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THE CITY MOUSE AND THE COUNTRY MOUSE: THE GEOGRAPHY OF CREATIVITY AND CULTURAL PRODUCTION IN ITALY

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The city mouse and the country mouse: the geography of creativity and cultural production in Italy

Enrico Bertacchini* Paola Borroni†

Abstract

Through census employment data we analyze the evolving structure of the Italian cultural economy and highlights diverging spatial and organizational patterns of cultural production systems in urban and regional areas. Whilst large metropolitan areas remain the more important loci of cultural content production and consumption, craft-based sectors and creative systems of design have a tendency to locate in non-metropolitan centers. Based on the historical formation of manufacturing districts and on the emergence of Rome and Milan as “world cities”, the Italian cultural economy provides an interesting case study to analyze the geographical patterns of different cultural product industries. We extend previous literature on the geography of the cultural economy by offering new insights as to conditions in which metropolitan and rural areas emerge as leading centers of cultural production and creativity.

Keywords: Italy, Cultural Economy, Cultural Industries, Creativity, SIC data

JEL classification: R12, L8

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1 Introduction

The tale of the city mouse and the country mouse depicts a vivid metaphor of two very different places, which correspond to two equally worth ways of living with diverging, but not excluding, sets of social and economic opportunities (Williams, 1975). Likewise, but in a more nuanced form, different spatial and socio-economic contexts may favor the spring and coexistence of various forms of cultural production and creative fields. So far, urban spaces have been recognized as the pivotal centers of the emerging cultural economy, often with reference to large metropolitan areas or capital cities such as London, New York, Los Angeles, Amsterdam or Paris (Porter, 1990; Landry, 2000). At the same time, a growing literature is providing evidence that local concentration of cultural production and creative clusters may emerge also in non-urban or rural contexts (Santagata, 2006; McGranaham and Wojan, 2007).

Crucially, the differentiated geographical patterns might depend on the type of cultural good analyzed, on the economic and social organization of markets, and on the place-specific inputs and factors that affect cultural production systems. With this perspective, Pratt (2005) has stressed the importance to consider cultural output as the result of a production chain of disaggregated but interconnected economic activities. Similarly, for Scott (2000) the cultural economy is a multi-faceted, multisectoral image-producing complex, where a handle of heterogeneous economic activities is responsible to the production, marketing and commercialization of cultural products and services. Such heterogeneity in the cultural production space ranges from economic activities involved in the origination, transmission and consumption of cultural content or information, to other craft-based and design-intensive sectors, whose products carry strong semiotic and aesthetic content. All these sectors share the symbolic, cultural and idiosyncratic nature of their goods and are deeply influenced by the time and space dimensions for the organization of production. All these industries are experiencing a growing demand in the post-Fordist economy and face the challenge of a strong international competition. Both these phenomena express a tension between local and global forces, which eventually tend to reshape the competitive advantages of the regional cultural production systems.

Agglomeration of cultural production is not per se a sufficient condition for the success of a region’s or a country’s cultural economy. In order to become a dominant center in the national and international landscape, creativity and innovation must permeate the cultural production milieu and the geographical patterns of creativity matter in determining the long-term viability and sustainability of the cultural product industries. Clusters of skilled and talented workers in the most
creative phases of the production chain, jointly with ties to other relevant hot spots around the globe, may underpin complex and thick webs of interactions that nurture creative outcomes and generate competitive advantage for the regional production of culture (Amin and Thrift, 1992; Bathelt et al., 2004).

With this perspective, the paper analyzes the economic structure of the Italian cultural economy, its dynamics in terms of employment and the main geographical patterns of localization. Italy may be considered a perfect case study to understand the role of the cultural product industries in the post-Fordist economy, as well as to highlight differentiated geographical patterns of its peculiar cultural production systems.

As an advanced capitalist society, the geographic organization of production and markets is increasingly drawn towards major urban centers, which tend to enhance flexible specialization, vertically disintegrated production process and local-global relations of both products and knowledge diffusion (Jessop, 1992). At the same time, with its non metropolitan traditional agglomerations of high quality craft production, Italy is the only developed country to be specialized in craft-based and low-technology products, such as clothing and furniture. This peculiarity is particularly relevant if one considers that the post-Fordist trajectory is leading to the revitalization of material culture, whereby consumers’ experience is increasingly oriented towards the aestheticization and semioticization of such marketable products (Lash and Urry, 1994). As a result, our analysis taps into two main sets of phenomena: 1) the emergent role of the cultural production and consumption systems in urban spaces and 2) a cultural economic perspective of the italian industrial districts.

The paper is organized as follows: section 2 describes the methodology adopted to define the Italian cultural economy, presents its main sectors and their evolution in the last two decades; section 3 focuses on the geographical patterns of localization of the different cultural product industries, highlighting a distinctive geography of cultural production systems and creativity fields, which varies across the sectors; section 4 concludes.

