

### provocation

Inclusion, innovation and democracy: growing talent for the creative and cultural industries

October 2006

Simon Parker, Charlie Tims and Shelagh Wright



### Introduction

The creative and cultural industries are perhaps the most visible and potent emblem of the way the post-industrial age is transforming Britain's economy. The rise of a global division of labour has meant that, for the first time, significant numbers of people are able to concentrate on producing ideas, art and technology, rather than, in Bertrand Russell's words, 'moving things around at or near to the earth's surface'. <sup>1</sup>

The implications are profound: new kinds of people, with a deeper sense of self; new kinds of jobs that engage our creative and personal energy; and new kinds of product, in which customers and professionals come together to create shared value. Professor Michael Porter argues that it all adds up to 'a new phase of economic development'.<sup>2</sup>

In an important sense, the last 30 years have seen the unprecedented democratisation of the kind of creative work that was previously open to only tiny numbers; a trend that looks set to continue into the future. As Gordon Brown has pointed out: 'When our biggest exports, in additional to financial and business services... will be education, health and the creative industries, then you can begin to see how the world is going to change fundamentally not just for workers but for companies and for every community in our country.'

The UN estimates that the creative industries account for more than 7% of global GDP and that they are growing at a rate of 10% per year. 4 Cultural products are a prime example of 'superior goods' - things that people tend to want more of as they become wealthier.

This paper argues that the process of democratisation is incomplete. The very things that give the creative and cultural industries their vitality – their speed, fluidity and turnover of people, organisations and ideas, also work to exclude people from non-traditional backgrounds.

There is a broad body of evidence which shows that parts of the UK's creative class are far from representative of wider society. Quite apart from the moral and economic benefits of inclusion, the problem of exclusion raises important social questions for the future of a multi-ethnic Britain. In a society where commercial culture plays a huge role in shaping our shared values, exclusion from the creative industries also means exclusion in important ways from mainstream forms of expression.

A fast moving world creates casualties; usually those without the resources and connections to keep up. Without action to even the odds, people from non-traditional backgrounds are only likely to fall farther behind in the race to enter the creative industries. In a marketplace where employers can pick and choose from a

**DEM©**S

large pool of freely available talent, young people are required to develop their own skills through unpaid work and to find their own jobs through the social networks they create.

This creates a fundamental and damaging gap between many young people and the creative industries that more than 30% of them dream of working in. <sup>5</sup> Creatives, particularly those from non-traditional backgrounds, need experience in the marketplace to get ahead, but their potential employers are seldom prepared to meet the costs. The gap is filled by unpaid work and periods of unemployment which can be far more easily borne by those with financial and social resources.

It would be foolish to apply solutions from the industrial era to a post-industrial problem. Providing more formal qualifications risks flooding the market with competent people who are unable to get a job. Blanket regulation will fail to address the complex nature of the challenge in different industries and places; the inclusion gap in a small London fashion business will be very different to that in a large Manchester software house.

The response cannot be to do more of the wrong thing. Policy makers will have to find an approach that can close a range of different gaps between government interventions, young creatives and their potential employers, working with the creative and cultural sector on its own terms. This paper argues for a new approach to diversity in the creative industries that can support both creative people and creative industries to work together and develop innovative solutions to a complex and ingrained problem.

We argue that the skills and training system for people seeking to enter the creative industries needs to create more space for structured innovation – allowing local partnerships of business, creative workers and the public sector to trial new approaches and learn what works at both the local and national level. This, we believe, is a critical part of a new approach to releasing Britain's mass of untapped talent and encouraging the widest possible range of people through *the last mile of the creative race* into the long-term growth of the creative industries.

