

TRACING THE ROOTS OF CULTURAL INDUSTRIES: EMPLOYMENT TRENDS IN CULTURAL INDUSTRIES IN DUTCH CITIES SINCE 1899

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ABSTRACT: The competitiveness of particular cities in cultural industries, one of the mainstays of post-industrial urban economies, is often thought to depend on historically-evolved local production systems and thick localized institutional webs. By examining employment trends from 1899 onwards in cultural industries in the four largest cities of polycentric the Netherlands, this paper aims to ascertain whether or not particular cities maintain long-term advantages in this sector as a whole or in particular branches of cultural production. As such, the endurance of local specialization in these network- and knowledge-dependent sectors will become apparent. This paper also examines the long-term geographical dynamics of different cultural industries to explore the specific factors that make cultural industries prone to path-dependent embedding in particular urban contexts (geographical path reproduction) or, conversely, to periodical diffusion and new path creation. Quantitative employment data presented will be complemented with qualitative information about the evolution of the industries and cities examined to provide better insight into these factors, as well as into the influence of policy interventions on these industries' geographical dynamic in the Netherlands during the twentieth century.

KEYWORDS: Urban Economy, Cultural Industries, Path Dependency, Competitiveness, The Netherlands

1 INTRODUCTION

Presently, the so-called 'cultural industries', the producers of aesthetic or symbolic commodities, are often assigned a pivotal role in aligning post-industrial urban societies with the new economic realities of globalization. Consequently, many national and city government try to stimulate cultural production, such as architectural design, publishing, or media broadcasting, in their cities. But much remains unclear about the geographical dynamic of cultural industries. Most scholars agree that cultural industries thrive primarily in vibrant urban settings, but the origins of local competitiveness in these industries and the potential role of policy intervention in stimulating such competitiveness have been the subject of much debate. Broadly speaking, two conflicting perspectives have emerged within the academic, mostly economic geographical, literature that deals with the particular urban characteristics and spatial contexts that nurture competitiveness in cultural industries. Taking a voluntarist and interventionist perspective, one influential strain of thought has posited that local policies may stimulate local creative production and creative economic activity by establishing and encouraging particular types of urban amenities that attract members of a supposedly highly-mobile creative class (Landry, 2000; Florida, 2002). In this view, local competitiveness in cultural production is mainly a function of the presence of a particular type of talented individuals that can be attracted through policy interventions. Others, adopting an evolutionary approach to the development of cultural industries, locate competitiveness in complex local webs of specialized institutions, social networks and practices that take a relatively long time to develop rather than in atomistic talented creatives that freely move around, arguing that processes of historical local industry evolution weigh more heavily than short-term policy projects in shaping the cultural industry potential of a city (Amin and Thrift, 1995; Scott, 2000, Kloosterman, 2004).

While the voluntarist argument has been defended largely on the basis of sketchy and doubtful data (Peck, 2005), the evolutionary view has so far also largely lacked systematic empirical backing with its proponents basing themselves mainly on a fairly loose collection of instances in which particular cultural industries evolve for long spans of time around specific hotspots, such as in the case of Hollywood film production, Broadway theater or Milan fashion (Scott, 2005; Wenting, 2008). This paper seeks to test the implication of the evolutionary view that local advantages in (particular forms of) cultural production generally do not emerge, or are created, instantaneously but develop gradually and are maintained over long spans of time, by geographically mapping employment trends in several cultural industries in the Netherlands for a period of over a century. This quantitative analysis focuses in particular on the country's four major cities, Amsterdam, Rotterdam, The Hague and Utrecht, and the degree to which employment in cultural industries was over- or underrepresented there at different times during the period 1899-2005. Overrepresentation implies local specialization and is expressed in a location quotient (LQ), the share of an industry in a city's overall local employment divided by the industry's share in the nation's overall employment, that exceeds 1.¹ These LQs are constructed on the basis of occupational census data available through the national *Central Bureau of Statistics* (CBS) and allow an (albeit preliminary) analysis pertaining to two important questions in urban, historical and economic geographical research. The first relates to the cultural, creative and economic attractiveness of cities as the cultural industries are not only (increasingly important) sources of direct employment, they may, through their creative production of symbolism and aesthetic forms, also indirectly stimulate economic activity (by attracting tourists for example) and generally contribute to a stimulating living and working environment that draws people to (large) cities. The degree to which the four major cities of the Netherlands have consistently exhibited concentrations of cultural production activity may thus shed some light on the general attractiveness of these urban centers throughout the twentieth century and into the present millennium.