### 2 The structure of the Italian cultural economy: definition and data

Mapping the cultural economy has been a puzzling and challenging issue in the last decade. Diverging classificatory criteria for drawing the boundaries of the cultural economy have generated considerable vagueness of definition in the policy and
academic community. Traditional notions of cultural products according to criteria of expressive value, intellectual property, social meaning and semiotic content find today a counterbalance in other more functional and utilitarian objects and activities that nevertheless become culture laden and increasingly invested with symbolic and aesthetic value (Lash and Urry, 1994). As a result, the notion of cultural economy has become a magmatic space. Depending on the approaches, it covers with different intensity an handsome of productive and distributive sectors that range from audiovisual industries to fine arts, from advertising to craft and design-related industries.

Moreover, the metrics adopted to analyze the size and character of the cultural economy may lead to even more confusion. Industry and occupational approaches may produce diverging estimates of cultural employment - the most adopted unit of analysis - and provide biased pictures of the economic and organizational patterns of the cultural economy (Markusen et al., 2008). The cultural industries classification systems include all workers of an economic sector, whether producing cultural content directly or indirectly, while underestimate cultural work taking place in non cultural sectors. On the contrary, occupational analysis provides a transversal picture of the cultural employment working in all the businesses, but ignores the production-consumption chain of cultural products, wherein non-cultural workers are included.

In order to map the Italian cultural economy we use census employment data of both public and non-profit institutions and businesses, sorted according to the Standard Industrial Classification (SIC) with five-digit level of definition. This approach has both advantages and limitations. The main advantage is that it allows capturing in the analysis self employed workers, the public sector and non-profit institutions, which are acknowledged to be relevant recipients of cultural workers (Markusen et al., 2008). By contrast, standard industrial classifications are poorly suited for accurately describing the cultural economy and the five-digit level of definition may only in part improve the accuracy of sectors description. In many cases, forms of cultural production do not have their specific category at all or some sectors are made up of collections of establishments whose outputs are quite disparate in terms of their cultural attributes. Further, only the primary SIC code for each firm is counted in the census statistical collection. This excludes firms that may have secondary but significant business in the cultural economy (Power, 2002; Pratt, 1997). As a result, SIC categories have to be seen more for their illustrative - rather than explicatory - value in describing tendencies and stylized facts of the cultural economy.

With such limitations in mind, Table 1 and Table 2 present 1991 and 2001 census employment data for 124 five-digit level SIC categories. We focus on a
broad set of both manufacturing and service activities that we classify according to two main groups of cultural product industries. Such distinction will be useful in the subsequent analysis for studying the geographical patterns of localization of the Italian cultural economy.

Table 1: Cultural Content and Entertainment Industries: 1991-2001 employment data for selected SIC codes

<table>
<thead>
<tr>
<th>SIC</th>
<th>Industry</th>
<th>Employment 1991</th>
<th>Employment 2001</th>
<th>Var %</th>
</tr>
</thead>
<tbody>
<tr>
<td>74401</td>
<td>Advertising agencies</td>
<td>27,722</td>
<td>40,667</td>
<td>47%</td>
</tr>
<tr>
<td>74402</td>
<td>Advertising space services</td>
<td>13,046</td>
<td>11,655</td>
<td>-11%</td>
</tr>
<tr>
<td>74201</td>
<td>Architectural services</td>
<td>47,349</td>
<td>63,068</td>
<td>33%</td>
</tr>
<tr>
<td>9211</td>
<td>Film Production</td>
<td>5,113</td>
<td>19,391</td>
<td>279%</td>
</tr>
<tr>
<td>9212</td>
<td>Motion picture distribution</td>
<td>917</td>
<td>1,736</td>
<td>89%</td>
</tr>
<tr>
<td>9213</td>
<td>Cinemas</td>
<td>3,692</td>
<td>6,245</td>
<td>69%</td>
</tr>
<tr>
<td>9220</td>
<td>Radio and Television Production and Broadcast</td>
<td>29,981</td>
<td>27,547</td>
<td>-8%</td>
</tr>
<tr>
<td>9231</td>
<td>Authors, performing artists</td>
<td>22,883</td>
<td>36,395</td>
<td>60%</td>
</tr>
<tr>
<td>9240</td>
<td>Journalists and news syndicates</td>
<td>3,442</td>
<td>6,129</td>
<td>78%</td>
</tr>
<tr>
<td>2210</td>
<td>Publishing</td>
<td>35,568</td>
<td>44,810</td>
<td>-19%</td>
</tr>
<tr>
<td>2220</td>
<td>Printing and other related activities</td>
<td>138,460</td>
<td>128,655</td>
<td>-7%</td>
</tr>
<tr>
<td>24640</td>
<td>Manufacture of photographic chemicals</td>
<td>4,558</td>
<td>2,744</td>
<td>-40%</td>
</tr>
<tr>
<td>26650</td>
<td>Manufacture of recorded media</td>
<td>713</td>
<td>886</td>
<td>17%</td>
</tr>
<tr>
<td>32201</td>
<td>Transmitters, TV cameras, cameras and projectors</td>
<td>18,419</td>
<td>13,469</td>
<td>-27%</td>
</tr>
<tr>
<td>2230</td>
<td>Reproduction of audio-video tapes and disks</td>
<td>1,714</td>
<td>1,728</td>
<td>1%</td>
</tr>
<tr>
<td>51433</td>
<td>Wholesale of recorded and prerecorded media</td>
<td>3,033</td>
<td>5,172</td>
<td>71%</td>
</tr>
<tr>
<td>51431</td>
<td>Wholesale electrical appliances, TV and radio sets</td>
<td>3,175</td>
<td>1,554</td>
<td>-51%</td>
</tr>
<tr>
<td>9520</td>
<td>Cultural heritage services</td>
<td>30,394</td>
<td>36,307</td>
<td>19%</td>
</tr>
<tr>
<td>9232</td>
<td>Theaters and concert halls</td>
<td>9,493</td>
<td>5,006</td>
<td>-47%</td>
</tr>
<tr>
<td>9234</td>
<td>Night clubs, circuses and other recreative activities</td>
<td>18,991</td>
<td>25,312</td>
<td>33%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>438,663</td>
<td>478,536</td>
<td>9%</td>
</tr>
<tr>
<td>% over the total workforce</td>
<td></td>
<td>2,30%</td>
<td>2,30%</td>
<td></td>
</tr>
</tbody>
</table>

