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## **THE SWISS TURN TO THE CREATIVE ECONOMY IN THE 2000S: ON THE EXAMPLE OF ZURICH-WEST**

The creative economy is an emerging concept, which seeks to delineate the field of active interaction between science, arts, manufacturing and business in the contemporary world. The latter may be described from the perspective of different theories, such as theories of information, globalisation and network economy/society, consumer society, sustainable development, etc. This range of social and economic theories will not be complete without an emerging conception of the creative economy with its challenges to the present-day socio-economic reality and methods of its development.

This paper begins with a brief description of a new concept, its relevance and the field it covers. Then we turn to a particular case of its application – the Zurich creative cluster. Our turn to the Swiss case in

general and to the Zurich one, in particular, is determined with the following reasons. *Firstly*, there is an evident gap in the research literature on the creative economy concerning the Swiss sector of creative industries. *Secondly*, the Swiss economy is one of the leaders in the world economy, it is distinguished by high political and economic stability, especially by an excellent reputation of its financial sector. It is important to clarify which novel concepts Switzerland employs in order to rebrand its economy and with which intention in the situation after the world economic crisis [1]. *Thirdly*, we try to explain why the Swiss government has recently turned to the new concept and which implied motivation here might be present. Switzerland is successfully reshaping its traditional image to reveal a creative approach to further economic development. *Finally*, we demonstrate several inspiring examples, which represent new approaches to the present-day post-industrial reality in Zurich-West and beyond.

The empirical basis of our research consists of the Swiss reports on the sector of the creative economy and their official statistical data [2, 3, 4]. The theoretical framework is shaped with the conceptions of R. Florida, J. Howkins and M. Porter. We employ Florida's definition of creative class [5], Howkins's definition of creative economy, coined in 2001 [6], and Porter's definition of the creative cluster [7].

We would like to begin with the relevance of the very issue. The rebranding of the economy in terms of creative economy is quite often considered as one of the fashionable trends in the development of the present-day global economy of signs and symbols. The creative economy is an established and strategically important economic and cultural factor of sustainable development, which has been recognised as a crucial one at the international level [8]. This trend may partly be explained with a reference to the intention to foster the development of economic clusters and guarantee their sustainability in terms of a broader ecological agenda of the coming future. In this context, human creativity is considered as an ultimate economic resource, which should be revealed and reproduced. With the raising recognition of the issue of limited resources, which may end, we are turning to alternative economic strategies focused on human and cultural capital, intellectual production and social creativity. Thus, the creative industries may be considered as one of the most effective and dynamic sources of economic development. Those economies, which are able to pay attention to their development, are able to withstand the global financial crisis much more than economies focusing on traditional industries.

The emerging creative economy, accumulating cultural resources, social and human capital of regions, seeks to provide any country with the basis for sustainable development in the long run. Nowadays, it is hardly possible to find a country which does not employ new concepts of the creative economy. Even the most reluctant among them have recently demonstrated raising interest in this emerging socio-economic conception [9]. One of the most representative examples of the recent rebranding of the national economy in terms of creative capital is Switzerland. The examination of the Swiss experience may be quite useful for Belarus since our country has not yet elaborated its own conception of the creative economy [10].

There are different approaches to the sector of the creative economy [6]. We do not have enough space to cover major approaches in this paper, we enquire only in the Swiss one, which implies the following definition of this sector, introduced in 2005: "The creative economy focuses on the cultural/creative enterprises in the private sector" [2]. According to this definition, the sector is divided into the following fields: audiovisual industries, cinematographic production, phonographic production, publishing sector, visual arts, performing arts and design [2].

In 2015, approximately 284 000 individuals in Switzerland were employed in the creative economy, in around 75 000 businesses, and generated the Gross Value Added (GVA) of CHF

23 billion, which corresponded to almost 4 % of Switzerland's GVA [11]. Between 2013 and 2015, the average number of employees in all submarkets increased by 2,4 %, the number of businesses by 6,4 % and GVA by 5,4 %. Thus, the creative industries as a complex of different economic activities grew significantly more than the overall economy, where growth was roughly one fifth lower for businesses (+ 1,9 %) and about half lower for the number of employees and for GVA (+3,2 % and + 2,5 % respectively) [11]. Taking into account the creative industries workers are more than three times likely to be self-employed than those in the overall economy [11], this sector is considered at the political level as one with a great potential for the further rapid and diversified economic development, moreover, as an instrument for the further competitive revival of the whole national economy at the global market level.

The Swiss creative economy develops around the sector of creative industries. The latter includes such subsectors as advertising, architecture, arts and crafts, design, fashion, film, video, photography, music, performing arts, publishing, research & development, software, computer games, electronic publishing, and TV/radio [3]. The highest level of employment is demonstrated in the architecture market, the software and games industry, the music industry and the press market. "These submarkets account for more than half of all creative industries professionals" [11].