Exploring the extent to which the mutual positioning of the four cities has changed or remained stable in terms of cultural industries LQs allows us to assess the importance of long local historical trajectories in shaping competitiveness in these industries. Long-term stability of particular cities' performance in this sense suggests that competitiveness in cultural industries depends not merely on general urban mass and character, but on well-established local 'art worlds' (Becker, 1982) which may be hard to copy elsewhere, especially in the short term. In the Netherlands in particular, the geographical dynamic of cultural industries provides a good window unto the weight of local history in determining the strength of local cultural industries. The Netherlands, a highly polycentric country, lacks a single, 'natural' metropolitan and cultural center. All four cities examined are part of the Randstad conurbation, a paradigmatic example of a multi-nuclear urban region (Hoyle *et al.*, 2008; Lambregts, 2008; Kloosterman and Lambregts, 2001, 2007). They are relatively close together and interconnected so that mobility between them is fairly easy, for producers as well as consumers of cultural industries. Nevertheless, each city has its own historically formed and distinct local character. This case thus enables an assessment of the importance of differences in local characteristics under conditions of strong interrelatedness that make the potential for inter-urban redistributions of activities relatively high.

Studies that systematically map the long-term geographical dynamic of cultural industries are scarce (cf. Wenting, 2008) and the quantitative data provided here may thus provide valuable insights into the importance of local industry evolution and path dependence. Employment data can only reveal part of an evolutionary dynamic of cultural industries, however, as such the evolutionary perspective emphasizes the importance of slowly built-up local social networks, institutions, expertise and reputations in forming the complex local production systems, or clusters (Porter, 2000), that underpin competitive cultural production. Such clusters are characterized by sophisticated internal divisions of labor and complex patterns of mutual competition and collaboration between different co-located actors and institutions engaged in related productive practices. These actors and institutions are interdependent in different ways and their interactions collectively resemble highly-developed 'ecologies' in which much specialized knowledge is exchanged and mutual services are provided (Grabher, 2001). Such mechanisms that root cultural production in a particular

¹ For the calculation of all LQs we have excluded employment in agriculture, fishing and game hunting from employment totals to remove a strong bias towards high cultural industries LQs in the major cities, because these rural forms of employment obviously had little impact there, whereas they did (at least during the first half of the twentieth century) account for a substantial share of Dutch national employment.

place remain invisible in a purely quantitative analysis. This is why we will tentatively complement the employment data with some qualitative information on the organization and histories of the different cultural industries in the Netherlands in order to gain at least a preliminary understanding of the factors that contributed to the reproduction or change of the industries' geographical patterns of employment.

In what follows, we will first present the historical geographical dynamic in the Netherlands of five separate cultural industries, the arts, broadcasting media, the publishing industry, architectural design, and the advertising industry. These different branches of cultural production are all sizeable and emblematic cultural industries drawn from the three main categories into which the cultural sector is often divided: arts, media and entertainment, and creative business services (Pratt, 2004; Stam *et al.*, 2008). These industries differ in terms of their relations to space (e.g. the mobility of their products), their age (the arts and publishing are much older industries than broadcasting and advertising), and their degree of artistic autonomy or, conversely, their market dependence, all of which may impact their geographical dynamic. After that, the long-term cultural performance and specialization of the four different cities will be analyzed. In conclusion, the long-term relation between large Dutch cities in general and cultural industries will be discussed, as well as the importance of path-dependent specialization. Furthermore, some factors and processes that reproduce local competitiveness in cultural industries over extended periods of time, or change that competitiveness in positive or negative ways, will be identified.

2 SEPARATE CULTURAL INDUSTRIES

The cultural industries include a wide array of fields of production, ranging from publishing and the graphic industry to theater. What these industries have in common is that they dictate styles, need to innovate continually, and produce as commodities the beauty or symbolism that we refer to as cultural. In all cultural industries, value is created mainly through the appearance, presentation and aesthetic impact of products and services rather than through their functionality. However, when it comes to their geographical dynamics and relations to places (and place-specific historical trajectories), important differences exist between these industries and distinctions can be made between them along different dimensions. The degree of product mobility, for example, differs per industry: books are more easily transported than theater performances. The height of entry barriers also differs per industry. Activities such as film production generally require relatively high initial investments whereas the production of paintings often does not.

Differences such as these may influence the degree to which production in a specific cultural industry is place-bound or amenable to local policy intervention. To gain a fuller understanding of the rootedness of cultural economic activity in particular Dutch cities, the geographical distribution and long-term geographical dynamics of separate cultural industries in the Netherlands will be compared here. This comparison may also contribute to discussions regarding the breadth of economically-productive 'creativity', as it will show to what extent, within the Dutch context, local creative prowess spills over from one cultural industry to another. If all cultural industries concentrate equally in the same cities, then a general artistic atmosphere is a valuable asset in a city's economy and efforts should be made to enhance such an atmosphere and attract and retain 'creative' people. If, on the other hand, separate industries are distributed differently across cities and display fairly autonomous dynamics, that would indicate that cultural industries thrive on local specialization and on industry-specific practices, expertise and institutions that presumably take time to evolve. Table 1 summarizes the historical development of the location quotients of Amsterdam, Rotterdam, The Hague and Utrecht in employment in the five separate cultural industries discussed below.