Source: ISTAT

First, Table 1 encompasses economic activities that involve the production and transmission of cultural content or information with symbolic message or entertainment value, either as a primary or secondary function. This group mainly refers to sectors pertaining to the standard conceptualization of cultural industries (e.g. film production, music industry, publishing, Radio and TV broadcast), but it also extends to cultural entertainment (e.g. heritage services, live theaters, cinemas) and other activities involved in the production of social symbolic meanings (such as advertising and architectural services).

Second, Table 2 presents craft and design-intensive sectors that are based on the revitalization of material culture. These economic activities, which we have labeled as Material Cultural Industries, provide symbolic and aesthetic character to consumption of manufactured goods. They mainly comprise manufacturing sectors and craft industries, such as household furniture and furnishing, clothing,
Table 2: Material Cultural Industries: 1991-2001 employment data for selected SIC codes

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2845</td>
<td>Designers</td>
<td>6,860</td>
<td>9,721</td>
<td>42%</td>
</tr>
<tr>
<td>3630</td>
<td>Musical Instruments</td>
<td>3,270</td>
<td>2,740</td>
<td>-16%</td>
</tr>
<tr>
<td>3610</td>
<td>Furniture</td>
<td>212,116</td>
<td>203,551</td>
<td>-4%</td>
</tr>
<tr>
<td>3622</td>
<td>Jewelry, silverplate and plated ware</td>
<td>42,540</td>
<td>49,336</td>
<td>16%</td>
</tr>
<tr>
<td>3650</td>
<td>Toys</td>
<td>8,472</td>
<td>5,135</td>
<td>-39%</td>
</tr>
<tr>
<td>3350</td>
<td>Watches and clocks</td>
<td>2,087</td>
<td>1,377</td>
<td>-34%</td>
</tr>
<tr>
<td>1751</td>
<td>Carpet and rug making</td>
<td>3,811</td>
<td>2,072</td>
<td>-46%</td>
</tr>
<tr>
<td>3150</td>
<td>Electric lighting equipment</td>
<td>22,635</td>
<td>19,635</td>
<td>-13%</td>
</tr>
<tr>
<td>2001</td>
<td>2012 Wooden and metal fixtures</td>
<td>127,250</td>
<td>114,322</td>
<td>-10%</td>
</tr>
<tr>
<td>2851</td>
<td>2050 Wooden and metal household furnishings</td>
<td>47,046</td>
<td>51,640</td>
<td>10%</td>
</tr>
<tr>
<td>2861</td>
<td>Goblet</td>
<td>3,493</td>
<td>2,687</td>
<td>-47%</td>
</tr>
<tr>
<td>2615</td>
<td>Glass and glassware</td>
<td>3,755</td>
<td>4,922</td>
<td>28%</td>
</tr>
<tr>
<td>26210, 2630</td>
<td>Ceramic tiles, pots and other utensils</td>
<td>53,359</td>
<td>51,247</td>
<td>-4%</td>
</tr>
<tr>
<td>26702</td>
<td>Marble work</td>
<td>8,865</td>
<td>8,493</td>
<td>4%</td>
</tr>
<tr>
<td>19</td>
<td>Leather and leather products (footwear)</td>
<td>243,543</td>
<td>206,035</td>
<td>-15%</td>
</tr>
<tr>
<td>1770</td>
<td>Manufacture of clothing items and accessories</td>
<td>504,701</td>
<td>344,395</td>
<td>-32%</td>
</tr>
<tr>
<td>1710, 1720, 1750, 1760</td>
<td>Textile mill products</td>
<td>222,771</td>
<td>183,850</td>
<td>-17%</td>
</tr>
<tr>
<td>2452</td>
<td>Perfumes and cosmetics</td>
<td>13,877</td>
<td>14,247</td>
<td>3%</td>
</tr>
<tr>
<td>5144, 5115, 5147</td>
<td>Wholesale household furniture and furnishings</td>
<td>31,714</td>
<td>41,533</td>
<td>31%</td>
</tr>
<tr>
<td>51476</td>
<td>Wholesale of toys</td>
<td>3,867</td>
<td>3,156</td>
<td>-17%</td>
</tr>
<tr>
<td>51475</td>
<td>Wholesale jewelry and watches</td>
<td>5,390</td>
<td>5,399</td>
<td>0%</td>
</tr>
<tr>
<td>5116, 5124, 5411, 5142, 51478</td>
<td>Wholesale of textiles, leather, fur, clothing and footwear</td>
<td>92,550</td>
<td>87,611</td>
<td>-5%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1,667,911</td>
<td>1,417,166</td>
<td>-15%</td>
</tr>
</tbody>
</table>