### **Democratising the Creative and Cultural Industries**

'What powers economic growth? It's not technology -- technology is a raw material. What makes human beings unique is one thing - creativity. All else are subsets. Creativity powers economic growth. \*\* Richard Florida

When we think creative industries, we don't necessarily think democracy. Why should we? We think of pop-singers, film stars, eccentricity and flamboyance. Britain has developed an international image that rests on our creative and cultural industries; our rock stars lead the world against poverty, our celebrity architects

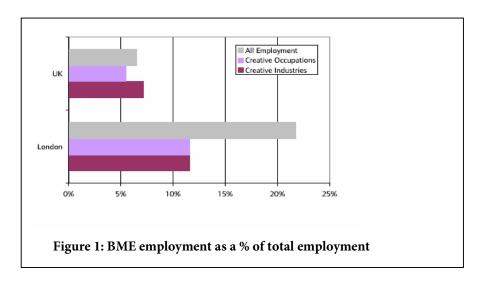


define the skyline of its newest cities and Britain's broadcasters still set an internationally recognised gold standard.

As policy makers we've constructed an established story about how the creative industries contribute to the economy, wider society and their all-round feel-good factor. But despite an instinctive connection to their importance, and an attraction to their aesthetics, there are indications that beneath the surface, all may not be as we assume.

The creative industries have come to symbolize diversity in Britain; a signal of a tolerant and open society. But access to livelihoods in the creative and cultural industries, like most other sectors, remains easier if you are white, middle class and male. The data available on diversity in the creative industries is incomplete, but the overriding impression is of the under-representation of certain groups:

- Black and minority ethnic groups make up 4.1% of the workforce in the creative industries, compared to 7% in the UK economy as a whole. <sup>7</sup>
- The situation is worse in London, where only 13% of people in creative occupations are from black or ethnic minority origin, compared with 21% for London's workforce as a whole.
- Certain sectors have acute representation problems. Film production for example is predominately white; only 1 in 20 are from a minority ethnic background. This represents just 5% of the workforce [figure 1].9



The problem is widely recognised in parts of the creative sector. As the UK Film Council has shown: 'Nepotism in film recruitment practices is agreed to be widespread in production, and most practitioners consulted see no persuasive reason to recruit on any other basis but familiarity or personal recommendation.'10

DEMOS

But why should we take these problems seriously? If the creative and cultural industries are able to thrive without an effort to democratise them, why should this concern us? We believe there are three principal reasons for ensuring open access to the creative industries: the moral, market and cultural values.

### DEMOS

Page 4

### 1) The Moral Value

The creative industries show no sign of being any more or less deliberately exclusive than other parts of society – indeed, their stated values often appear to be more liberal and inclusive than those of the wider business community. But the way the creative sector is structured clearly tends to exclude many potential entrants. Industries that want the best people need to encourage the widest possible pool of applicants and select the best, but in too many parts of the creative industries, who you know seems to matter more than what you know. Instinctively, we all know that this inhibits the potential of many and creates elites able to restrict access to power and resources.

### 2) The Market Value:

A globalised and diversified marketplace poses a competitive threat to Britain's creative and cultural industries. But at the same time it opens the possibility of new markets to exploit. There are growing indications that the rapidly expanding economies of the Far East, are better positioned to penetrate Britain's market share in the creative industries, than we might have first thought. <sup>11</sup> Today's call centres may be tomorrow's ad agencies, design houses and music publishers. A highly skilled workforce, drawn from across the whole of Britain, is one of our best hopes in securing Britain as a global centre for creativity because it will ensure the best people rise to the top and encourage the diversity of view points and cultural backgrounds upon which creativity thrives.

### 3) The Cultural Value:

A significant proportion of cultural expression occurs through the marketplace. Much of what we consider as culture, and the culture against which we define ourselves, is provided in bookshops, record stores, art sales, on the radio, on TV, at the cinema and through computer games. In the UK, the average household spending on recreation and culture as a percentage of gross domestic product (GDP) is 7.9%, making it higher than anywhere else in the world. <sup>12</sup> Britons buy music and visit cinemas more often than they visit museums. In 2005 there were 165 million visits to cinemas. <sup>13</sup> 126 million albums of music were sold in the UK in 2005. <sup>14</sup>

In short, the creative and cultural industries permeate our society and our sense of identity. Any group that finds itself excluded and marginalized from the creative world loses a critical chance to celebrate its own culture on the public stage, and to define its own experience of living in Britain. If we are to create a society where all groups are able to culturally express themselves, we have to recognise that it will need to be in commercial forms. In other words ensuring that everybody can express themselves culturally in commercial products, is crucial to ensuring the cultural representation of all groups in the public realm.