Table 1 City LQ's and rankings in five different cultural industries, 1899-2005

		1899	1920	1930	1947	1960	1993	2000	2005
Advertising	Amsterdam	-	-	3.52 (1)	2.99 (1)	3.38 (1)	2.75 (1)	2.50 (1)	2.47 (1)
	Rotterdam	-	-	2.06 (2)	1.99 (2)	1.68 (3)	1.00 (2)	0.99 (2)	1.03 (3)
	The Hague	-	-	1.61 (3)	1.42 (3)	1.87 (2)	0.81 (3)	0.89 (3)	0.84 (4)
	Utrecht	-	-	0.86 (4)	1.00 (4)	-	0.49 (4)	0.73 (4)	1.29 (2)
Architecture	Amsterdam	1.43 (2)	1.64 (2)	1.16 (2)	1.32 (2)	1.38 (2)	1.01 (3)	0.75 (4)	0.69 (4)
	Rotterdam	1.37 (3)	1.04 (4)	0.86 (4)	1.04 (4)	1.14 (3)	1.20 (2)	1.34 (3)	1.41 (1)
	The Hague	1.82 (1)	2.01 (1)	2.17 (1)	1.87 (1)	1.96 (1)	2.14 (1)	1.49 (1)	1.04 (3)
	Utrecht	0.91 (4)	1.29 (3)	1.08 (3)	1.11 (3)	-	0.60 (4)	1.41 (2)	1.17 (2)
Arts	Amsterdam	2.42 (1)	2.19 (2)	2.10 (2)	2.30 (1)	3.15 (1)	3.53 (1)	4.43 (1)	4.63 (1)
	Rotterdam	1.53 (3)	1.33 (3)	1.13 (3)	0.88 (4)	1.06 (3)	1.08 (3)	1.08 (4)	1.21 (4)
	The Hague	1.92 (2)	2.72 (1)	2.40 (1)	2.17 (2)	2.22 (2)	2.47 (2)	2.11 (2)	1.60 (2)
	Utrecht	1.19 (4)	1.05 (4)	1.11 (3)	1.18 (3)	-	0.83 (4)	1.30 (3)	1.70 (3)
Broadcasting	Amsterdam	-	-	-	-	0.64 (1)	1.00 (1)	1.06 (1)	1.43 (1)
	Rotterdam	-	-	-	-	0.04 (3)	0.28 (2)	0.43 (2)	0.49 (3)
	The Hague	-	-	-	-	0.15 (2)	0.17 (3)	0.19 (3)	0.40 (4)
	Utrecht	-	-	-	-	-	0.12 (4)	0.10 (4)	0.58 (2)
Publishing	Amsterdam	2.11 (1)	-	1.98 (2)	1.89 (1)	3.04 (1)	4.02 (1)	3.16 (1)	3.69 (1)
	Rotterdam	0.71 (4)	-	0.67 (4)	0.98 (4)	0.55 (3)	1.29 (2)	0.69 (3)	0.82 (3)
	The Hague	1.04 (3)	-	2.96 (1)	1.13 (3)	2.03 (2)	0.44 (3)	0.89 (2)	1.42 (2)
	Utrecht	1.60 (2)	-	1.08 (3)	1.25 (2)	-	0.42 (4)	-	0.49 (4)

The five industries examined cover all three main categories of the cultural sector. The arts include the performing and fine arts, and are variably bound to specific venues of performance or exhibition. Whereas some elements of the arts, such as popular musical creation and performance, have been commercialized to a great extent, this category of cultural production has remained most resistant to commercialization, valuing artistic integrity to a strong extent. The media sector on the other hand, of which broadcasting and publishing will be analyzed, favors a relatively business-like, rather than predominantly artistic attitude. This is partly due to the fact that media cater to all layers of society whereas the arts only rarely manage to do so. The geographical market reach of media industries is also relatively wide. Contrary to what is the case with the performing arts, production and consumption in the media sector usually do not occur simultaneously or within the same venue. Broadcasters and publishers more easily attain a national or even international market reach so that competition more often takes place on an extra-local level. Furthermore, the production processes of media companies often require large-scale investments, and the extensive use of technologies in this sector has made it sensitive to technological changes. For these reasons the media sector has grown expansively in the course of the twentieth century and has become increasingly concentrated, now largely dominated by a limited number of large organizations on which many smaller specialized firms are dependent. The last category, that of creative business services, here represented by architecture and the advertising industry, adds symbolic or aesthetic value to the products of other industries and is therefore intimately linked to other, more utilitarian industries. The professionalization of creative business services, by architects, fashion designers and advertising agencies, is mostly a twentieth-century phenomenon. Many of the services rendered by these professions were originally tasks performed by craftsmen or firms that produced the designed or advertised commodities themselves. Only over the course of the twentieth century did Dutch firms increasingly turn to external experts to fulfill these functions. Creative business services therefore generally cannot bow on such eminent long histories as some other cultural industries and cannot look back on centuries-long trajectories of development in specific cities, although they may have emerged from older established local industries. Consequently, creative business services achieved tempestuous growth rates with employment for architectural and technical design agencies increasing fifteen-fold since 1930 while employment in the advertising industry has multiplied by a factor 30 since that same year.