% over the total workforce | 8.60%          | 6.80%          |

Source: ISTAT

toys and jewelry.

From the above selection, only two segments that potentially pertain to the cultural economy have been excluded: software and eno-gastronomic goods. In the former case, the standard industry classification used in census data for the period 1991-2001 is not able to capture emerging businesses in software production, digital and multimedia design, which are included in a broader category of IT consultancy. In the latter case, eno-gastronomic goods are acknowledged as taste goods with strong symbolic attributes (Chossat and Barrere, 2004). Nevertheless, it is hard to capture by appropriate SIC categories the complex system of idiosyncratic local agricultural production, high quality restaurants and connoisseurs consumers that makes such goods cultural products.

The census employment data for the years 1991 and 2001 depict a complex and evolving image of the Italian cultural economy. The main cultural products industries in term of employment are those related to material cultural production and in particular the clothing, footwear, furniture and furnishing industries. These sectors account for more than one million of workers both in 1991 and 2001. This outcome reflects the well know Italian tradition in craft industrial production, characterized by labor intensive, low technology sectors (Scott, 2006). However,
the weight of this component in the cultural economy may be well overestimated. It is indeed very hard to determine whether every segment of the craft industries participates at the production of design intensive and high fashion output or of low quality commodities with poor cultural value.

The reconstructing patterns of employment over the period 1991-2001 shed a clearer light into the performance and role of different cultural product industries. In general, these patterns are the result of technological change and organizational restructuring of the whole Italian economy that is common to other industrialized and developed countries in the post-fordist era (Pratt, 1997). A broader employment decline is occurring in manufacturing activities while there is a labor increase in service sectors. What is noteworthy to understand is whether such common trends reflect into the structure of the Italian cultural economy. In general, the trends emerging from the two tables appear to confirm a growing economic appreciation and dynamism of those sectors that contribute with an higher proportion of cultural and symbolic assets to the production, transmission, manufacture and provision of cultural goods.

As Table 1 points out, cultural content and entertainment industries have seen an overall increase of 9%. This figure, however, does not reveal the diverging trends across the sectors. First, decline in Radio and Television (-8%) has been completely offset by the growth in other sectors, in particular Architecture (47%), Advertising (33%), Film production (279%) and Authors (60%). The striking growth in Film production points out an overall upsurge of the Italian movie industry, led by both institutional factors and positive demand shocks, which have stimulated all the stages of mass distribution and final consumption in the production chain. Indeed, there has been a parallel rise in employment in Motion Picture Distribution (89%) and Cinemas (69%).

Second, a remarkable trend is the decline in the Publishing and Printing sectors with the loss of more than 20,000 workers. The introduction of desktop publishing technologies, the outsourcing of labor-intensive activities in the publishing chain are likely to have reduced the number of workers within this industry (Bodo and Spada, 2004). Third, sectors engaged in the provision cultural experiences and entertainment have generally surged. Alongside the exceptional growth in Cinemas (69%), there has been a modest increase in Night Clubs (33%) and Heritage Services (19%). Disaggregating the latter category into respectively Museums, Libraries and Botanical Gardens, the lion’s share of employment growth is due to the museum sector. Both public and private institutions have indeed improved access to cultural heritage through expanding the offer of temporary expositions and reopening to public of museums (Bodo and Spada, 2004). By contrast, among those cultural entertainment activities, Theaters and concert halls is the only case
of employment decline (-47%). This figure should not be wholly treated as reliable. Rather, it should be treated as merely indicative of a more complex trend for the occupations in the theater sector. Indeed, despite an increase of the workers during the period, the employment in the theater sector has become less secure, with a relevant growth in part-time and temporary jobs (Bodo and Spada, 2004).

