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# Understanding culture-led local development: A critique of alternative theoretical explanations

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## Abstract

In this paper we carry out a meta-analytic review of the literature on culture-led local development models. We identify and discuss three typical fallacies characterising mono-causal culture-led development schemes: instrumentalism, over-engineering, and parochialism. We then discuss their analytical background, and provide examples illustrating the consequences of each. Based upon this critical discussion, we make a case for a 'new territorial thinking' approach that takes into account the tangled hierarchy of global and local viewpoints that is connatural to spatially situated cultural production, and focuses upon a non-linear, multi-causal scheme as the only possible framework for the policy design of credible, socially accountable, culture-led development strategies.

## Keywords

capability building, competitive restructuring, creative class, culture-led local development, urban areas

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## Introduction

Introducing a special issue of *Urban Studies*, Miles and Paddison (2005) speak of the 'rise and rise of culture-led urban regeneration'. Years later, the wave keeps building and the distance to the cliffs still seems a long one. With all this buzz and excitement around – and after all, the cultural dynamic of cities

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may be itself regarded as a 'geography of buzz' (see Currid and Williams, 2010) – it's not surprising that more and more regions, cities, and even small towns are willing to go for it – discovering the 'magical' recipe for successful culture-led development. Despite its popularity, however, the cultural development game seems far from being a 'win-win' one (see e.g. Ettlinger, 2009). There is a growing awareness that paying attention to culture, even if potentially conducive to the creation of new social spaces for more responsible forms of consumerism and for energising creative activity, may actually pave the way to developmental initiatives that exacerbate issues of social marginalisation and exclusion, are entirely functional to the diversification of mainstream consumerism, and are eventually beneficial only to specific high-income and educated social segments (Wilson and Keil, 2008; Zukin, 2008). Making a generic case for the developmental potential of culture, therefore, may be counterproductive, and could undermine the credibility of the argument. If culture-led development must survive the hype stage, it's necessary to ask under what conditions culture works as an economically effective, socially sustainable developmental factor that may even become the leading growth engine in some circumstances. This paper aims at providing some conceptual clarifications on the issue, and at possibly laying down some building blocks towards a positive approach.

## In search of the basic economic mechanisms

There is an impressive amount of literature on the role of culture in urban development but, rather surprisingly, it is somewhat difficult to single out the conceptual cornerstones that fully legitimate the idea that 'culture matters' when it comes to development and growth. The figures recently put forward by the European Union (EU) as to the value added generated by cultural and creative industries in Europe (European Community (EC), 2010; KEA European Affairs, 2006) – which are part of a broader stream of analogous estimates increasingly being carried out by many economies at both national and local levels, in both postindustrial as well as in emerging economy contexts (see e.g. Conference Board of Canada (CBC), 2008; Curran and van Egeraat, 2010; Government of South Australia (GSA), 2005; Hong Kong Arts Development Council (HKADC), 2005; Kenan Institute Asia (KIA), 2009; Ministry of Information, Communication, and the Arts (MICA), 2009; Yoshimoto, 2003) – have been received surprisingly well by the media and even by policy-makers, despite a few skeptical voices (see e.g. the critical review of Cunningham, 2009). There is a clear perception that culture and creativity are in a global mainstreaming momentum as far as policy-making is concerned (United Nations Conference on Trade and Development (UNCTAD), 2008). Thus, the paradox is that more and more people, including economic opinion leaders, are getting the message that 'culture is good for the economy', but, in a nutshell, it's hard to explain why – and how.

The neglect of culture's developmental role from the perspective of economic theory is not a recent phenomenon. The founding fathers of political economy show surprisingly little interest in it – and this attitude may be traced back to a pre-industrial, hard-to-die conception of the economic role of culture (still surviving today) as an activity that's *absorbing* economic value added rather than creating it – and which, thus, may only exist because of the generosity of private patrons or of the public resources spent on it. And this has been the case for a long time, given that the real birth of profit-generating cultural *industries* has been made possible by

a stream of innovations that were introduced over a few decades at the turn of the 20th century (Sassoon, 2006).