## DEMOS Page 5

### The Source of the Problem

The idea that people emerge from formal training programmes without the full set of skills they need to thrive in the workplace is hardly novel. Studying a subject and gaining technical and creative skills is one thing, but softer factors like communication and team working matter as well, and these are frustratingly difficult to teach and accredit.

A recent Demos survey of 50 graduate employers highlighted this gap between training and employment. Human resources directors thought graduates were more skilled than a decade ago, but 54% said it was also getting harder to find people with the softer skills they needed. This disconnect was highlighted by the fact that more than 90% of graduates thought they are quite or very well prepared for the world of work. The employers want better graduates, but the graduates don't even know what they lack.<sup>15</sup>

As Sarah Gillinson and Duncan O'Leary argue: 'there is a damaging disconnect between young people and organisations; a disconnect between the training of today and the workplaces of tomorrow, and between the changing values of young people and the organisational cultures that they encounter.'16

Although data sources are poor, it is clear that this problem also exists in the creative and cultural industries:

- Of all drama students graduating in 2004 only 10% found themselves working as artistic professionals after graduation.
- Of all the students on Design courses, six months after graduation only 17% had found employment as design associate professionals.<sup>17</sup>
- 17% of creative and cultural industry businesses report skill shortages. In 2002, 21% of design consultancies surveyed by the Department for Education and Skills (DfES) were 'not at all satisfied with the quality of graduates that they were receiving'.

The traditional approach to managing this problem was simple; provide young people with a substantial chunk of time in a particular industry to get accustomed

to the way it works and pick up missing skills. This led to the creation of labour markets in which people's early careers were forged through early on-the-job training in a particular discipline, for instance nursing, or by progressing through the internal hierarchy of a single employer, as is traditional in the armed forces, for instance.

But those labour markets were built for an industrial era of large companies and standardised occupations, not for the small creative businesses of the 2000s. Large parts of the creative sector have not developed as traditional labour markets and show little sign of doing so. Instead, they rely on what have been called 'external labour markets', where young people emerging with qualifications are expected to provide for their own training and development as they progress through a succession of different jobs and project-based work.

These markets work well for employers when there is an oversupply of talent, as they allow small creative businesses with few financial and administrative resources to pick and choose from many qualified and eager young people, whilst taking relatively little responsibility for long-term investment in those people. As Creative and Cultural Skills argues: 'The small scale of these businesses, operating on stretched budgets, means that they under invest in training and skills in general, and are rarely stable enough to plan for training.'18

That is not to say that many creative businesses do not want to make investments in training and diversity – anecdotal evidence suggests that they are often keen to live up to their inclusive values. One cultural business leader from the southwest summed up the barriers when he told Demos researchers that: "We're interested but we're too fast, too busy, and too small".

The problems for both employers and employees lie in structural factors that cannot be removed in the short term, but can certainly be managed more effectively:

- The economy-wide disconnect that exists between the skills young people learn in the educational system and those they need for a successful career, and the set of disadvantages that this creates for people who lack financial and social capital...
- ...exacerbated by a sector made up of small businesses with few financial and administrative resources...
- ...and combined with an oversupply of talent that provides few incentives for positive recruitment and workplace learning practices...

The result for young people leaving creative training is a 'difficult first few years' as they acclimatise themselves to the marketplace. This period is effectively summed up by wide-ranging research from the University of Central England:



Many art and design graduates have several jobs in the early years, sometimes working in different areas simultaneously. The range of salaried work and self-employment is also likely to be augmented by further training or study and by voluntary work and punctuated by short periods of unemployment.<sup>19</sup>

The key to successfully navigating this period, according to BME film makers interviewed by the Institute of Employment studies, is work experience with large or well-regarded organisations, knowing the right people, and persevering with unpaid work, unemployment and short term contracts. The resources necessary to enter the creative sector are partly financial – allowing people to support themselves – and partly social, allowing people to make the connections that will lead to work, reputation and status.<sup>20</sup>

It is during this period that the skills deficit starts to place certain groups at an advantage. Those who can afford to undertake periods of work experience and unpaid labour, and those who have the contacts necessary to find work, are likely to be far more successful than those whose backgrounds mean they have few connections and a pressing need to earn money. To put it crudely, groups that are rich in social and financial capital get employed, those who have neither spend a lot of time in Burger King.