Contrary to the employment increase in the more familiar cultural product and entertainment industries, Table 2 depicts a fall of -15% for material cultural industries. With the exceptions of few sectors, almost all the manufacturing and wholesale activities within this group have experienced a decline in employment. The major part of such decline is due to the massive collapse of employment in the clothing, footwear and textile industries (-235,000 workers) and, at the lower degree, in the furniture and fixture industries (-20,000 workers). Due to the globalization of trade and production, these low technology and labor-intensive industries are experiencing a global shift of jobs away from high-wage countries toward low-wage economies (Gereffi and Korzeniewicz, 1994; Hanzl-Weiss, 2004). Italy is not an exception. Despite the rough figures do not reveal much about the restructuring strategies of the businesses - such as outsourcing and subcontracting arrangements - some evidence can be provided suggesting that the decline in employment is mainly due to the delocalization of low skilled workers or low quality manufacturing activities. For instance, albeit a decrease in the exports volume, the export unit values for the Italian products in the clothing, footwear, jewelry, furniture and ceramic tile sectors have experienced a substantial growth (Lissovskil, 2008). This trend denotes either a strategy of quality upgrading of production or the exit from the national scenario of producers that adopted low-end strategies based on costs reduction and price competition, rather than based on design and image promotion.

Further, it is worth to note the employment upsurge (42%) in the category of industrial designers, which arguably is the activity that mostly contributes to the cultural value of material cultural objects. Even if it is true that only a small part of industrial designers may be found within the appropriate industry classification (SIC code 74856) - while the others are directly employed in manufacturing companies - this figure provides a rough evidence of the restructuring path towards high quality high fashion production undertaken by Italian crafts industries. As a result, Italy appears to retain employment in those segments whose outputs consist of high-end, high fashion items that tap into the international imaginary of Italian design and command premium prices (Reimer and Leslie, 2008).
3 The geography of the Italian cultural economy

Space has long been acknowledged as a crucial factor for the economic performance of any industry. Patterns of agglomeration or co-location of human, capital and physical inputs are inherently connected with the spatial organization of production and exchange in order to reduce transaction costs and to exploit external economies and information spillovers (Krugman, 1991). The concentration of specific economic activities follow a self-reinforcing and path dependent process that gives an imprinting to places (Porter, 2000; Cox, 1997). At the same time, the social and cultural environments are symbiotic factors that may determine the competitive advantage of places through affecting the products image and shaping the inner economic forces of production and exchange (Molotch, 2002).

In this context, the cultural economy of Italy exhibits distinct geographical patterns, characterized by regional and urban differences. Crucially, such differences may be ascribed to specific economic and social factors of production of the two groups of cultural product industries previously identified. On one hand, industries involved in cultural content production and entertainment are increasingly drawn toward major urban centers. On the other hand, material cultural industries are historically based on the path-dependent formation of industrial and manufacturing districts in Italy. In particular, the municipalities of the so-called Third Italy have formed vibrant regional systems of material cultural production with their own specific geography.

3.1 The city mouse: urban agglomeration of cultural content and entertainment industries

Agglomeration of cultural production in metropolitan areas, at scales ranging from city-regions to cultural quarters and urban districts, is a well-documented phenomenon (Mommaas, 2004; Scott, 2004). Cultural vitality and concentration of the economic and social opportunities resulting from urban densities are strong attractors for cultural businesses and cultural workers (Amin and Thrift, 2007). Further, availability in large metropolitan areas of modern communication infrastructures and institutions supporting knowledge-based activities (research, training and financial) is another critical factor for those cultural product industries that are increasingly technology-oriented or technologically retooled (Hutton, 2004). Urban spaces thus become loci for social interaction and economic experimentation, leading to the reproduction of cultural competencies (Rantisi et al., 2006; Scott, 2000).
Looking at the sectors that are more involved in the production and distribution of cultural content and entertainment, we can see a similar pattern for Italy. Table 3 shows that a significant proportion of the employment is concentrated in large metropolitan areas. On average, 51% of the employment in these industries is concentrated in the largest urban centers, whereas just a meager 29% of the total Italian workforce is concentrated in the same areas.

Table 3: Metropolitan concentration of cultural content and entertainment industries - 2001