No wonder, then, that the conceptual foundations of culture-led development are still somewhat shaky. One needs to look carefully into the classics to find some hint. John Stuart Mill (1864) lays down a utilitarian account of spiritual cultivation, which implicitly recognises the potential role of culture in the shaping of human wellbeing, and thus gives it a choice-theoretic foundation by acknowledging the crucial role of the formation of taste in determining individual preferences and their welfare consequences.

To be properly taken up and adequately explored (although in a non-utilitarian context), Mill's intuition had to wait for over a century. In chapter 11 of *The Joyless Economy*, one of the basic texts of contemporary economics of happiness, Tibor Scitovsky (1976) illustrates the peculiar logic of choice and decision-making that lies behind cultural demand and its intrinsic relationship with wellbeing. The key conceptual step toward an economically sensible account of the developmental role of culture had thus been taken. Around the same time, cultural economics began taking its first steps, following the pioneering contribution of Baumol and Bowen (1968). But scholarly attention was mainly focused on the microeconomic functioning of cultural markets and the design and welfare implications of cultural policies, rather than on culture as a main engine of growth and development.

Coherent and ambitious statements of the developmental role of culture can be found only recently, and are linked either to the acknowledgement of the economic potential of creative industries (Caves, 2002), or to the understanding of the links between cultural activity and participation and the economics of postindustrial cities (Evans, 2001; Landry 2008; Scott, 2000). In the first case, the argument is that cultural and creative industries add up to a fair share of the GDP and *consequently* have economic relevance. This is, in other words, an *instrumental* argument: culture matters *because* it's a source of economic value added (whatever the reason), a scheme that relies upon a demand-side approach, e.g. Keynesian effective demand schemes. In the second case, the emphasis is placed on a (sophisticated) *functional* dimension: culture is today much more relevant than in the past for the organisation and functioning of contemporary postindustrial cities, and *therefore* it generates a relevant amount of economic value added. This approach relies upon a supply-side approach, identifying culture with a postindustrial structural level of growth, where economic value is deeply connected to innovative capacity, social cohesion and the quality of educational systems (Sacco and Segre, 2009). There is, thus, reason to support cultural activities even when not economically profitable, in that they are a source of indirect net economic and social benefits.

This double-edged foundation of the economic rationale of culture, instrumentalism versus sophisticated functionalism, may be a useful key to current social practices of the legitimisation of culture-led developmental initiatives. The instrumentalist edge prompts local administrations and private consortiums to commission field studies on the economic impact of arts and culture to advocate social commitment and/or funding, whereas the sophisticated functionalist edge drives local communities to launch strategic cultural planning initiatives as blueprints of a new model of economic and social organisation. The two edges are largely complementary, and in the shaping of public opinion-making they often tend to strengthen each other, despite their entirely different motivational backgrounds: a potential contradiction that may become harmful at later stages of the process.

Interestingly, though, these mechanisms (especially the supply-side ones) are still poorly investigated, let alone understood. And this explains why culture has not yet managed to achieve the relevance that it deserves in the agenda of economic theorists. As of today, current culture-led developmental schemes are built upon mechanisms that need a clearer economic foundation.

## Three characteristic fallacies of culture-led development: Instrumentalism, over-engineering, parochialism

The analysis of the previous section shows a lack of theoretical foundation of culture-led development to date. In this transitional situation, looking for a conceptual background amounts by necessity to an 'evolutionary adaptation' of piecewise-relevant existing resources and tools, by addressing the typical fallacies that emerged in the recent policy-making trends. We could label them, respectively, as instrumentalism, over-engineering, and parochialism, and connect them to theoretical approaches that have attracted interest in the recent past. More significantly, such approaches, with only one exception, have not been developed to tackle issues of culture-led development per se but, nevertheless, have played a large practical role in inspiring policies and policy-makers in the field. Our critical discussion, then, concerns their translation into the cultural policy sphere – as epitomised by the respective characteristic fallacies, seen as clues of the limitations of one-sided conceptual approaches. In particular, we will show how the conceptual fallacy determines the policy fallacy, making a case for a more comprehensive and multi-causal foundation for culture-led development.