2.1 The arts

The arts take up a special position within the cultural industries. They are often seen as the 'creative core' of

the cultural sector, and considered the most experimental and authentic, as well as the least commercially-oriented, of the cultural industries (Pratt, 2004; Throsby, 2008). This is why the arts have been extensively subsidized by European national governments following World War II and why they take up a central position in Dutch cultural policy. During the postwar heyday of the Dutch welfare state, state subsidies for the arts were distributed through centrally-led national organizations. From the 1980s onwards, national art policies became largely decentralized and market-driven (Department of Education, Culture and Science, 2006). Ever since then, the Dutch art sector has expanded rapidly, where growth in this sector had lagged behind total employment growth between 1930 and 1993. Financial emancipation and commercialization has clearly boosted the arts sector in the Netherlands. The number of persons employed in the arts and art-related activities grew fifty percent more rapidly than total employment between 1993 and 2005. Despite this recent strong expansion, the arts' share in national non-agrarian employment was still slightly smaller in 2005 than it had been during the first decades of the twentieth century. Apparently, this cultural industry, which lacks easily reproducible products and is therefore prone to the so-called 'Baumol's cost disease' of relatively stagnant labor productivity (Pratt, 2004), profited little from strong postwar growth in mass-consumption and from a standardized national system of subsidies.

The arts' expansion over the past two decades has been accompanied by a growing role for Amsterdam. The Dutch world of theater, hardly regarded a true art form before World War II, has traditionally centered on Amsterdam, partly due to the presence there of prestigious theaters and music venues. Amsterdam's domination in this field especially has been retained and strengthened. In general, the arts and related services increasingly agglomerate here. Amsterdam is by far the country's most important center of the art trade and for museums, although further growth in these fields has lagged behind that in the three other cities since 1993. Especially the Utrecht art scene has slowly started to catch up since then. Rotterdam on the other hand was unable during the entire period under study to establish itself as an arts city and has even lost some ground since 1900. More striking than Rotterdam's continuous artistic mediocrity, is the strong decline of The Hague's position within the Dutch art world. The city holds the oldest arts academy in the Netherlands and in 1930 The Hague was still the most artistic city of the country. Especially the visual arts flourished there. At the start of the 21st century, however, little more than half of this strong degree of arts concentration is left. The art scene in The Hague has not managed to profit from the recent commercialization of the arts sector, perhaps due to a slightly elitist mentality. Nevertheless, the city remains an important arts center. Overall, it appears that the arts, the central core of cultural production, display high degrees of geographical concentration and are bound to specific cities on a long-term basis.

2.3 Broadcasting

As the sole exception among the cultural industries examined here, the Dutch broadcasting industry has mainly been concentrated outside the country's four major urban centers since its emergence in the 1920s. Unlike most cultural industries in the Netherlands, broadcasters have historically been subject to extensive state regulation. After a short period of private experiments, several public radio stations developed around a Philips transmitter factory in the small town of Hilversum during the 1920s. While the first regular radio-broadcasting station in the world was operated by an engineer from a house in The Hague (Scientific Council for Government Policy, 2006; see also Van der Groep, forthcoming), the economies of scale created by the Philips-backed factory in Hilversum enabled cost cuts that allowed broadcasting companies there to survive, unlike the station of the pioneer in The Hague that had to discontinue its broadcasts in 1924 for lack of funds. Because of their political significance and the influence of radio and television on public opinion, broadcasters were strictly regulated to conform to a Dutch political system that was strictly pillarized until the 1960s. Commercial stations were prohibited until the late 1980s and the state determined that all public broadcasters had to be based in Hilversum so that economies of scale would limit costs. Because of this history, at present 71 percent of all people employed in broadcasting in the Netherlands work in Hilversum (Bontje and Sleutjes, 2007: 66). The broadcasting industry now employs over 11,000 people and has become exceptionally rooted in a minor city due to (former) conditions of production and a long period of strict regulation.

Ever since government media policies have been liberalized and technological breakthroughs in telecommunication have lowered the costs of broadcasting, Amsterdam has been on the advance in this industry. At the start of the 1990s Amsterdam already possessed many film- and video-production companies as well as many advertising agencies, and these seem to have created a welcoming climate for new

broadcasting companies setting up in Amsterdam (Kloosterman, 2004; Van der Groep, 2006). In fact, all four major cities have strengthened their positions in the broadcasting industry over the past 15 years, although Rotterdam, The Hague and Utrecht have not yet come close to challenging Amsterdam in this regard. The industry appears to be growing especially rapidly in Utrecht, a city in which also the film- and video-production industry is doing well. This confirms the impression engendered by the developments in Amsterdam that these related, but nominally separate cultural industries benefit strongly from each others presence in a city.