Surviving in this environment means having superb commercial, entrepreneurial and presentational skills. But it is precisely these skills that people emerging from creative training most lack. This is why all groups trained to enter the creative and cultural industries are finding it increasingly difficult to translate their qualifications and experiences into employment. As the London Development Agency argues of the creative sector as a whole:

Most individuals and organisations seem willing to invest significantly in the development of their talent(s) or creative capabilities but on and off the job investment in broader business or commercial competences is limited. This is as true of those younger creatives emerging from centres of higher education in London as in established entrepreneurs.<sup>21</sup>

This problem is also recognised by many young creatives. Graduates of the London Institute report that their biggest skills gaps are in commercial skills, with networking and negotiating skills being the biggest deficits. These were followed by entrepreneurial skills, self-promotion and a range of smaller gaps in areas such as problem solving, communication and team working.<sup>22</sup>

Looking at BME creatives, we can see why this difficult period might drive people from non-traditional backgrounds out of the job market. BME creatives seem less likely to be in permanent employment<sup>23</sup> and more likely to see a lack of permanent positions as a barrier to their careers. In film and TV, BME groups report more ad hoc career paths, a lack of access to business networks and a heavier reliance on



### Many problems, many solutions

But it is important to emphasise that the inclusion challenge is a complex one. Not all creative industries suffer equally from a lack of diversity, and neither do all underrepresented groups. Asians in London are well represented in fashion, arts and antiques and computer software, but not in broadcast.<sup>25</sup> Blanket approaches to regulation that fail to grasp these distinctions are unlikely to have an impact.

In other words, we are not dealing with a single skills gap that can be addressed with a uniform policy solution. We are addressing a range of employment challenges that share a number of important characteristics – a lack of commercial skills and the difficulty of navigating external labour markets – but which may in other important ways be very different from one another.

This diverse range of employment gaps cannot be addressed by a single solution. Inevitably different gaps in different locations require different solutions, tailored to the diverse need of individual creatives and companies. This is the kind of problem that the systems thinker Jake Chapman characterises as 'messy', by which he means: 'Problems which are unbounded in scope, time and resources, and enjoy no clear agreement about what a solution would even look like, let alone how it could be achieved.'<sup>26</sup>

Fortunately, Chapman also suggests a way to address this kind of problem – what might be described as 'the science of muddling through'. Let local players try a range of different actions to address the issue, see what works and do more of it. His ideal policy statement for solving a messy problem would do the following things:

- Clearly establish the direction of change
- Set boundaries that cannot be crossed by any implementation strategy
- Allocate resources, but without specifying how they should be used
- Grant permissions explicitly allow innovation
- Specify core evaluation requirements in all cases based upon the experience and outcomes of the end user<sup>27</sup>

Explicitly allowing a range of practice to address a range of different problems, then learning from the experience, offers a far better chance of finding practical solutions to the kind of employment gaps we are discussing. But systems approaches do not tell us much about the principles that should inform attempts at addressing the problem.



From our examination of the practice of organisations involved in the Last Mile programme, we believe that mutual change is needed from young people, government and employers in three key areas:

- 1. Connecting young people to skills: people emerging from creative training do not seem to have the skills they need to survive in the marketplace, or much support to get them. They need to be better informed about the gaps they face and to get opportunities to fill those gaps. They need to find new forms of accreditation that recognise their experience as well as their exam passes
- 2. Connecting employers to talent: business needs to recognise the role it plays in co-producing talent, helping young people to develop themselves into effective creative workers. This is not necessarily a plea for more money from business, but it does involve firms recognising that they already play this role, and working out how to do it more effectively for non-traditional applicants
- 3. **Connecting policies to the problem:** policies aimed at providing education and training are useful, but government needs to find new ways to connect people and organisations across the gap that faces them both after training by creating opportunities for more demand-led solutions that see employment, and not accreditation, as their overall outcome.