### *Florida's creative class theory and instrumentalism*

Judging in terms of mass media exposure and worldwide consensus, the most successful culture-led developmental scheme available today is certainly Richard Florida's (2002, 2005, 2007) creative class one. A highly simplified and schematic account runs as follows: there's a strong statistical association between cities' growth performance and the relative local incidence of the creative class, i.e. skilled workers carrying out all kinds of creative problem-solving activities. The creative class is highly mobile and tends to prefer locations that provide them with the best idiosyncratic conditions (the 3Ts), i.e. high local levels of technological development and literacy, concentration and social esteem for talent, and tolerance toward any kind of personal orientations (sexual, religious, political, etc.). According to Florida, creative people have a plug-and-play attitude: they show no special commitment to a place, but move wherever they find the best opportunities and the most favourable conditions. Therefore, the priority is attracting and retaining as many creatives as possible, tailoring the city to their needs.

Florida's thinking has turned out to be a 'killer app' for community development plans and territorial marketing campaigns, but from the scientific point of view critical voices overcome praising ones. First, the statistical evidence at the basis of Florida's thesis seems to be rather shaky (Hoyman and Faricy, 2009). Moreover, there are perplexing conceptual issues: how is the creative class properly defined, and what is the actual mechanism linking the concentration of creatives to the growth performance of a local economy? The term 'class' clearly points toward a sociological framework, but it is hard to think of Florida's creative class as a sociologically sensible concept. To speak of a proper class, members should be

identifiable in terms of common interests with reference to a range of dimensions that define social inequality and stratification (Bourdieu, 1987; Giddens, 1973), but this doesn't seem the case for the heterogeneous concoction of subjects that gets filtered in by the creative class concept, from rock stars to financial consultants to cultural activists.

Critics of Florida have paid much attention to the sociological side, and consequently the most serious criticism has concentrated upon the social consequences of creative class policies, which end up exacerbating social dualism, as well as exclusion and marginality of weak local communities. In this perspective the urban policy that aims to foster the *class* interest legitimises a status quo of social inequality, not only unavoidable but also desirable. In addition, this serves the vested interests of real estate developers and high-income professionals. The criticism is taken both from a theoretical perspective and on the basis of empirical case studies (see e.g. Atkinson and Easthope, 2009; Markusen, 2006; Montgomery, 2005; Peck, 2005; Wilson and Keil, 2008), and to date seems to find little countervailing arguments and evidence on the opposite side. Thus, despite lacking solid sociological foundations, Florida's theory has generated a policy design trend whose actual consequences are akin to those of a truly classisist approach.

From the point of view of the instrumental versus sophisticated functional tradeoff, Florida's theory has an ambiguous positioning. By insisting on the key developmental role of creatives, it points toward a functional characterisation, but the lack of clear conceptual foundations moves the core of the argument toward its empirically measured economic impact, that is, a rather instrumental approach. The poor theoretical background of Florida's theory is at the root of this ambiguity. Conceptually, one could identify the creative class with holders of high levels of human capital, but then the question becomes whether there is a difference between a creative class approach and a standard education-driven endogenous growth model (Aghion and Howitt, 1998), or more specifically a new economic geography model of city growth with knowledge spillovers (Glaeser et al., 1992; see also Henderson, 2007). What state of the art research seems to suggest (see e.g. Glaeser and Resseger, 2010) is that there is indeed a strong correlation between workers' productivity and the size of metropolitan areas, provided that such areas present high densities of skilled workers. This latter point seems compatible with an 'epidemic' model of knowledge diffusion (e.g. Lynch, 1996) and in fact, in recent scholarly restatements of the theory, Florida and coworkers are rephrasing it in new economic geography terms, emphasising the density effects of creative (viz., skilled) workers as key determinants of knowledge spillovers and innovation and *thus* of growth (Knudsen et al., 2008). But this is of course much different, and less distinctive in terms of theoretical positions, than a creative class theory of urban development; in fact, it looks more like a bottom-of-page gloss to the mainstream economic thinking on urban development.

