



City Research Online

City St George's, University of London

Citation: Pratt, A. & Bennett, T. (2024). Transversal Ecosystem Governance (10.21428/280621f1.ae4fcd28). CICRE London Lab.

This is the published version of the paper.

This version of the publication may differ from the final published version. To cite this item please consult the publisher's version.

Permanent repository link: <https://openaccess.city.ac.uk/id/eprint/36675/>

Link to published version: <https://doi.org/10.21428/280621f1.ae4fcd28>

Copyright and Reuse: Copyright and Moral Rights remain with the author(s) and/or copyright holders. Copies of full items can be used for personal research or study, educational, or not-for-profit purposes without prior permission or charge, unless otherwise indicated, provided that the authors, title and full bibliographic details are credited, a hyperlink and/or URL is given for the original metadata page and the content is not changed in any way. For full details of reuse please refer to [City Research Online policy](#).

Cultural Diversity Laboratory • Creative Industries and Cultural Diversity: Part 2 - Crises, Diversities and the Cultural Ecosystem

Transversal Ecosystem Governance

Andy Pratt Toby Bennett

Published on: Jun 11, 2024

URL: <https://circelablondon.pubpub.org/pub/ho1emq7c>

License: [Creative Commons Attribution 4.0 International License \(CC-BY 4.0\)](https://creativecommons.org/licenses/by/4.0/)

This chapter has two objectives, to summarise the broad sweep of creative industries policy in the period preceding, and through the period affected by Austerity, Brexit and Covid; and, to highlight the cross-cutting issues that have run through and across this period with particular respect to the challenge of inclusion and diversity in the creative industries.

Policy trends: a brief summary

As explored in the first collection of papers from the London Cultural Diversity Lab, policy trends in the UK cultural and creative industries (CCI) have been primarily shaped by the ruling political administration of the day (1997-2010: Labour; 2010-2015: Conservative/Liberal Democrat coalition; 2015-present: Conservative). This is not to say that policy shifts are “ideological”, with respect to how the creative industries are viewed *per se*; rather this “shaping” refers to the developing approach to governance of the wider economy.

The Labour administration innovated both *explicitly* and *implicitly*. In the former sense, it established a new Ministry – the Department for Culture, Media and Sport – and an attendant “taskforce” to both name and quantitatively “map” the CCI. As we have discussed elsewhere, this was a political (or “ideological”) ambition to shift policy attention away from both a traditional “arts and heritage” focus, over-represented by an elite body of “the great and the good”, as well as from the local industrial strategy focus favoured by the party’s radical left. Instead it sought a “third way”, repositioning the field within a more commercial domain, with a stress on value creation derived from the production of intellectual property.

Almost more significantly, however, Labour also made a substantial change in the form of its devolution agenda, which *implicitly* empowered a new field of policy action. The “creative industries” initiative was primarily located in London and focused on national promotion, and on jobs, economic value and employment, with a parallel ‘social exclusion’ agenda across government, which produced a new system of targets for arts administration. It distanced itself from the industrial clustering and urban regeneration schemes pursued by municipal authorities – but, aside from Arts Council initiatives to promote reach, diversity and “excellence”, “culture” remained predominantly funded via local authorities. Devolution not only devolved decision making and funding to the four nations but, in England, set up Regional Development Agencies (NUTS 2 level) which had powers to plan and allocate resources, with culture (arts and creative industries) included in the new regional plans. In effect this introduced a new budget line for culture and the creative industries.

The Coalition government (2010-15) did not take a significantly different view of the Creative Industries. Highlighting exports, no new policy was developed – rather it was rolled back, with the closure of RDAs in 2012 dislocating the nascent governance mechanisms. The Austerity programme had most impact, eroding the local financing of culture. After the financial crisis, this affected CCI resilience: first through audiences and the

cut in core funding, then through organisational cost-cutting, lowering recruitment, replaced by voluntary and part-time workers, undermining organisational capability.