<table>
<thead>
<tr>
<th>SIC</th>
<th>Industry</th>
<th>Employment 2001</th>
<th>Employment in Metropolitan Areas 2001</th>
<th>Metropolitan Areas as % of Italy 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>74401</td>
<td>Advertising agencies</td>
<td>40,667</td>
<td>23,608</td>
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<td>11,653</td>
<td>7,822</td>
<td>67%</td>
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<td>63,068</td>
<td>23,776</td>
<td>38%</td>
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<td>17,213</td>
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</tr>
<tr>
<td>92120</td>
<td>Motion picture distribution</td>
<td>1,736</td>
<td>1,591</td>
<td>92%</td>
</tr>
<tr>
<td>9213</td>
<td>Cinemas</td>
<td>6,245</td>
<td>2,505</td>
<td>40%</td>
</tr>
<tr>
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<td>Radio and Television Production and Broadcast</td>
<td>27,547</td>
<td>20,036</td>
<td>73%</td>
</tr>
<tr>
<td>9231</td>
<td>Authors, performing artists</td>
<td>36,305</td>
<td>19,942</td>
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</tr>
<tr>
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<td>Journalists and news syndicates</td>
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<td>2220</td>
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<td>24640</td>
<td>Manufacture of photographic chemicals</td>
<td>2,744</td>
<td>952</td>
<td>35%</td>
</tr>
<tr>
<td>24650</td>
<td>Manufacture of unrecorded media</td>
<td>836</td>
<td>289</td>
<td>35%</td>
</tr>
<tr>
<td>32201,3230</td>
<td>Transmitters, tv cameras, cameras and projectors</td>
<td>13,469</td>
<td>4,605</td>
<td>34%</td>
</tr>
<tr>
<td>2230</td>
<td>Reproduction of audio-video tapes and disks</td>
<td>1,728</td>
<td>1,522</td>
<td>88%</td>
</tr>
<tr>
<td>51433</td>
<td>Wholesale of recorded and prerecorded media</td>
<td>5,172</td>
<td>3,347</td>
<td>65%</td>
</tr>
<tr>
<td>51432</td>
<td>Wholesale electrical appliances, TV and Radio sets</td>
<td>1,554</td>
<td>971</td>
<td>63%</td>
</tr>
<tr>
<td>9230</td>
<td>Cultural heritage services</td>
<td>36,307</td>
<td>16,073</td>
<td>44%</td>
</tr>
<tr>
<td>9232</td>
<td>Theaters and concert halls</td>
<td>5,006</td>
<td>2,489</td>
<td>50%</td>
</tr>
<tr>
<td>9234</td>
<td>Night clubs, circuses and other recreational activities</td>
<td>25,312</td>
<td>7,847</td>
<td>31%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>478,836</td>
<td>244,073</td>
<td>51%</td>
</tr>
</tbody>
</table>

Source: ISTAT

Yet, unbundling the sectors analyzed provides a more composite picture. Crucially, the more creative are the activities involved and the more the cultural content of final product increases, the higher is the proportion of employment in metropolitan areas. With the exception of architectural services, the activities engaged in the movie industry, publishing, Radio and TV broadcasting and advertising are strongly concentrated. As a result, cities play a prominent role in the production of cultural content and in the services that manage its mass distribution and reproduction. By contrast, other manufacturing sectors that support the cultural content production (like Printing or manufacturing of cameras and TV) are far less concentrated. Further, Italian metropolitan areas are also the main centers of cultural entertainment consumption. Even if there is an apparent dispersed distribution of employment in heritage services (44%), theaters (49%),
cinemas (40%) and other recreational activities (31%), such figures are still greater
than the concentration rate of the population in large metropolitan areas (28%).

Looking at the geographic distribution of employment in Figure 1, location
quotients\(^1\) reveal more specific patterns of urban agglomeration. The metropolitan
areas of Rome and Milan clearly dominate the scene, scoring the highest location
quotients for the activities involved in the production and mass distribution of
cultural goods. With a more precise examination of the data, Milan has the highest
concentration of workers in the Advertising and Publishing industry. It is also a
prominent center for Printing and other support services related to the publishing
sector. In turn, Rome is the leading center for the movie industry and TV and
Radio broadcasting. This result not only stresses the role of Rome and Milan
in the national cultural economy, but indirectly sheds light into the local-global
relationships that characterizes the cultural economy. Indeed, both Rome and
Milan have long been recognized as world cities (Hall, 1966; Knox, 1995; Sassen,
1991). These metropolitan centers represent hubs of local and global connections
in the geography of economic systems, able to catalyze local inputs of the creative
and innovative milieu, but also to project the outputs of their cultural production
onto international markets and networks (Bathelt et al., 2004).

A second relevant aspect emerging from Figure 1 is the marked uneven distri-
bution of the employment between the south and the center-north of the country.
This biased distribution seems to reflect the general pattern of the Italian econ-
omy, with the center and north of Italy being the more dynamic economic areas.
In addition, one may argue that the agglomeration patterns of cultural content
industries are well satisfied by only two large metropolitan areas with global con-
nections, leaving little space for cultural production in other areas of the country.
However, alongside Rome and Milan, other regions and cities in the north and cen-
ter of Italy have lower but still relevant agglomeration of workers in the cultural
content industries. On the contrary, southern regions almost completely under-
perform. In particular, it is remarkable to notice that even large urban centers
in the south (for example, Naples is the third most populated city in the coun-
try) are far from taking a vital role into the production of cultural content and

\(^1\)The location quotient compares the relative specialization of a place in an industry regarding
the national average and is defined as:

\[
LQ = \frac{E_{ij}}{E_j} / \frac{E_i}{E}
\]

where \(E_{ij}\) is the number of employees in the industry \(i\) in a area \(j\), \(E_i\) is the total number of
employees in an industry \(i\), \(E_j\) is the number of employees in a the area \(j\), and \(E\) is the total
employment in the country. A LQ above 1 indicates that the concentration of an industry \(i\) in
a place \(j\) is larger than the national average.
3.2 The country mouse: geographical patterns of material cultural industries

While cultural content and entertainment activities show a clear concentration in large metropolitan areas, Italian material cultural industries have a more diversified geographical pattern of localization. Such diversification is due to the dual nature of material cultural production. On one hand, this group of cultural product industries expresses a strong manufacturing character, based either on artisanal skills, craftsmanship or industrial techniques for the production of physical objects. On the other hand, design processes and innovation are vital ingredients for the intangible and culture-laden qualities of such physical goods.