With regards to the policy implications of the Florida approach, we have already emphasised the dysfunctional social effects widely documented in literature. However, there is yet another aspect that deserves discussion, mainly that, since creatives are characterised as people with high levels of human capital and skills, the scheme leaves hardly any room for a differential function of culture with respect to other forms of knowledge or skills. It is part of the picture, but has no special role. In fact, it could be missing altogether, provided that other forms of knowledge-based skills compensate for it. This implies, in particular, that *any* kind of cultural activity will do, whatever its characteristics, quality standards,

socio-cognitive impact, etc.: a truly instrumentalist position. It is no wonder, then, that the translation of this approach at the community development level easily fosters instrumentalist attitudes toward culture: culture matters *insofar as* it attracts resources and talents, not *in or by itself*. And this is the most threatening aspect from the point of view of developmental potential. It is very likely to cause a motivational crowding out (see e.g. Frey and Jegen, 2001) that leads public opinion to value local cultural life in terms of its direct and indirect economic (and media) impact whatever the contents, rather than in terms of providing stimulating experience and fostering authentic local participation. Ponzini and Rossi (2010) present a detailed case study of how this instrumental fallacy backfires in policy terms by analysing the case of Baltimore, which has embraced programmatically the creative class approach with the result of exasperating the already existing, dramatic social divides at the city level.

This does not imply, however, that no attention should be paid to issues of attraction and retention of talent and skills, and to density effects in knowledge generation and diffusion in the context of culture-led development. Rather, what is questionable, in the light of the previous discussion, is the idea of building a *whole* developmental approach on this idea *only*. In other words, the talent attraction factor could play a role, once placed into a comprehensive framework where its potentially dysfunctional implications are balanced off by other concurrent factors.

## *Porter's competitive advantage theory and over-engineering*

Unlike Florida's creative class theory, Michael Porter's (1989, 2003) theory of competitive advantage was not purposefully conceived to address culture-led development issues, but nevertheless has proven to be very fruitful in addressing these issues too. Porter's approach is much more general (and ambitious), as it deals with the causes of competitive success at various scales (from companies to regions to countries), and across production sectors. In Porter's view, sustainable competitive advantage can be established along three main drivers: cost leadership, product differentiation, and market focus. Moreover, as relatively high levels of socio-economic development are reached, there is a physiological transition from cost-driven toward investment-driven, and finally innovation-driven competitiveness, with a parallel transition from labor-intensive to capital-intensive to knowledge-intensive value creation (e.g. Fujita, 2007).

The spatial level is also very important in Porter's framework (e.g. Porter, 1998, 2000), whatever the stage of economic development, and the transition across competitiveness models directly impacts the organisation of space at the regional (e.g. Zientara, 2008) and at the urban level (see e.g. Yigitcanlar et al., 2008). In particular, spatial agglomeration of productive activities is conducive to economies of scale and scope, but also to knowledge spillovers – once more a link with the new economic geography literature. Porter emphasises the competitive role of productive clusters, an element that was already present in the seminal contributions of Marshall (1920) and, with special reference to the Italian model of industrial districts, by Becattini (2004).

The spatial agglomeration dimension is that which establishes a natural bridge from Porter's general framework to the cultural realm: in urban contexts, cultural activities are likely to cluster into cultural districts or quarters (Mommaas, 2004; Roodhouse, 2010; Scott, 2004). Once culture becomes a distinctive competitive asset for local economies in the postindustrial global scenario (e.g. Hutton, 2004), and is positively related

to innovative capacity (Sacco, 2010), firm product differentiation (Verganti, 2009), and the shaping of urban identity (Dembski and Salet, 2010; Garcia, 2005), one can then apply a Porterian development logic directed at a sophisticated functional approach to culture-led development. This logic would aim at rethinking cultural production and participation as a key competitive asset, at strengthening and refurbishing industrial heritage buildings and facilities into cultural uses and cultural quarters.

