

From Creative Industries to Creative Economy

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Why Creativity?



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Creativity Class On the Rise

There are four classes of labour in the US:
Agricultural, Working, Service and Creative

Agricultural class has been on the decline since
1900s.

Working class started to decline since the
1960s while the Service class peaked in the
1980s.

Only the Creative class has seen continuous
growth.



The Global Creative Economy

The US dominates the global creative economy with a lion's share of 43% in value.

R&D, publishing and software are the top 3 industries within the US creative economy, worth around US\$1,500 billion at the turn of the century.



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Source: Florida (2004) *The Rise of the Creative Class*.



Essence of Creativity

Creativity is the generation of new ideas—
looking at existing ideas, seeing new
opportunities or exploiting new technologies

Innovation is successful exploitation of new
ideas, generating new products, services, or
ways of running or doing business

Design links up creativity and innovation

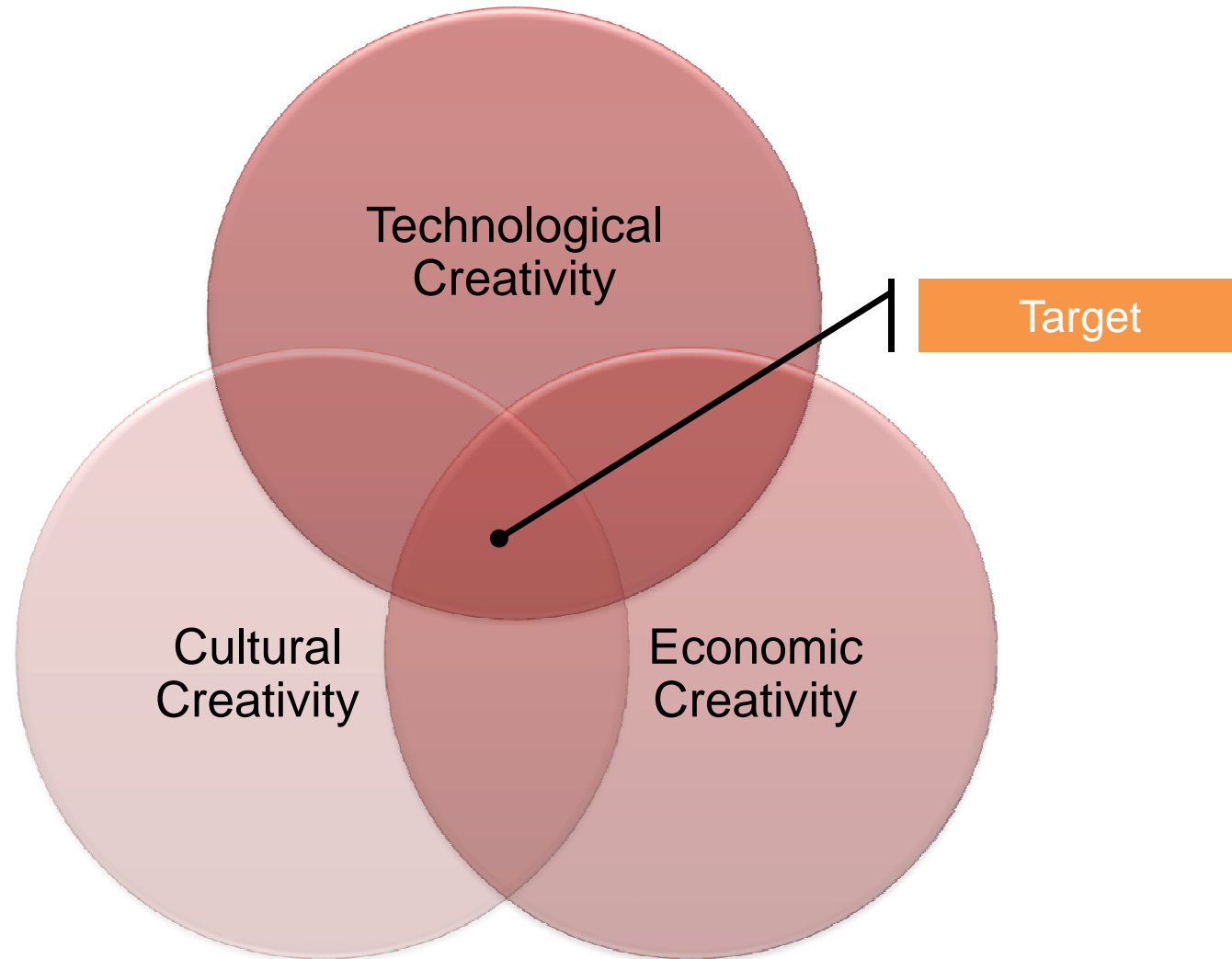


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Creativity Coming Together



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Source: Florida (2004) *The Rise of the Creative Class*.



Creative Nations | Finland

Finns do not pick up numeracy and literacy learning until in primary school, but still score top on OECD's Programme for International Student Assessment

Specialisation is avoided until tertiary education, providing maximum diversification in study

Extensive interaction between academia and the private sector spawns real-life innovation

Also home to Nokia, one of the most innovative companies in the world



Creative Nations | Spain

Spain invests heavily in R&D (14% annual growth in 2004)

It also houses some of the most innovative companies (Mango, Zara)

Spanish entrepreneurs are young, well educated, well represented by females and spawned by drive

Spanish education system empowers education institutions and students with autonomy and liberty



Creative Nations | South Korea

Pioneer in breaking away from rote-learning

Primary education based on homeroom teaching, with resident teacher providing holistic education

Student-oriented system incorporates many points of integration with the extra-curriculum and real life opportunities (p/t jobs, extensive travel opportunities, high political involvement)

Home to Samsung, LG (Great emphasis on design and innovation)



