

Shanghai and Singapore's Creative Industries Compared

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Shanghai and Singapore are among two cities in Asia that are trying to develop the creative industries as an engine for future growth. Compared to world leaders such as London and New York, the creative industries – the sector of the economy based on value created by intellectual property such as computer software, design, film, television, publishing, the arts – in these two cities are a relatively small part of the economy. But growth in the creative industries has been outpacing general economic growth, which is the reason that the cities are focusing their attention on this area.

Shanghai, like some other parts of China, has been aggressive in promoting the creative industries since the turn of the millennium. There is strong government encouragement in terms of policy prioritisation. One of the most salient features is the heavy emphasis on the formation of creative clusters – groups of creative enterprises located close to one another. Shanghai has seen inadvertent urban regeneration as factories left vacant by the hollowing out of industry towards the lower-cost inland areas are being re-used to house creative clusters.

Singapore continues to fine-tune its policies since the 2003 milestone when it announced a Creative Industries Development Strategy with three planks: Renaissance City 2.0, Media21, and Design Singapore. There is an emphasis on education and development of talent, with the Government acting as a catalyst for private sector development, and Government investment in infrastructure (for example creative clusters) and R & D and other funding.

Shanghai has many pluses going for it. Besides the strong policy orientation, its advantages include rapid economic growth, a long and deep cultural heritage, a large domestic market, a cosmopolitan outlook, protection from imports arising from the language barrier, protectionism for the nascent sectors and a very entrepreneurial population.

These advantages are being undercut by factors such as political interference and heavy censorship, poor protection of intellectual property rights, a language barrier that may hold back exports, lack of competition in many sectors, low incomes and a lack of well-trained creative talent.

Singapore's strengths are its strong policy-making and implementation, good economic growth with high incomes, good IP protection and rule of law, knowledge of English, a tech-savvy and highly-educated workforce as well as its multiculturalism and diverse cultural heritage.

The minuses are its culturally-deficient population (ironic considering its heritage), a rigid education that despite reforms, is still very much exam oriented, a small domestic market, high costs that makes it hard for start-ups to thrive, censorship and a lack of entrepreneurship and risk-taking.

The two cities have thus markedly different strengths. Shanghai will be able to thrive as a provider of content for China alone, and, thanks to China's protectionism, can do so even when its products do not meet international standards. Censorship (a big factor in film, television and the arts) and industrial scale piracy are major obstacles that it, and the rest of China, faces. If these problems can be overcome, then Shanghai will be able to be big not just in China, but the rest of the region and on the whole. That would add to the Asian cultural renaissance that is already happening with the outflow of creative products from Japan and now Korea.

Singapore's challenges are formidable. Though censorship has been relaxed, it continues to exert a chilling effect on creativity. Size matters, and the lack of a domestic market means that everything it does must be good enough to win foreign tastes. Its advantages seem to be as a service provider, producer, partner and enabler rather than creator. But that will mean it won't own the rights to the creative content made here, and in this game, IP rights are where the fattest profits are. Singapore has often sold itself as a multicultural cauldron, at the cross roads of the great Asian civilisations. It remains to be seen how that can be commercially exploited and turned into creative content.

The presentation is partly based on a comparative study of the creative industries policies in Beijing, Hong Kong, Seoul and Shanghai commissioned by the Ministry Of Information, Communications And The Arts. For more on the Creative Clusters conference, go to:

<http://www.creativeclusters.com/>