2.4 Publishing

The age-old societal position and strength of the publishing industry in the Netherlands precluded the kind of twentieth-century regulation that newer broadcasting media were subject to. Already in the seventeenth century, Amsterdam was one of the hotspots of European book production and a cradle of journalism and the newspaper press. During the twentieth century, the city remained at the heart of the printed word in the Netherlands, although it faced stiff competition from especially The Hague for a long time. The graphic sector, including both publishing and printing companies, grew steadily until the turn of the millennium and more than kept up with general employment growth. Publishers, rather than printers, accounted for the lion's share of this increase. The number of people acting as publishers or working for publishing companies rose from 567 around 1900 to 37,500 a century later. This amounts to an increase of no less than 6,600 percent, twelve times as high as the total growth of employment in the Netherlands over the twentieth century. This tremendous growth was mainly the result of skyrocketing demand for published works among a Dutch population that became ever better educated and richer. While the fortunes of publishers rose spectacularly, employment in printing firms stagnated and dropped due to increasing mechanization. A stricter division of labor emerged between publishers and printers. Competition between cities for production of the printed word thus revolved more around the establishment or expansion of publishing companies than around printers. During the first half of the twentieth century, The Hague slightly outperformed Amsterdam in this respect, although Amsterdam always housed more publishers in terms of absolute numbers. The Hague's prowess in this industry was due in part to the strong concentration of literary authors there and partly due to the city's publishers of legal works and official state documents. Throughout this time, Amsterdam did remain the unchallenged center of the Dutch newspaper press and of journalism.

In the 1930s, Amsterdam as well as The Hague attracted so-called *Exil* publishers: Jews and socialists fleeing Nazi Germany. In Amsterdam, this influx contributed to the development of academic publishers and the publishing of international academic books and journals. In the postwar period Amsterdam became a global leader in this field as the company Elsevier became the largest publisher of academic work in the world. Amsterdam publishers also started to outperform their colleagues in The Hague in the fields of fiction and literature, probably responding to the trend that saw authors and poets along with other artists move to Amsterdam (as described above) – although it is difficult to distinguish cause and effect in this case. Amsterdam was also the city where during the second half of the century the country's most important training facilities for publishers were established (the Frederik Müller Academy, founded in Amsterdam in the 1960s, was even the first academy for publishers in the world) and around the year 2000 some organizations related to the book trade moved their headquarters from The Hague to the capital (Deinema, 2008). For these reasons among others, Amsterdam was elected UNESCO World Book Capital for the year 2008.

2.6 Architecture

Until several years ago, The Hague possessed the highest concentration of architects in the Netherlands. Amsterdam always trailed behind the court city in this respect and has even experienced a relative slump during the past fifteen years. This mediocre performance comes in spite of the fact that the capital city was once a hotbed of architectural creativity; in the 1920s and 1930s 'Amsterdam School' architects were heralded internationally as innovators of architecture and urban planning. The architectural sector in The Hague long benefited from a rich and elite local clientele and from commissions for public projects of great prestige such as new national government buildings. Presently, however, The Hague plays a much more modest role within the Dutch architectural scene. Since the 1990s, it has become an international trend that prestigious iconic projects are designed by global 'starchitects'. This trend robbed architects in The Hague of their formerly privileged position, but has stimulated the exponential growth of a new architecture cluster in

Rotterdam containing globally renowned agencies such as Erick van Egeraat, MVRDV and Rem Koolhaas' OMA.

The growth of the number of architects in Rotterdam, their successes, and the emergence of related activities in the city such as two publishers (NAi and 010) that specialize in books on architecture for a global market, is the result of a fortunate coincidence. At the start of the 1980s, the national government sought to strengthen the city's cultural infrastructure by establishing the new National Architecture Institute and the (also architecture-related) Berlage Institute there. Almost simultaneously, the Dutch (but England-based) architect Rem Koolhaas, already well-known in international architectural circles, moved to Rotterdam in 1981 because he was attracted to Rotterdam's cheap office space and 'empty' cultural environment (Kloosterman, 2008). Partly due to Koolhaas, the Dutch architectural scene was reinvigorated and gained a strong international orientation. A local institutional infrastructure of specialized training facilities, funding agencies, meeting places, and publishers, combined with the charisma and international appeal of Koolhaas, spurred the emergence of an internationally competitive architectural cluster in Rotterdam. OMA functions as an important breeding ground for architectural talent, with young Dutch and foreign designers gaining experience there for several years before starting their own independent agencies, often in Rotterdam (Kloosterman and Stegmeijer, 2005).