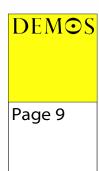
This approach does not suggest that current approaches to training and development should be scrapped. On the contrary, where they are useful they should be retained. Traditional apprenticeships and inclusion programmes are likely to remain useful in large cultural institutions such as the BBC, which still operates a more traditional labour market and remains prepared to invest in its own talent.

But the further we move away from large organisations that retain some of the old industrial dynamics, towards small businesses and external labour markets, the more we require new approaches. The key principle should be making the system more demand-led, ensuring that young people and employers can work together with government agencies and training providers to deliver high leverage interventions.

### New ways to intervene

The core problem this paper seeks to address is the gap that so many young people face between traditional qualification and employment; finding ways to better prepare them for those difficult first few years that can be 'make or break' for creative talent from diverse backgrounds trying to make it into the industry.

The work being undertaken by the Last Mile programme highlights the potential



benefits of experimenting with a wider range of practices to tackle this gap and learning from what works. Two clear lessons emerge from an overview of the range of work being supported.

The first is that these schemes often provide ways to (at least partially) level the playing field between those with high social and financial capital and those without. Entry to the schemes is generally predicated on talent as much as qualifications, while the focus is on providing the kind of skills and social networks that might otherwise take a few precarious years of short term and unpaid work to develop.

The second is that good intermediary organisations can be immensely powerful. Slough's Creative Academy has managed to bring together a wide range of training and development programmes in the local area, and offers support to the people and companies who undertake those programmes through regular supervisions and progress reviews. Of course, the creative academy also enables young creatives to find a single port of call and contact for their needs, arguably creating broader networks and enabling broader, fairer recruitment practices.

Projects being run under the Last Mile programme fall into three broad categories:<sup>28</sup>

### 1. On-the-job training:

A number of schemes aim at providing young people with relatively short episodes of paid training in the workplace, often with the aim of giving them a full time job once the training is complete.

The Slough Creative Academy, for instance, is experimenting with six-week placements in film production and web design companies, both of which provide short burst employment for young people who get a broad based technical training across a range of technical roles. The schemes are small – only one person each so far – but have resulted in those people being taken on as full-time employees as their firm expanded. The Birmingham Rep fulfils a similar role by offering specialist placements in its technical departments for up to 18 months. A job is not guaranteed at the end of the programme, but there is an implicit promise that trainees will be considered if a suitable post becomes available.

### 2. Incubating:

Many of the schemes aim at providing a stepping-stone for talented young people to get into work, effectively incubating people with skills who need further development, contacts and practical expertise. These schemes tend to be short and intense, with a focus on mentoring and technical skills.



One of the most interesting examples of this kind of training is the Birmingham Jewellery Innovation Centre, part of the University of Central England. The JIC is aimed at helping jewellery firms use technology to become more innovative and deliver more value-added in the face of tough international price competition for manufacturing. Students from the university undertake placements of six months at the centre, with the result that four students have set up as an SME and one is now in full-time employment.

Similar projects operate in areas like London, where WAC (formerly the Weekend Arts College) provides a scheme that helps young people learn through helping to run a theatrical production called *One Blood*. Participants are given choreography and music production experience, with the expectation that they will develop roles as assistants to experienced artists.

### **3.** Routes to further training:

These schemes tend to offer people relatively practical work placements as part of an ongoing programme of training and development. For instance, Slough's Creative Academy offers a year of employment with the local Fusion dance company that gives people broad-based experience of working in the company, including performance experience. A shorter scheme operates with the Rambert dance company offering a similar route back to further training.

These schemes are usually genuine prototypes; approaches that are being tested at relatively low cost, and which can be easily be shut down if they do not work and expanded if they do. The challenge for policy makers is to learn from these approaches and build on them to create an open and innovative learning system that can trial a range of ideas, learn what works and spread that learning quickly across a national training system. Charles Leadbeater has examined how this kind of open innovation system can be created using the open source software movement Linux as his template.