Design and manufacturing activities may follow similar or different geographical patterns of localization, depending on how such two components are related in the cultural production chain. Whilst manufacturing activities are easy to identify and tend to locate in the form of specialized industrial districts, design emerges from the interactions between actors located in different sites along the production chain.
chain (Sunley et al., 2008). In some cases, manufacturing is the same site where the design labor process takes place, either in the form of specialized in-house departments or in the form of diffused design know-how and craftsmanship expressed by artisanal workers. However, design is also increasingly external to the manufacturing process and becomes an independent activity through consultancy services that tend to locate in the creative milieu of metropolitan areas (Hutton, 2000).

Regardless of the geographical and organizational forms of design activity, the interrelation between manufacturing and design processes in the production chain is crucial to enable the emergence of creative systems of material cultural production. Leslie and Reimer (2006), for example, show that in Canada many of the design innovative firms tend to be located either in large urban areas in close proximity to furniture designers or in suburban and rural areas, but nevertheless nearby to the downtown design community. In a similar vein, albeit a large community of interior and furniture designers in Southern California, Scott (1996) argues that the decline in the regional household furniture industry is partly due to the detachment of manufacturing firms from the local community of designers, which tend to reach out to suppliers outside of the regional context in preference to purely local sources. With this perspective, the geography of Italian material cultural industries provides interesting insights concerning the relationships between creative fields of design and manufacturing complexes.

Using location quotients, Figure 2 show the geographic distribution respectively for industrial designers (SIC category 74856) and for employment in manufacturing and wholesale sectors. Although craft-based cultural production systems may be found in urban spaces like New York, Los Angeles, London, Paris, Singapore and Tokyo (Rantisi, 2002; Scott, 2000), Italian material cultural industries appear to follow a different pattern, grounded on the evolution of the spatial and economic organization of industrial districts outside large metropolitan areas.

The main centers of craft industries are indeed located both in the northeast and central part of the country - the well known Third Italy of Emilia Romagna, Tuscany, Veneto and Marches - and in the north western regions of Piedmont and Lombardia. These regions are the main loci of industrial districts, whose output form the greatest share of the so called “Made in Italy” products.

The specialized agglomerations of Italian craft industries often had their roots

\footnote{From Figure 2, the main productive centers are the industrial districts of textile and clothing of Biella and Como; the textile, sport footwear, glass frames, jewelry and furniture manufacturers in the provinces of Treviso and Vicenza; ceramic tiles production in Sassuolo, nearby Modena; the shoes, clothing, furniture and leather products productive platform of Adriatic Marches (Pesaro, Ascoli, Macerata); and finally Tuscany with the textile complexes gravitating around Prato and the jewelry district of Arezzo.}
in the demand for high quality and luxury goods by the courts and their patronage of the several small states that characterized the geopolitical landscape of Italy until the mid of the XIX century. However, it is in the 1960’s and 1970’s that major formation of industrial districts - as they appear today - takes place in the thick complex of municipalities of central and northern regions. Both the sustained growth in international and domestic demand for material cultural products and the low initial investment requirements boosted the entry and mushrooming of new small artisanal firms that agglomerated in specific centers of craft production, where increasing returns and dynamic learning effects came into play to shape the marshallian industrial atmosphere (Becattini, 1990; Russo, 1985). These socio-territorial entities have built up productive competencies and marketing capabilities over long periods of time, whereby the flexible and vertically disintegrated network forms of organization allowed to combine adaptive innovation with the place-specific peculiarities of local craft tradition.

At the same time, it is worth to notice from Figure 2 how the traditional non-metropolitan centers of craft production have been able to express their own creative systems of design. Although the SIC category employed to define industrial design just captures the independent consultancy services firms, this trend highlights the vitality of design activities and know-how within the material cul-

![Figure 2: Geographic distribution of Material Cultural Industries: Designers and Craft Industries - Location Quotients, 2001](image)
tural manufacturing complexes. This seems particularly relevant looking at the restructuring process of many sectors and the consequent loss of employment that have occurred in material cultural industries in the last decades. The economic and social forces of globalization may have indeed destabilized both the flexible productive organization of craft industrial districts and their stable local social structure, which for long permitted the continuation of craft traditions and the strengthening of social capital (Hadjimichalis, 2006). Against all these critical pitfalls, the new emerging productive hierarchies, led by more internationally oriented and structured firms, seem to have favored a transition from traditional craft skills to design innovation processes as competitive strategy.