2.7 Advertising

Dutch advertising agencies generally prefer Amsterdam as their base of operations. This was already the case in 1930 and remains so today. The advertising industry is 2,5 times as important to Amsterdam's local labor market as it is on average in the country as a whole. Interestingly, Turkish immigrants have started to enter the advertising industry in Amsterdam and have contributed to its growth and diversity. The capital's advertising agencies are held in high international regard and produce global advertising campaigns for multinational companies (Röling, 2008, forthcoming). However, the industry still focuses largely on the national market. During the first half of the twentieth century it even revolved mostly around local markets. This explains why Rotterdam and The Hague –together with Amsterdam the most sizeable and well-developed consumer markets in the Netherlands – still accounted for a substantial share of Dutch commercial advertising activity in 1930. Since then the industry has devolved and has become more spread out throughout the country as consumer markets outside of the four major cities have grown and developed to a great extent. The devolution of an important share of advertising activity away from the major urban center has been further enabled by the increased market reach of advertising agencies that no longer need to be located in the same locality as their main customers, and can now cater to the national market as a whole rather than just to their own local market (Cf. Lambregts *et al.*, 2005; Lambregts, 2008). However, the fact that this market reach has expanded has had yet another effect. It made inter-urban competition possible in this industry, allowing Amsterdam's advertising industry to outcompete its smaller and less-developed counterparts in Rotterdam and The Hague even in their own local markets. Therefore, while the share of the four cities in the industry nationally has decreased, advertising in Amsterdam has become more important relative to that in Rotterdam and The Hague.

The ability of advertisers to reach large audiences, either locally or nationally, is partly dependent on collaborations with the media sector. Indeed, specialists in advertising can hardly do without a strong sense of media-affinity. As Amsterdam has traditionally formed the heart of the national daily press (and has recently attained a fairly strong position in broadcasting and film- and video-production as well) it is not surprising that the capital's advertising agencies have managed to hold on to their dominant position. The benefits of this relationship have been mutual, as advertisements are an important source of revenue for media-companies. A similar symbiosis has occurred in Utrecht. In that city, the rising fortunes of the advertising industry and of the broadcasting industry have gone hand in hand. Over recent years, both sectors grew in Utrecht to a similar extent.

3 THE FOUR CITIES CONSIDERED SEPARATELY

3.1 Utrecht

Utrecht, the city that during the twentieth century grew the fastest of the main four in terms of its population, experienced a strong decline of its graphic sector and publishing industry. However, at the start of the 21st

century, Utrecht has attained a strong position in the realms of advertising, architecture, the arts and broadcasting. Some of these reinforce each other through symbiotic connections. Which conditions have enabled this upward march? To start, Utrecht has finally attained a metropolitan character. Whereas around 1900 the city's number of inhabitants was less than a fifth of Amsterdam's (and a third of Rotterdam's), today Utrecht has grown to almost half of Amsterdam's size. Perhaps a more important advantage lies in the fact that Utrecht's university is the largest of the country. Its students refresh the city's population every year and form a large supply of highly-educated consumers, employees and entrepreneurs. The share of the creative class in the local labor market is higher here than in any other town or city in the Netherlands, and this has been the case since at least 1995 (Marlet and Van Woerkens, 2007). These highly-educated inhabitants create greater demand for the arts as well as an atmosphere in which creative endeavors flourish. Utrecht's particularly strong IT sector, especially, probably benefits the city's cultural entrepreneurs as production as well as distribution in cultural industries is increasingly digitized.

3.2 The Hague

After 1930, and especially during the last decades of the twentieth century, The Hague's share of Dutch cultural production has gone through an extended period of steady decline. While this city formed an important centre for the arts, architecture and the printed word in the past, it has now become a mediocre player in these fields - despite the fact that its publishing scene has exhibited a minor revival over recent years. The city has a rich tradition in cultural industries, but has lost its grip on this sector. The art world in The Hague has been bled dry partly by Amsterdam's even greater power of attraction on artists. But one specific weakness in The Hague's own cultural tradition has rendered it especially vulnerable to stagnation: its cultural producers specialized historically in catering to the elites. The city owed its former position as prominent centre for the arts and architecture to the presence of a rich, partly aristocratic, clientele, and to the patronage of the national government.

The Hague's printers serviced the national government by printing official documents, while its publishers published the country's jurisprudence. Local architects designed the state buildings and foreign embassies in the city, and the many fine artists in The Hague appealed mainly to distinctly elite tastes. But cultural production aimed mainly at state commissions and a rich upper class has proven partly unsustainable in this case. When the consumption of culture - especially of the written word - became largely democratized after World War II, and the state started to liberalize after 1980, The Hague's traditions impeded the shift in focus required to take advantage of these developments. The contrast between the traditions of cultural production in The Hague and Amsterdam are telling in this respect. While The Hague has historically produced many prominent painters, such as Jan Toorop, Hendrik Mesdag and Isaac Israels who together formed the 'The Hague School', Amsterdam has always been the country's theatre Mecca. Although the latter cultural form was hardly counted among the arts prior to World War II, it drew larger audiences, and was more strongly bound to specific places and venues than the highly-mobile and lightly-packed visual artists were.