Linux started when Linus Torvalds, a Finnish programmer, posted the core to his proposed computer operating system on the internet, inviting other programmers to make improvements. Hundreds of programmers began to join in, proposing amendments, additions and deletions. Together they created a community of innovation, around the Linux programme, which is now so robust that it is used widely in business.

Leadbeater argues that this kind of system needs to be able to develop the following characteristics:

• **Modularity:** Linux could be broken down into constituent parts, allowing users to focus on a section of code rather than the whole programme

DEM**©**S

- Open standards: Clear standards were set against which innovations could be judged, meaning that new ideas could be shared, discussed and judged against a widely understood set of rules
- Central design authority: Linux's creator kept control of the kernel of the programme and had final say over how it was changed. The system had authoritative leadership.<sup>29</sup>

In other words, a system with a clear sense of direction, a focused approach, shared rules and central authority that nonetheless allows a wide variety of local innovations to contribute towards meeting the goal. The creative and cultural industries already have a number of bodies and organizations that could be used to fulfill the different roles in the open innovation system.

# DEM©S Page 12

### Creating a 'commons': the co-production of talent

There appears to be a market failure in the production of talent for the creative and cultural sector; the market is often failing to draw upon the widest pool of talent and enable diverse talents to enter and grow new forms of practice and value. In order to address this problem we suggest that there is a need to move away from old models of skills supply, identifying gaps or shortages and stimulating the supply of training to fill them. Instead we need to be responsive to the development of a sector that is non-linear, non-institutional and largely not 'career' oriented.

The work of the Last Mile project has done much to provide clues to how this might be achieved, providing small amounts of funding into specific areas to enable new relationships and responses to be developed. There are also a number of national initiatives in development which go some way to making the system more fit for purpose.

The Department for Culture Media and Sport's Creative Economy Programme is exploring a wide range of proposals; Creative and Cultural Skills Council, SkillSet and many other partners, are developing Creative Apprenticeships, the Creative Choices portal and the Cultural Leadership programme, all of which are designed to address diversity of access to the sector. However, we believe for this to have a real impact on the sector a more coherent but devolved approach is needed.

Intervening in this area is a classic 'chicken and egg' problem for policy makers; which of the three key gaps we have identified should be closed first?

Should we start by investing in the capacity of young people to network and sell, by encouraging greater employer engagement in training or by creating new institutions to support people leaving university? The answer, as with all such problems, is that mutually reinforcing action is necessary on all three fronts. Successful solutions are likely to find new ways to use government intervention to

create different relationships between employers and talent in ways that reflect local circumstances and individual need.

Open innovation systems are part of the solution, providing a way to develop a wider range of practice that works with the grain of both creatives and the industries they aspire to enter. Many of the organizations necessary to create such a system already exist. Indeed, an important part of the appeal of our approach is the fact that it can easily be achieved by building on existing initiatives, rather than requiring a radically new system architecture.

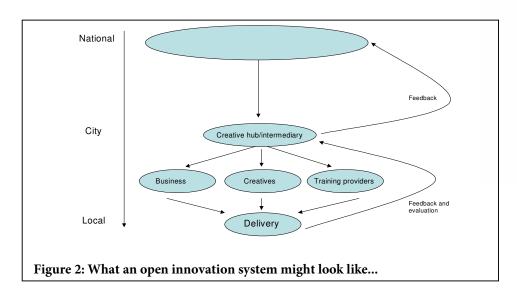
Central skills bodies, such as the sector skills councils, are more than capable of setting broad, outcome-based goals for new training and development approaches and supporting them with a relatively small venture capital fund.

This fund would provide seed money for good ideas, with high barriers to receiving money (for instance, schemes would at a minimum have to be realistic, financially sound, cost effective and likely to drive inclusion), but relatively little intervention in the actual delivery of the scheme, except for ongoing coaching, assessment and evaluation.