Unlike the creative class approach, a Porterian approach to culture-led development *might* not necessarily lead to an instrumentalisation of cultural activity and participation, provided that there is a sound understanding of the specificities of cultural productivity and of its social embeddedness (e.g. Potts et al., 2008), which implies that an intrinsic motivational commitment to culture may be an essential component of the preservation of its competitive potential (e.g. Ferilli et al., 2012). But still such concerns are very much overlooked in current scientific and professional practice, and thus there is often the tendency to think that cultural production is not that different from any other form of production, and that the basic conceptual tenets and conventional wisdom of industrial organisation carry over to this field without much fuss. The consequence is that a Porterian focus upon culture-led development easily leads to an over-engineered, top-down planning attitude, where cultural clusters and culture-focused urban renewal projects are regarded at best as a new generation of knowledge economy facilities such as science parks and techno-poles (e.g. Bassett et al., 2002), and at worst as a sophisticated form of real estate marketing (Sacco and Tavano Blessi, 2009). From this perspective, the concerns and requests coming from incumbent local cultural and creative communities tend to be perceived and interpreted as 'background noise', which obstructs a truly competitive reconfiguration of the local cultural economy, where innovative and forward-looking projects of culture-based urban renovation cause social frictions and even conflict because of their lack of concern with the social context they are engaging and reshaping (e.g. Greffe, 2010; Ruby and Desbons, 2002), should be dealt with diplomatically but substantially ignored, as clearly illustrated in recent urban history of the Manhattan borough of New York City (see e.g. Mele, 2000; Zipp, 2009). A sustainable model of culture-focused urban renewal needs to integrate the two cultural instances, making space for both and fostering mutual communication and exchange. More generally, it has to develop a deep and subtle understanding of the contextual conditions that must be addressed and capitalised upon according to the circumstances (see e.g. Grodach, 2010). However, this goal is difficult to formulate, let alone manage, within the context of a rigorous Porterian approach.

A particularly telling example of Porter-inspired, cultural over-engineering, in terms of both project scale and global visibility, is Abu Dhabi's Saadiyat Island, where a huge, new cultural district is being built by renowned archistars and which accommodates several world-class museums including the Louvre Abu Dhabi, the Guggenheim Abu Dhabi and the Zayed National Museum. The project is a straightforward top-down, self-contained exercise in strategic place branding, aiming at 'cultural competitiveness' through the establishment of a global hub of cultural tourism (Hazime, 2011) which does not even attempt to find a connection to the local social context and cultural scene, literally transplanting the cultural district concept onto a 'culturally empty space' (Kanna, 2012) – a strategy that, already in the construction phase, raises serious concerns of social, even more than of economic, sustainability.

However fruitful and useful both from the theoretical and policy design perspective, a purely Porterian approach to culture-led development is still biased and likely to miss key sustainability aspects, especially on the social side. Failing to account for the specificity of production and dissemination processes in the cultural field, Porterian thinking is unable to address them effectively and results in over-engineering. Competitive restructuring provides important inputs to a proper culture-led developmental model, but only insofar as such inputs are not taken as the *only* developmental factors and mechanisms that matter.

## *Sen's capability theory and parochialism*

With their own biases, the previous two approaches share a common weakness: their social sustainability (see e.g. Polèse and Stren, 2000). Amartya Sen's (1985, 1999) capability approach, which focuses on the same issue(s), is very different. Like Porter's, Sen's approach has not been specifically tailored to the cultural field, and not even to advanced economies, but rather to developing ones. Nevertheless, it proves useful in addressing some key features that are typical of cultural production and access, and present non-trivial overlaps with poverty issues in underdeveloped contexts. In Sen's perspective, persistent development gaps, rather than lack of financial resources, are due to the fact that poverty entails lack of experience and information that enable individuals to set and pursue lifetime goals and to transform availability of resources into actual wellbeing (see also Clark, 2008). A similar issue arises with cultural access, as pointed out by JS Mill, where *under*-consumption is the norm, in that when making their choices, individuals cannot consider the welfare implications of cultural experiences that they are unable to evaluate and appreciate owing to their lack of appropriate capabilities. Not incidentally, Nussbaum's (2000) basic capabilities list shows that culture-related ones are included. Whereas in a developing context this is one aspect among many; the more the socio-economics of knowledge becomes central to value-creation issues, the more cultural capabilities become essential to self-determination in all kinds of fields. Cultural capability shortage thus becomes a sort of postindustrial counterpart to classical capability shortage, and represents one of the main obstacles to culture-led development.

