11.9</b>	<b>4.5</b>	<b>7.1</b>	<b>9.9</b>	<b>13.8</b>
Jobs in news arts, culture, and entertainment enterprises	23.4	14.9	19.5	3.9	7.1	8	20

Jobs in new media and communication enterprises	20.7	8.3	3.6	0	3.5	7.7	6.6
Jobs in new enterprises in other creative sectors	12.5	11.2	12.7	9.6	10.8	14.1	14.8
<b>Enabling Environment</b>	<b>23.7</b>	<b>42.5</b>	<b>22.8</b>	<b>8.1</b>	<b>12</b>	<b>26.9</b>	<b>34.7</b>
<b>Human Capital and Education</b>	<b>27.1</b>	<b>46.2</b>	<b>12.9</b>	<b>1.8</b>	<b>1.4</b>	<b>33.4</b>	<b>24.7</b>
Graduates in arts and humanities	27.6	29.9	6	5.3	4.2	8.4	24.6
Graduates In ICT	38.5	100	10.2	0	0	91.8	49.7
Average appearances in university rankings	19.4	17.7	22.6	0	0	0	0
<b>Openness, tolerance, and trust</b>	<b>27.1</b>	<b>48.2</b>	<b>33.5</b>	<b>13.6</b>	<b>20.5</b>	<b>14.6</b>	<b>51.1</b>
Foreign graduates	13.1	21.7	14.9	12.5	40.3	3.2	33.6
Foreign born population	15.8	26	13.5	16.5	23.5	18.5	28.6
Tolerance of foreigners	51.9	83.3	47.2	9.7	9.7	14.8	83.3
Integration of foreigners	13.3	50	33.3	10	10	15.6	50
People trust	20	60	58.3	19.2	19.2	21.1	60
<b>Local and International connections</b>	<b>6.6</b>	<b>8.8</b>	<b>14.8</b>	<b>8.8</b>	<b>15.2</b>	<b>27.4</b>	<b>6.5</b>
Accessibility to passenger flights	0	3.5	3.6	3.2	5.8	28.2	0.1
Accessibility by road	17.2	22.1	31.2	23.1	28.9	38	19.4
Accessibility by train	2.5	0.8	9.7	0	11	16	0
<b>Quality of Governance</b>	<b>54.4</b>	<b>67.2</b>	<b>39.9</b>	<b>13</b>	<b>19.2</b>	<b>70.5</b>	<b>67.2</b>
<b>Quality of Governance</b>	<b>54.4</b>	<b>67.2</b>	<b>39.9</b>	<b>13</b>	<b>19.2</b>	<b>70.5</b>	<b>67.2</b>

Source: The Cultural and Creative Cities Monitor 2019 toolkit

## 9. Resumé

### TARTU POSITSIOON LOOMEMAJANDUSES VÕRRELDES TEISTE EUROOPA LIIDU LINNADEGA

Loomelinnade mitte just hiljutine meediakära, mida toidab üha suurem hulk valitsusasutuste poolt välja pakutud riiklikke poliitikameetmeid ja mida toetab veelgi tihedam koostöö erasektoriga nn loovate linnade idanemise nõuetekohase aluse loomiseks, on ärritanud teadlaste, sotsiaaluuringute, ettevõtjate, poliitikute ja üldsuse tähelepanu. See mõju on eriti ilmne keset vaieldamatut konkurentsikeskkonda, mis ühendab endas tingimused, mida Porter rõhutas oma viie jõu teoorias (lisaks turuvälised jõud, mis on hiljem määratletud kui olulised muutujad selles mängus). Palju kirjandust tõestab, et loomelinnad on uute ideede ja järgnevate tööstuslike revolutsioonide kasvulavaks. Lisaks sellele on empiirilisel tõestatud seos loomelinnade ja sealsete piirkondade majanduskasvu vahel, kus need linnad asuvad. Selle tõttu on vajalik süveneda põhjalikumalt selliste klastrite tekkeloogikasse, mis toovad kaasa teadmised ja on tekkinud läbi õnneliku juhuse. Ma nimetan seda esialgu meediakäraks, kuna on võetud eelduseks, et loovate linnade käivitumine on vaid aja ja piisava koostisosade kogunemise küsimus. Selline eeldus jätab kõrvale keerukuse, mis on põimunud tagasisideprotsessidesse, mis hõlmavad kogu süsteemi ulatust, mis aitavad kaasa teiste tegurite võimendamisele võrrandis. Samuti teen vahet loomelinna mõistel ja kogukonna tasandi klastritel ning selle vastaval rollil teadmispõhise majanduse stsenaariumis. Vääritimõistmiste ja liigse lihtsustamise vältimiseks kirjeldatakse käesolevas artiklis tegureid, mis on Eestis olevate loomelinnade aluseks, ning võrdlen neid teiste sarnase suurusega linnadega. Lõpuks annan mõned soovitusel riikliku poliitika kohta, mida föderaal- ja kohalikud omavalitsused võiksid võtta vastu, et valmistada ette maastikku olemasolevate linnade edasiseks laienemiseks või uute loomelinnade tekkimiseks.

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