Local bodies, probably best based at the city level, could then be responsible for allocating the funding, evaluating schemes and feeding back to the centre. Those intermediary bodies might include agencies like Creative London, creative business clusters or the Slough Creative Academy. There could be one per town or city, or the scheme could be run with a city-wide pot of money that could support a number of different intermediaries.

These bodies would have to demonstrate how their schemes were meeting the outcome goal of getting a more diverse range of people into the creative industries, with organizations like the sector skills councils working to 'scale up' the best approaches by sharing them across the system or taking them up at the national level as part of mainstream policy. Figure 2 provides a graphical explanation of this idea.

**DEM©**S



DEMOS
Page 14

But these approaches are only likely to succeed if they can engage the energies of employers, young creatives and training providers working together to co-design and co-deliver new strategies. Only by doing this can we be sure that training responses really meet the needs of all their stakeholders. Bringing this trio together will help all the players understand that talent development is a mutual endeavour, only likely to work effectively if it is viewed as a commons, rather than solely as the responsibility of one actor. This mutual approach should be a precondition for intermediary bodies to receive funding.

The promise of public money and support for personal and business development can be used to bring the three relevant constituencies to the table and establish dialogue, an approach which seems likely to have the following advantages:

- By bringing the three parties together in dialogue, it allows the development of solutions that work effectively for everyone at the local level
- It creates opportunities for networking and discussion between employers and potential young creatives, helping young people to understand the skills they need
- It facilitates dialogue between training providers and business, potentially
  providing a better understanding of business skill needs and more
  appropriate training options
- It allows for the identification of unmet skills gaps and new opportunities
  for interventions, for instance allowing a local training agency to broker
  more work placements, or to support the creation of new SMEs employing
  young creatives to meet local business requirements.

These mutual intermediaries are also well placed to launch joint projects for their areas that can help young people network more effectively. For instance, they might provide 'booze and schmooze' style events with local creative employers, or build websites that allowed young people to present a portfolio of their creative experience and employers to advertise work opportunities.

Our approach is aimed at growing the creative and cultural sector, developing new markets and new forms of practice that offer more diverse economic opportunities - making access to these opportunities easier for all and more in the grain of peoples lives and activities. It is less about 'tipping the scales' in favour of a particular group and more about creating a more open and bigger marketplace for all groups. In the short run, this may benefit the same groups currently profiting from the creative industries. In the long it would tackle deeper systemic problems, providing a wider range of groups with access to the means of production and distribution and a route into employment.

The creative and cultural industries have the potential to become a powerhouse for economic and social growth. It is becoming increasingly obvious that in a globalised age, the UK has to capitalise on our creative talent and skills base to keep our high value, high wage economy.

But if the creative industries are our future, then their lack of diversity is a pressing problem. It undermines the tolerance necessary for creative development, and it limits the access of large parts of the population to high value work and the opportunities for community expression created by commercial culture. Failure to tackle this problem now will only store up economic inequality and social division for the future. We require a more innovative approach to such a pressing problem; could we release a small percentage of existing skills and training budgets to support the development of such solutions?

Demos, October 2006 **DEM©**S

<sup>1</sup> Bertrand Russell, In Praise of Idleness, quoted in Charles Leadbeater, Living on Thin Air, accessed at: http://books.guardian.co.uk/leadbeater/story/0,,131264,00.html <sup>2</sup> Prof Michael Porter, UK Competitiveness: Moving to the next stage, DTI, 2003 <sup>3</sup> Gordon Brown, Globalisation and Progressive Politics, Speech to The Smith Institute at Guild Hall, March 2006, accessed at: http://www.smithinstitute.org.uk/pdfs/globalisation and progressive politics.pdf

Quoted in James Purnell, Making Britain the World's Creative Hub, Speech to the IPPR, 2005

<sup>5</sup> CCSkills, Creative Industries Score Highest in Dream Career Survey, accessed at: http://www.ccskills.org.uk/news/story.asp?pageid=344&siteID=1&pageTypeID=1