Once properly restated, the capability approach becomes a powerful basis for a behaviorist foundation of culture-related choices, as well as for demand-driven cultural policy design where local residents are motivated to invest in cultural capability building to the point of reaching a core critical mass of cultural demand that sparks up an endogenous growth process (Sacco and Segre, 2009). Moreover, this approach points to aspects of identity building and social participation and recognition that are especially important for contextualised, grassroots forms of cultural production (e.g. Bielby, 2004).

Unlike the other two approaches previously mentioned, the capability approach favors a bottom-up, non-market-oriented view of cultural development, where the level and intensity of social participation, the production of social capital and community cohesion, and the pursuit of meaningful, welfare-improving life perspectives receive more emphasis than the economic impact (Goldbard, 2006). In this vein it is interesting to compare two modes of accumulation of intangible knowledge-based assets such as capability building and investment in human capital: the former is mostly socially mediated and leverages upon a shared relational orientation; the latter is mostly market mediated and individually pursued (see e.g. Robeyns, 2006).

Of the three approaches, capability building is the one more clearly bending toward the sophisticated functional side, seeking

little compromise with the instrumental. By so doing, the cultural reframing of the capability approach lends little attention both to economic sustainability of cultural activity and to cultural content – like in Florida's approach, although for entirely different reasons: any kind of cultural content willing to be defined as cultural will do, provided that it bears upon individual motivation, participation, social cohesion, etc. (e.g. Kleymeyer, 1994).

Consequently, the translation of Sen's approach to the cultural context is also biased, once it is intended as the *sole* background reference of a culture-led developmental scheme. If in Florida's approach the main threat is an outright instrumentalization of culture, and in Porter's it is an over-engineering of cultural production processes, in Sen's the main risk is cultural *parochialism*, i.e. a self-indulgent, community-centered approach to cultural expression and participation that need not evolve into developmental social dynamics (see e.g. Esteva and Prakash, 1998). In principle, this bias is in contrast with a rigorous interpretation of the capability approach, which makes room for virtually unlimited paths of personal and community human development and thus for the gradual construction of a comprehensive, inclusive knowledge society. But in practice, if individuals have little interest in the quality (i.e. in the cognitive richness and articulation) of cultural contents, beyond some basic level they will likely be willing to trade off further improvements of their cultural capabilities for the social reward of more inclusive, easy-going forms of cultural participation, thereby jeopardising cultural innovation, originality and sophistication of contents both on the side of supply (production) and on that of demand (access and participation) (see e.g. Waldzinski and Chodkowska, 2009).

In other words, if concern with the social dimension of cultural participation is certainly beneficial as an antidote to overly instrumental and market-oriented approaches, beyond a certain threshold (and certainly so if it becomes *the* focus of the process) it may curb the developmental mechanism by causing the aspect of cultural content generation and dissemination to be overcome by that of social inclusion and participation.

An interesting case study in this respect is Cork, the European Capital of Culture 2005. The Cork 2005 project was basically built upon an open call for projects that led to more than 2000 submissions, and the strategy-driven cultural program was based on the decision that almost 70% of the planned activities was put together from that source (Palmer, 2004) as a platform that would give impulse to the international visibility of the Irish cultural scene (Cotter, 2005). Citizen participation and capability building was a key issue for the local administration (Bayliss, 2004), but the actual implementation led to an open, however controversial, confrontation between the main economic stakeholders and the local community as to urban renovation projects and the cultural program (O'Callaghan and Linehan, 2007). Consequently this made strategic choices difficult and seriously questioned the mode and extent of local participation (O'Callaghan, 2011). In spite of positive results for Cork as an international tourist destination, the ex post evaluation regarded/viewed it as a missed opportunity (Palmer et al., 2011), as a consequence of self-referential exasperation of local issues, and a failed evolution into constructive solutions and a wider global networking of the local cultural scene.