Switzerland is quite often associated with the space of creators and inventors. Let us turn to one of the most representative regions of the Swiss innovative and creative economy, i. e. the Zurich cluster. Every tenth Zurich company does business in the creative industries.

One of the rapidly changing districts within a new range of cultural and economic programs of creative Zurich is *Zurich-West*. Its remarkable transformation into a new trendy-quarter, initially pushed from the bottom-up and later changed to a top-down strategy, shows radical changes and high speed of its modernisation, yet has hardly received academic coverage from the perspective of the socio-economic theory [1].

According to the recently published *Swiss Creative Economy Report 2016* [9], we may notice that Zurich is not only a powerhouse for business and financial services, it is also a city that benefits from a flourishing creative sector. In this paper, we focus on the creative cluster of Zurich-West since it is a new innovative vector of development of the creative industries on the territory of Zurich. Zurich-West was a typical twentieth-century industrial quarter of the city. It has managed to preserve its convenient infrastructure and is still ideally located close to the city center and the railway, and therefore well connected to Winterthur, a large industrial city in the canton of Zurich.

Nowadays it intends to create the efficient background for diverse economic activities at different levels, from the multi-national corporation to the individual start-ups. Startups have revived the post-industrial space, thus have played a significant role in the development of Zurich-West.

Let us mention several examples, which may be demonstrated as quite successful products of a new creative policy in this part of the city. A reconstructed dairy factory converted into the Zurich University of Arts (established in 2007). The latter has become a platform for active interaction between arts, science and business. Innovative projects have given a new life to outdated buildings in this part of the city and have transformed them into a 'fashionable' place, which is attracting Swiss citizens and tourists to 'consume' this place as a product of innovative collaborations in the creative age. It seems to be is a new vector in the development of the city beyond its perception as one of the key financial centers in the world.

After incredible revival, Zurich-West converted industrial buildings into contemporary masterpieces of architecture, such as *Puls 5*, a former steel foundry transformed into a 16,000 square foot hall for offices, galleries, restaurants, shops, exhibitions and fashion shows. Another example is the space around

*the Maag Halle* (Music Hall) transformed into the bustling cultural and nightlife quarter with a great amount of concert halls, bars and restaurants.

These projects are based on the idea of a new identity of Zurich-West, which differs from the industrial one, but still rooted in its history and is reshaping it by means of new forms of economically successful practices. This district can be considered as a new creative heart of Zurich [12].

In the range of examples, it is impossible not to mention Zurich's railway viaduct arches. The so called *Im Viadukt* is one of the prominent architectural highlights in Zurich-West, which offers a unique atmosphere and space for trendy shopping and cultural entertainment. It was an ordinary railway station before boutique shops, restaurants and a marketplace with fresh products were embedded into it [12].

It is worth mentioning another highly cited example of the creative and sustainable urban policy in Zurich-West, which is a recycled 26-meters colorful skyscraper, the so called *Freitag Tower* near the central Hardbrücke Station (completed in 2006). It is built out of 19 stacked rusty freight containers and employed as the Freitag Flagship Store, i. e. the renowned Zurich-based design label. In the atmosphere of sustainable development tourists are purchasing bags made from recycled materials. Having missed this chance to find your individual "it-bag", you still have an opportunity to reach the top of the most well-known container building and enjoy a commanding view of the former industrial quarter in Zurich. Thus, the creative economy is a story not only about something new, but it is also about individual talents, abilities and skills to become more sensitive to the national heritage, to appreciate and reestimate the value of traditional cultural capital in terms of successful economic development in the creative age.

The rebranding of the region is a significant part of any country, which aims to revive its own economic growth. Countries that are able to pay attention to the development of the creative economy are more economically protected from the consequences of the global crisis, since they can employ cultural capital as an alternative to limited and non-renewable resources. The creative economy raises the question of how to use efficiently available resources and implement the creative approach within the agenda of sustainable development.

Thus, our paper demonstrates one of the relevant vectors of present-day economic development, such as the vector of Switzerland. Taking it into account, and one may question the possibility to apply it to the Belarusian experience. This issue has not been covered by our research; it needs further analysis. Nevertheless, we may notice that there seem to be some common economic trends in the cultural and economic revival of European regions and their post-industrial cities. The example of Oktyabrskaya street in Minsk is just one among dozens of those which could fit into a novel model of the creative economy in Belarus. Innovators rapidly change the traditional industrial quarter into a new cultural and economically attractive district of Minsk, which has recently become quite popular among the city residents and tourists. Some of the Swiss approaches considered above could be applied to Oktyabrskaya street, to other quarters of Minsk and beyond in the coming future to foster the development of emerging creative clusters in Belarus.

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