Besides the strong orientation on a (relatively small) elite consumer base, another factor may account for the declining trend that has threatened to eliminate, over the last twenty years especially, The Hague's prominence in cultural industries. As the sole exception among the four main cities, The Hague lacks a university. It therefore cannot boast a large group of young and highly-educated consumers with a penchant for innovative cultural forms. Despite the cultural heritage of the city, and the fact that The Hague remains the Netherlands' political centre, the share of the creative class in its population hardly exceeds the national average (Marlet and Van Woerkens, 2007). Apparently, this exerts a fairly strong negative influence on The Hague's cultural industries.

3.3 Rotterdam

Throughout the twentieth century Rotterdam lagged behind when it came to cultural production. It is bound by an industrial character which underrates adornment and the arts, and places a premium on functionality. Nevertheless, Rotterdam's skyline forms the clearest indication that the city hardly lacks aesthetics or a sense of symbolism. Its lively architectural scene, shows clearly how a local cultural industry may emerge. A combination of physical emptiness, an institutional infrastructure for architectural design that was partly planned and created by the national government, and the fairly incidental arrival of a practitioner of Rem Koolhaas' prominence, has resulted in an internationally renowned cluster.

It remains to be seen if these successes in the field of architecture will form the prelude to Rotterdam's advance along a broader cultural front. The architectural profession requires formal training and its designs can only be realized through large pecuniary investments. Barriers to entering the ranks of either producers or (formal) consumers of architecture are therefore quite high, limiting the prospects for easy spillover of the architects' skills. However, the architects beautify their own city as well which can create strong aesthetic impulses for Rotterdam's inhabitants. Furthermore, the architectural cluster may expand into several related cultural fields such as interior design, installation art and perhaps computer art as well as the use of digital design programming is widespread among architects.

3.4 Amsterdam

Without a doubt, Amsterdam should be seen as the Netherlands' cultural capital (Kloosterman, 2004; Marlet and Van Woerkens, 2004). Direct interaction between specific cultural industries and a general artistic atmosphere has turned the city into a source and catalyst of creativity, as well as a magnet for Dutch and foreign talent. Not only tourists are attracted to the countless cultural amenities in Amsterdam; it has been demonstrated, for example, that the city's theatre scene has a significant positive effect on Amsterdam's desirability as place of residence. No other city holds such appeal to people seeking to relocate within the Netherlands. This appeal has naturally led to an expansion of Amsterdam's already sizeable creative class that is the country's largest in absolute terms and third largest (after Utrecht and Delft) when considered as a percentage of the total local population (Marlet and Van Woerkens, 2007: 14, 232 and 235). Several factors are at the root of this cultural prowess. The specific local trajectories of particular cultural industries have played a role in this respect, but so has the great degree of local tolerance shown historically toward immigrant groups. Amsterdam houses more different nationalities (177) than any other city in the world (Trouw, 2007). Like the Jewish refugees that provided new impulses to the city's publishing industry during the 1930s, other groups of newcomers can play innovative roles in Amsterdam's cultural industries.

The industries presently flourishing in the country's capital did not all develop in the same way or arise at the same time. Academic publishers operating out of Amsterdam have profited from the institutional infrastructures and reputation that they inherited from their seventeenth century predecessors who had made the city into the early-modern 'bookstore of the world' (Berkvens-Stevelinck *et al.*, 1992; Deinema, 2008). Combined with the impulses delivered by their colleagues who fled to Amsterdam from Nazi Germany, these legacies gave the city's publishers a strong head start in the newly emerging market for international academic journals. The plethora of visual artists and galleries also attests to the lingering effects of Amsterdam's early modern position as one of Europe's main centers for arts and culture. The city's theatre scene, on the other hand, is more likely to have originated in a similarly enduring aspect of Amsterdam's distinct traditions and local atmosphere. The same taste for frivolous entertainment that during the second half of the twentieth century produced the infamous Red Light District and coffeeshops that have come to symbolize the city, probably found its expression in the city's many theatre halls and performance venues during the first half of the century.

Amsterdam's early lead in the newer advertising industry was probably spurred by the size of its local consumer market, as well as by its well-developed printed media sector. The recent expansion of the broadcasting industry in Amsterdam is strengthened in turn by the city's advertising agencies. These rising fortunes can also be attributed in part to the concentration of film and video producers in the city that has developed around the national film academy. In general, most cultural industries in Amsterdam continually benefit from the city's two universities, its vocational colleges and art-related academies. Not only do these produce highly-skilled entrepreneurs and specialized labor pools in the city that enhance the industries' performance, they also serve to attract, retain and create a wide base of local consumers with a general taste for culture.

The symbiotic effects of all these industries, and the stimulants and incentives provided by the presence of such a wide range of culturally-engaged or culturally-interested inhabitants, appear to be so strong that rapid and ongoing processes of gentrification have not yet repelled artists and small entrepreneurs in the cultural sector.