An awareness of the mismatch between local/regional/national levels of the creative economy developed via a number of cluster-based initiatives, specifically aiming to link local universities with CCIs, ostensibly to promote ‘innovation’. In parallel there had been an increasing awareness within the sector of a lacking integrative infrastructure or ecosystem. The Creative Industries Council was established to advise on this in 2011. In 2014 the Creative Industries Federation was established – the first integrated trade body for the sector. The election of a sole Conservative administration in 2015 was swiftly followed by the Brexit referendum. The decision to leave the EU, and the failure to negotiate on behalf of the creative industries, or even recognise their vulnerability, had a significant impact. Despite the nascent development of trade representation and a policy ecosystem, the sector was unable to make its demands visible in the political debate, either during the referendum or post-referendum in negotiations.

A new leadership sought to make a mark by establishing a UK industrial Strategy in 2017. The CCI did not yet figure significantly in the plan, although a critical element was their dependency on exports and touring (and associated visas). Meanwhile internal negotiations were advancing via the development of a second round of funding supporting the AHRC-administered clusters programme (2018) – uniquely linked to £120m funding from national business and culture departments. Again, this prioritised the development of local knowledge exchange and productive networks in the creative economy (at a limited number of locations). At the same time, in a retreat from regional development the Conservatives promoted competitions for funding for local cultural and economic regeneration in the absence of more national and systematic approaches.

Prior to Covid-19 (2020-1), the creative economy was reported to be growing at five times the rate of the economy more widely. Notably, there was little specific policy directed at creative industries (unless one includes the ill-fated ‘eat out to help out’ scheme in 2020). A Culture Recovery Fund helped larger heritage and performing arts organisations meet basic costs but furlough/job retention schemes, self-employment insurance scheme and so-called ‘bounce back loans’ commonly were poorly suited to cultural workers employed across a portfolio of freelance and short-term contracts. A particular problem with insurance for loans for film/TV shooting on location was one of the only areas where (eventually) specific initiatives were developed.

A review of Creative Industries Strategy (2017) sought further to marshal the diminished resources of the Arts sector into place-making and clustering. In parallel the ‘levelling up’ programme, much trailed by the Johnstone administration, was established in 2022. Following ideological wariness of comprehensive strategic development, the focus was on policies to engage cities to compete for ‘regeneration funding’. In 2023 the creative economy effectively became part of a wider industrial strategy: promoted as one of the five future industries of strategic importance. A ‘Sector Vision’ primarily highlighted ‘createch’ activities – a merging of technology and creativity, primarily linked to digital screen technologies – alongside further funding for the ‘clusters programme’.

Whilst this latest iteration of creative industry policy appears to be achieving a degree of coherence, there continues to be a lack of real direction backed by funding. The organisational changes within government have seen twelve Secretaries of State for the DCMS in almost as many years, with nine or ten in the Departments of Business and Trade, depending on how organisational changes are tracked (there is no such single department but a continuous breaking up and recombining of functions).

Cross-cutting Insights for Transversal Governance

It is difficult to provide a definitive answer to the question of the impact and effects of Austerity, Brexit and Covid on the creative industries, and how they are manifest in the experiences, and generation of patterns and processes of inequality. It is at least clear that some may have mistakenly presumed that CCI were exempt from the scourge of inequality. Clearly, the sector is not exceptional in this respect; it is nonetheless perhaps a surprise for many to discover that the CCI exhibit such patterning far more than the rest of the economy. In part this is due to a poor starting position – but also due to the relative lack of resilience of the sector.

The UK is rightly known for its promotion of creative industries, their scale and relative success. Yet policies have favoured a focus on growth at the expense of equality and inclusion; accordingly a focus on output measures have overshadowed compositional measures. This reveals further lack of understanding of how the CCI actually ‘work’: that is, those organisational forms, such as project-based working and freelancing, that are historically non-normative across the wider economy, alongside the high-risk and rapid turn-over of its primary activities. Indeed, it is within this unorthodox organisational form that many inequalities are found and amplified – while, at the same time, rendered ‘invisible’ to a policy (and political) gaze that remains structured by the historic norm.