Beyond creative systems of design within industrial districts, Figure 2 presents a second relevant geographical concentration of Italian industrial designers in the metropolitan area of Milan. As compared to the design-manufacturing co-location model, this second spatial pattern reflects a more documented phenomenon of concentration of design activities in large urban spaces and metropolitan centers (Hutton, 2000; Leslie and Rantisi, 2006; Verganti, 2006). Such a model considers the design process as a strong knowledge-intensive activity, which taps into the intangible assets and the cultural vibrancy of urban spaces for inspiration (Drake, 2003). Further, instead of relying on the advantages of localized pooling between manufacturing and design processes, the availability of a highly diversified business ecosystems and the possibility to develop more extended firm-clients networks are the main factors of localization in urban areas (Sunley et al., 2008).

In this context, Milan may be considered as the capital of Italian design. Since the creative wave of Italian fashion stylists in the 60s and 70s, the city has surged as the main window of the Italian design practices and products at the international level and as the most active hub of global and local flows of design innovation even for the other material cultural production centers. The global design attitude of Milan is indeed magnified by the presence of a surrounding milieu of manufacturing complexes in suburban and rural areas and by the proximity of other local systems of design in the nearby regions of Como and Novara. This particular geographic configuration reflects into a dispersed but highly interconnected conglomerate of material cultural production activities, where the boundaries between metropolitan and non metropolitan spaces tend to disappear.

3.3 A Final View of the Italian Cultural Economy

Figure 3 provides, in summary, a global picture of the geography of the Italian cultural economy. Using location quotients of the Italian provinces, it combines the specialized agglomerations of cultural content and entertainment industries
What emerges from this picture is a bifurcated spatial model, where eventually it is possible to identify a third spatial organization of cultural production and creativity. These patterns are mostly illustrative of the Italian cultural economy and provides an interpretative framework able to elicit the most peculiar features of the cultural production systems in the country.

First, the “city mouse” model of cultural production is characterized by the concentration in urban spaces or large metropolitan areas of the cultural content and entertainment industries. The most representative case is the city of Rome with an high concentration of employment in such sectors and a low presence of designers and craft industries. Within this model, creative systems of design may equally emerge in urban spaces, expressing the metropolitan dimension of such service-oriented activity. Florence and Bologna are the two main examples.

Second, the “country mouse” model is grounded on the traditional centers of material cultural production, especially those of the Third Italy. In this case, creative
systems of design are strongly connected to the manufacturing complexes of traditional industrial districts, such as Ascoli Piceno and Macerata in the Marches region. Third, the “Infinite City”, made by the neighboring metropolitan area of Milan and the region of Como, is a third spatial system of cultural production, which interestingly links the two leading centers of both the previous models. This territorial system seems to express the emergence of a “scatteration” pattern (Coffey and Sheamur, 2002; Phelps and Ozawa, 2003), representing a meta-cluster of metropolitan and rural cultural production. It is indeed the only spatial structure in Italy capable to connect the leading metropolitan center of cultural production and consumption with the neighboring specialized agglomeration of manufacturing sector and its own creative system of design.

4 Conclusion

The post-Fordist changes occurred in the last decades are restructuring economic spaces, production and distribution relations as well as modifying consumers’ behavior. Even though Italy is following the same post-fordist trajectory undertaken by other advanced capitalist economies, what is interesting to understand is how such restructuring patterns reflect into the spatial and socio-economic organization of cultural production.

The analysis of the economic structure of the Italian cultural economy has indeed served to emphasize the diversity of cultural production and creative fields as well as their peculiarities in terms of spatial organization. Through the tale of the country and city mouse, we have shown how the geography of cultural production in Italy represents one of the clearest cases of divergent spatial patterns, depending on the cultural product industries analyzed. In line with the cultural industries literature, census employment data confirm a growing economic appreciation of cultural content and entertainment industries and their agglomerating tendency in large urban centers. However, when turning on material cultural industries, the Italian experience shows a more complex pattern of geographical localization due to manufacturing and design processes relations. While creative fields of industrial design have appeared also in large urban centers, data show the emergence of creative systems of design within the traditional centers of craft production, in particular located throughout the municipalities of Third Italy. This result stresses the territorial origins of material cultural production and suggests a transition in the competitive strategies of Italian industrial districts from traditional craft skills to design innovation processes. Further, such evidence challenges the deeply embedded notion in the cultural industries literature that creativity and cultural
production are mainly associated with large metropolitan centers. This geographic peculiarity of the Italian cultural economy eventually finds its synthesis in the cultural production meta-cluster of Milan, where designers and cultural content and entertainment industries in the metropolitan area coexist with a suburban milieu of textile manufacturing complexes with its own local system of design.

In conclusion, the illustrative value of the results presented in this article may provide useful insights as to conditions in which metropolitan and rural areas emerge as leading centers of cultural production and creativity.

References


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