Once again, the trouble lies in the weakness of a mono-causal developmental scheme, inexorably assigning to culture a bias-generating, self-defeating role. Furthermore, in all three approaches culture seems to act as a nice excuse to gather social attention and

involvement thanks to its powerful symbolic appeal which, in later stages, gives way to more familiar developmental factors (see e.g. Storper and Scott, 2009). This becomes clear once it is noticed that there is really no room for nature and quality of cultural contents to play a decisive role in any of the three approaches – Porter's and Florida's approaches only offer partial exceptions, insofar as the nature and quality of contents is conducive to competitive advantage or enhanced attractive potential, respectively.

The real challenge is then to build a reference framework where culture plays a substantial, fundamental role. To this purpose, a no-matter-how, clever, single-minded adaptation of pre-existing developmental mechanisms is unlikely to work.

## Beyond mono-causality: Towards a 'new territorial thinking' for culture-driven, complex socio-cultural dynamics

The fallacies discussed in the previous section are a consequential product of mono-causal, linear thinking that has the pretension to build a culture-led developmental scheme on the action of a single (set of) factor(s) that, once in place, turns the surrounding context into a backstage, a display that adds a touch of 'situational' favour, but does not really make a difference. From Florida's 'plug-and-play' viewpoint, the creative class is shaping the world to reflect its needs, expectations, and values – and successfully adapting to these is the recipe to put the milieu on the world map of creativity. According to the Porter-inspired approach to competitive restructuring, what matters is making the right kind of strategic, innovation-provoking investments, as they will remodel the context accordingly. Even in the Sen-inspired capability-building perspective, the focus on the local community gives a great deal of relevance to human development and shared identity issues, but at the cost of losing the global perspective which is present in the other approaches and very needed in the cultural realm: a mirror reflection that gains insight on one side by losing it on the other. It is exactly this tradeoff between local and global – which also reflects in opposing views of the geographical nature of contemporary creative processes – that has to be avoided in a proper approach to culture-led development. It is also this tradeoff that calls for maintaining an articulated territorial perspective at both the local level – characterised by an idiosyncratic mix of factors that doesn't concern only current local characteristics – and global levels simultaneously, weaving their specific narratives, spheres of meaning, cultural milieu and socio-economic factors, into a common analytical framework.

The global and local levels are embedded in non-linear, tangled hierarchies in contemporary creative processes, as shown by careful enough analysis of their spatial dimensions (e.g. Borén and Young, 2012). This requires new analytical attitudes, willing to explore and reconstruct the highly context-dependent micro-structures determining the social and economic viability of a specific cultural production milieu (e.g. Comunian, 2011). This complex view of culture-led development (and of its viability) is at odds with the interests of those viewing culture and creativity mainly as captivating new disguises for familiar real estate based schemes (Evans, 2009) – and this is probably the main pitfall that culture-led development has to avoid in order to maintain a long-term scholarly and social credibility. From the point of view of public choice and power relationships, culture may be easily exploited as a 'feel good' factor that, leveraging upon a rhetoric of cohesion and identity recognition, removes attention from key structural socio-economic factors (Gaffikin and

Morrissey, 2011) – whose role can be properly acknowledged only in a truly multi-causal scheme. If a new synthesis has to emerge that does justice to the inherent complexity of culture-led development, it has to do with properly putting the creative economy in place (Waitt and Gibson, 2009), through a daring, interdisciplinary synthesis designed to tackle and manage multi-causal mechanisms from a policy design point of view (Sacco and Crociata, 2013).