It is therefore notable that a body of pioneering scholarship by academics working with, or challenging, policy makers and the industry has exposed a complex set of inequalities. Together these create a ‘wicked problem’ to solve. This research has only been possible due to the unusual coverage of questions in population surveys in the UK: in particular, those covering questions of ethnicity, alongside gender, socio-economic grouping, age and location. Researchers have pointed to the unique intersectional forms of inequality that are found in the CCI – uniquely framed by “the creative industries” as a relatively novel research and policy object. This has created a distinctive lens through which to view a rapidly changing part of the economy.

Initial debates about representation typically begin with appearances on stage and screen. The debate has been augmented with insights into inequalities of craft and skilled workers who support the ‘talent’. Sadly, conditions of inequality are as poor, if not worse for these workers. Our studies reveal that a further layer of intersectionality is revealed when we explore the inequalities of power and responsibility in the CCI. In this light it is not surprising that the problem is difficult to resolve.

A first step is to recognise the nature of the problem. Efforts to do so continue to evolve, both through research as well as responses from creative workers and collective industry representation. Second and third steps are to identify causes and then provide a remedy. These are more problematic and further exacerbated by the flux in which the CCI exist. Alongside policy flux, and socio-economic uncertainty, it is critical to highlight the unique restructuring of the CCI that has taken place in the last 25-30 years: namely, the shift from employment in large-scale public institutions to private employment in micro-businesses or on a freelance basis (often then contracted back to public bodies) a combination of outsourcing and post-Fordism. The CCI have developed complex and delicate ecosystems, with repeat-contracting of project based enterprises alongside equally unstable intermediaries, balancing the demands of the system. These relationships are poorly-researched and understood: they are clearly not addressed by ‘generic’ industrial or arts policy; meanwhile systemic instability and unpredictability causes problems for monitoring and governance.

Accordingly, it is not surprising that ABC+ crises have impacted in different ways. In one sense, as “crisis” is the normative condition for CCI, one might expect them to be resilient. In another sense, the imposition of external shocks has the potential to break inherent resilience. Public funding cuts have spread virally through the whole sector as a result of the interdependence of for- and not-for-profit activities – not primarily due to cuts themselves but due to the ‘hollowing out’ of institutional and organisational capacity, undermining the sector’s ability to ‘go on’. In this sense, Austerity has been the most damaging blow. However, Brexit and Covid have been new waves of instability. In the former case a predictable impact that could have been managed if the CCI had been politically ‘more visible’ in government. In the latter case, again, lack of visibility or political power lead to further oversights. Of course, taken together these impacts have been fatal to many businesses and activities. We can see the compound impact when, for example, trained musicians move out of the sector; never to return.

This last point raises another issue. Research on the CCI has identified a set of problems with diversity and inclusion and set in place many initiatives to address them. However, such problems originate, in large part, *outside* of the sector – primarily in education and training; that is, who is supported to participate in the sector. Moreover, since the cultural ecosystem is relatively unregulated, it is challenging to adequately monitor and difficult to implement policy systematically. Arguably, such gaps in talent pipelines and ecosystems can more easily be addressed by those with access to additional power and resources, outside the sector.

The conclusion must be that a growth strategy, difficult enough to develop in itself, cannot be sufficient for the CCI. An innovative *and inclusive* growth process needs attention from the start. Access to training and education is obvious but so is support for creative work as a viable career option. Of course, a major failure in achieving a diverse and inclusive workforce is not simply access but issues of retention, which often relate to the work quality and employment conditions (notably, entitlement to holiday, sick leave, maternity pay, and pensions). Until these issues are addressed, little progress will be made.

In this light, the CCI appear as the ‘canary in the coal mine’ for the changing pattern of work in the 21st century: flexible and agile but casualised and precarious. The question therefore finally hinges on whether social contracts forged in the 20th century can be refitted for the 21st century. Put more optimistically, the CCI would be a good place to begin the new experiment of how to fix this issue.