4 CONCLUSIONS AND DISCUSSION

Throughout the twentieth century, the Netherlands' four largest cities have collectively been overrepresented in the geographical distribution of employment in most of the cultural industries analyzed above. With the

sole exception of the broadcasting industry that concentrated in Hilversum by virtue of strict state regulation, the cultural industries concentrated disproportionately in the country's main cities, demonstrating the positive effects of urbanity on cultural production. Although the cities' level of specialization *vis-à-vis* the rest of the country has fallen somewhat in most cultural industries (probably as a result of strong nationwide urbanization) the main cities and especially the largest city, Amsterdam, are still very important and well-developed focal points for these industries. Although fairly insignificant within the architectural industry, Amsterdam now has a more commanding position in the arts and publishing than ever before, and is slowly but surely starting to catch up with pesky Hilversum in broadcasting. The other three cities lag far behind and seem to be converging towards a similar respectable, but somewhat unimpressive, secondary position in cultural production. For Utrecht and Rotterdam, this represents an improvement over their performance throughout most of the century, but for The Hague, which long rivaled and at times even trumped Amsterdam as cultural capital, it is the result of an extended process of stagnation and even decline.

The cultural industries have grown fast since 1899 and are taking up an ever increasing place in national employment and local urban economies and are thus of increasing importance, even to cities that have seen their privileged positions in these industries lag off. The analysis of the weight of historically-determined local profiles of cultural production, and the identification of options to spur (particular) local cultural industries, is therefore becoming an increasingly critical component in the analysis of the economic prospects of specific cities. The data presented reveal fairly strong historical continuities in the distribution of cultural industries activities among the four cities. It therefore seems that important local assets and infrastructures that support cultural production in a city are historically formed. Such assets may therefore be difficult to create in the short term. This survey has also shown that cultural industries often thrive on industry-specific local specialization as the geographical distribution of different industries has followed different historical trajectories. While immigrant entrepreneurs have in some cases delivered new impulses to these trajectories, their successes have generally occurred in local contexts of pre-existing and already well-developed cultural industries.

Local specialization is thus important to particular cultural industries, but evidence has also been presented of symbiotic relations between several different forms of local cultural production. In some cases, successes in one cultural industry have gone hand in hand with successes in another. The local fortunes of the advertising industry seem to be connected to that of the local media sector, and vice versa. The implied interdependence of some cultural industries on the one hand strengthens the position of already well-developed centers of cultural production. On the other hand, mutually positive spillovers and symbiotic relations between different industries imply potentially positive multiplier effects to successful targeted interventions. The (albeit bounded) transferability of expertise, creativity, and success across (some) cultural industries also enables a dynamism in this sector that suggests that the cultural fortunes of cities may shift, as cross-fertilization often produces innovations and new possibilities.

It seems that especially with the development of local knowledge infrastructures, government intervention may influence the geographical dynamic of cultural industries. The presence of large universities has a seemingly positive effect on cultural industries in Amsterdam and Utrecht, while the lack thereof has handicapped The Hague's cultural sector. While cultural industries largely thrive on their own local networks and institutions, the importance of a well-educated local 'creative class' should therefore presumably not be underestimated either. In two instances, more industry-specific government intervention has clearly played a role in the creation of a local cluster, shaping the further trajectory of a specific cultural industry. In Rotterdam, the establishment of institutions specialized in architecture have been instrumental in spurring the growth of Rotterdam's architecture industry, although it seems unlikely that they would have had the same positive effect without the fortuitous arrival of Rem Koolhaas in the city. In the other case, that of the broadcasting cluster in Hilversum, strict long-term regulation and the restriction of broadcasting activities elsewhere assured that this cultural industry became rooted in a small town. Architectural design and broadcasting share a characteristic that perhaps makes their geographical distribution more amenable to policy manipulation than is the case in other cultural industries. Both are high-cost industries. In broadcasting costs are relatively high on the supply side. In architecture costs are relatively high on the demand side, so that architects are dependent on large commissions. Large organizations such as the state may therefore exert more influence on these industries than on video-production for example, either as supply-side investors, or as commissioning customers.

Increasingly, however, cultural industries depend on the breadth, rather than the wealth, of their

consumer base. As the decline of The Hague's position within Dutch cultural production shows, complacency and elitism do not help local cultural industries. An elitist orientation of cultural producers may have provided a powerful stimulus to cultural industries in the past, but sustained economic growth in the Netherlands over the twentieth century has democratized cultural consumption. Demand for cultural products is income elastic. Rising general incomes may quickly increase the cultural industries' potential pool of consumers, including poorer immigrant groups. The continued importance of elitist cultural centers is thus not assured and this may hold powerful implications for the shape that the distribution of cultural products industries may assume in other countries, and on a global scale, over the course of the 21st century.

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