Situation in Hong Kong

Economic Activities

In 2005: Wholesale, retail and import and export trade, restaurants and hotels produced the largest share of Hong Kong's GDP, at 28.3%.

It was followed by Financing, insurance, real estate and business services with 22.2%.

Community, social and personal services was third with 19.3%.

Ownership of premises was fourth at 10.7%.

Transport, storage and communications was second last with 10.2%.

Non-services took the smallest share, at 9.4%



Situation in Hong Kong R&D Spending

World's biggest economies spend over 2.5% of GDP on R&D.

HK spent just over one-sixth of what US spent on R&D per capita in 2006.

In terms of GDP, HK's R&D spending was less than one-third of that of the US.



Situation in Hong Kong Education Expenditures

In 2006, HK's total public expenditure on education per capita was just over one-third of the US's expenditure.

In terms of GDP, HK's public education spending was slightly above half of that of the US.



Source: IMD World Competitiveness Report

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Roadblocks to Creativity in HK Businesses

Hong Kong businesses often mistake *technology for innovation and aesthetics for design*

Short-term business horizon treats *design as a sunk cost as opposed to a value multiplier* (Nike, Samsung, and Apple exemplify the value of both product and service design)

Fast-moving mentality precludes *time-intensive* deliberation required for creative and design thinking

The business culture is usually *top-down*, thus stifling the bottom-up spawning of new ideas



Roadblocks to Creativity in HK Education

Current system inadvertently encourages *parochialism*, thus restricting students' *world-view*

Education reform in HK has had small support base because of shifting policy (problem-based learning, outcome-based learning...)



Creativity and Education

Good News

Secondary and tertiary education are moving toward greater flexibility (3-3-4)

Students are increasingly being exposed to different cultures through exchange programs

Many Asian languages promote the use of the right side of the brain, thus could potentially facilitate creativity



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Creativity and Education

Good News

Asians tend to think on collective and middle-ground terms with heavy contextual and relationship logic—prerequisites for creativity

In theory, at least, Asian cultures should be more conducive to creativity than linear-thinking Western cultures



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