In trying to imagine what we could call a form of 'new territorial thinking', it is important to point out once more that it will not be found in traditional forms of cluster-thinking of Porterian or analogous derivation, despite their merits and their extensive application to culture-led development issues (see e.g. Lazzeretti et al., 2008). Physical clustering in itself no longer warrants place-specific ways of generation of knowledge (Malmberg and Power, 2005). The logic of physical agglomeration itself, if it has to maintain a role, must then go beyond traditional mono-causal schemes, which are mainly focused on a static 'sense of territory', or in other words a sense of place and culture. This static sense of territory is aimed at a synthesis of global and local elements that give new functional meaning and strategic perspective to clustering phenomena, depending on the symbolic and expressive potential of the place (Jaffe and Nebenzahl, 2006). This in turn capitalises upon one distinctive value added of culture: shaping up geographically long-ranging processes of meaning that deeply modify individual and collective behaviours on a large scale, and in relatively little time. The cluster-thinking and agglomeration must thus also (and particularly) consider the displacement of individuals who embed knowledge and abilities, given the essential role it has in supplying cultural, cognitive and behavioural practices that can diverge from the dominant. These factors will act toward feeding both fundamental urban development dimensions, i.e. the creative economy and the social dimension, and will be aimed in the direction of the social identity/sense of place in order to avoid the possible negative externalities generated by these dynamics, notably gentrification (Ettlinger, 2010). From this perspective, as Massey pointed out, space is constituted through its relation to all manners, where the network between local and global, the local community and new arrivals, and the net relation and exchange between them fosters the generation of new meaning in a process of making and re-making the progressive sense of place (Massey, 2005), thereby promoting the generation and regeneration of the cultural dimension. Not incidentally, culture is one of the most relevant sources of dynamic complexity challenging our understanding of the contemporary experience sphere (e.g. Rose, 2011), with implications that bear upon local and global power relationships (Keohane and Nye, 1998).

The value added that culture is bringing to a territory in the present context can then be reduced to neither economic value added nor to revamping of local identity, nor to other analogous one-sided effects that are easy to sell to the media but seriously oversimplify the aim and scope of culture-led development. Culture is becoming a new platform for the generation of social and economic value that performs *at the same time* several different roles: systemic coordination of horizontally integrated soft innovation processes, creation of new forms of knowledge-intensive active citizenship, definition of new standards of wellbeing, to name but a few (Sacco et al., 2012).

This is why it is sensible to develop a more encompassing scheme that is able to work on all factors at the same time, exploiting their strategic complementarities and balancing their systemic effects. In very general terms, we can associate one characteristic macro

factor to each of the three approaches discussed above as follows:

> Florida → attraction approach of external resources;
> Porter → development based model of local competitive assets;
> Sen → enhancement of social cohesion and participation approach.

More specifically, in Florida's perspective, the attraction factor can be expanded in a double direction: attracting talents (and more generally knowledge workers and entrepreneurs with high levels of human capital), and attracting firms and investments (also because, in Florida's view, the latter are likely to follow the flows of the former). In Porter's perspective, on the other hand, the local competitive potential in terms of culture-led local development depends on the level and quality of the knowledge-intensive specific assets of the local system (a thriving cultural scene, a high-standard scientific and technological cluster of research centers and labs, a forward-looking and efficient public administration), and on the local capacity to raise creative and entrepreneurial talent with a global edge. Finally, in Sen's perspective, social cohesion and participation may be expanded so as to call for culturally characterised physical and social places of mediation and exchange, for inclusive cultural capability-building initiatives at the community level, and for inclusive cultural involvement initiatives. At the same time, it is necessary that this capability-building translates into new entrepreneurial and creative opportunities for cultural practitioners, also possibly organised in the form of social enterprises.

The above expansion of the developmental (sub)factors for the three approaches embeds the mono-causal approaches analysed in section 'Three characteristic fallacies of culture-led development: instrumentalism, over-engineering, parochialism' into a wider, multi-causal analytical context where they interact synergetically, and are the base for the conceptual framework which singles out as many as 12 critical dimensions for successful culture-led development, formalised elsewhere (Sacco et al., 2013a) and adopted in the evaluation of the strategy and effects of the 2004 European Cultural Capitals, namely Genoa, Italy and Lille, France (see Sacco and Tavano Blessi, 2007).

Culture-led development essentially means creating the social and economic conditions for enabling culture to perform all of these delicate and extremely valuable roles effectively and sustainably, through a proper strategic coordination with the whole local economy and community. This is a formidable challenge and tackling it goes beyond the scope of the present paper. In Sacco et al. (2013b), we apply such a framework to some recent case studies of culture-led development in order to demonstrate how the typical fallacies of mono-causal schemes can be overcome through a more comprehensive approach. We look forward to more attempts at fleshing out a 'new territorial thinking' in culture-led development, a promising, difficult and somewhat necessary perspective for future research in the field.

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