<sup>6</sup> Richard Florida Speech to Creative Problem Solving Institute (June 2005)

http://ideaflow.corante.com/archives/richard\_florida\_at\_cpsi\_2005/

GLA (2004) London's Creative Sector 2004 Update

http://www.london.gov.uk/mayor/economic\_unit/docs/creative\_sector2004.pdf

<sup>8</sup> GLA (2004) London's Creative Sector 2004 Update

http://www.london.gov.uk/mayor/economic\_unit/docs/creative\_sector2004.pdf

<sup>9</sup> Skillset (2005) Feature Film Production Workforce Survey

http://www.skillset.org/skillset/press/2005/article\_3774\_1.asp

<sup>10</sup> Film Council/Skillset (2003) Developing UK Film Talent: A comprehensive skills survey of the UK film industry, quoted in UK Film Council (2004) Success Through Diversity and Inclusion, p 5 <sup>11</sup> BBC (16/01/06) *Creative Industries Head East* accessed at:

http://news.bbc.co.uk/1/hi/programmes/newsnight/4617308.stm

The Guardian (31/03/06) Britons Lead Spending On Culture and Recreation but Government takes *a More Miserly Approach*, accessed at: <a href="http://arts.guardian.co.uk/news/story/0">http://arts.guardian.co.uk/news/story/0</a>, 1743738,00.html <sup>13</sup> UK Film Council (2006) Research and Statistics Bulletin

http://www.ukfilmcouncil.org.uk/usr/downloads/statistics/UKFC\_March\_06\_Bulletin.pdf

<sup>14</sup> BPI (2005) UK Record Industry Sales Figures

http://www.bpi.co.uk/index.asp?Page=news/press/news\_content\_file\_966.shtml 

15 Sarah Gillinson and Duncan O'Leary, *Working Progress*, Demos, 2006, p35

<sup>16</sup> Ibid, p13

<sup>17</sup> For further information on Graduate Destinations see <a href="www.prospects.ac.uk">www.prospects.ac.uk</a>

http://www.prospects.ac.uk/cms/ShowPage/Home\_page/What\_do\_graduates\_do\_2005/charts\_and\_t ables\_pages/p!eiglkfk;jsessionid=a630f478a677\$3F\$ED\$0?subject\_id=9 Design:

http://www.prospects.ac.uk/cms/ShowPage/Home\_page/What\_do\_graduates\_do\_\_2005/charts and t ables\_pages/p!eiglkfk?subject\_id=8

<sup>18</sup> CCSkills, Skills for Creativity – Strategic Plan 2005-10, CCSkills, 2005, p9

<sup>19</sup> University of Central England, Destinations and Reflections: Careers of British Art, Craft and Design Graduates, 1999, executive summary accessed at:

http://www.uce.ac.uk/crq/publications/dr/drexec.html <sup>20</sup>Pollard E, Barkworth R, Sheppard E, Tamkin P, 'Researching the Independent Production Sector a Focus on Minority Ethnic Led Companies', Institute of Employment Studies, accessed at: http://www.employment-studies.co.uk/summary/summary.php?id=pactukfc

London Development Agency, Mapping BME-led Creative Industries in London: A Final Report, <sup>22</sup> La Valle I, O'Regan S, Jackson C, The Art of Getting Started: Graduate Skills in a Fragmented Labour Market, Institute of Employment Studies, 2000, accessed at: http://www.employmentstudies.co.uk/summary/summary.php?id=364

<sup>24</sup> Pollard E, Barkworth R, Sheppard E, Tamkin P, 'Researching the Independent Production Sector a Focus on Minority Ethnic Led Companies', Institute of Employment Studies. <sup>25</sup> GLA Economics, Play It Right: Asian Creative Industries in London, GLA 2003

<sup>26</sup> Jake Chapman, System Failure (second edition), Demos, 2004, p.19

<sup>27</sup> Ibid, p22

<sup>28</sup> Data provided by The Last Mile project

<sup>29</sup> Charles Leadbeater, "Open Innovation in Public Services", in Tom Bentley and James Wilsdon (eds), The Adaptive State, Demos, 2003, p41

**DEM©**S