

CREATIVITY AND INNOVATION IN URBAN CENTRAL AND EASTERN EUROPE. FOCUS ON KICKSTARTER INITIATIVES

Bogdan Nicolae PĂCURAR *

Centre for Research on Settlements and Urbanism,
Babeș-Bolyai University, Faculty of Geography, 400006, Cluj-Napoca, Romania,
e-mail: pacurarbogdan@ymail.com

Sabin Alexandru NICULA

Centre for Research on Settlements and Urbanism,
Babeș-Bolyai University, Faculty of Geography, 400006, Cluj-Napoca, Romania,
e-mail: sabin.nicula@gmail.com

Marcel POPA

Babeș-Bolyai University, Faculty of Geography, 400006, Cluj-Napoca, Romania,
e-mail: marcellpopa@gmail.com

George RUS

Babeș-Bolyai University, Faculty of Geography, 400006, Cluj-Napoca, Romania,
e-mail: george.rus@gmail.com

Abstract: The concepts of innovation and creativity, as well as the territorial construct of city, have been, especially in the last few decades, the focus of an unprecedented and concerted scientific effort from all over the world. Many geographers, economists and urban planners studied how such a notions shape the fabric of urban areas and how they help them grow and develop. Kickstarter is an element of this triad, an innovative online platform which enables people to express their creativity and help gain funding for their ideas. This paper examines the Kickstarter projects launched in the 7 largest cities of three Central and Eastern European countries (Romania, Bulgaria, Hungary), plot their distribution and attempt to see territorial patterns in their distribution across the urban areas of this part of the European Union and Europe itself.

Key words: innovation, creative class, Kickstarter, urban, Central and Eastern Europe

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INTRODUCTION

Cities have been, long before any nation or state, the real hubs of creativity and innovation. The former is defined by people's ability or power to create, while the latter is the introduction of something new. These aspects are crucial to urban and rural life, but more than everything they find the best place to thrive in cities.

* Corresponding Author

Despite seeming something of little significance in the greater scheme of urban things, Kickstarter is one of the elements of creativity and innovation that could only have been born and further nurtured in cities and constitutes a good proxy for attempting to measure these notions. The capability to birth a wide array of projects and the innovation of being able to fund them in a simple and straightforward manner makes this online platform a good example of smart and digital city design. Even though it has gradually expanded in rural areas as well, it was born in the city core, thus being geographic in nature, and for that reason, this article will focus its attention to mapping the projects submitted for funding on this platform in the largest cities of three European countries (Romania, Bulgaria, and Hungary), states that have experienced powerful creative energies in the last couple of decades. Our endeavour will help uncover patterns of creative and innovative thinking and behaviours in Central and Eastern Europe's urban areas.

LITERATURE REVIEW

Before pursuing a more focused case study with the Kickstarter platform, whose functions and modus operandi will be explained later, one must first delve into what creativity and innovation mean and, above all, how these two concepts are linked to urban areas. Merriam-Webster dictionary defines creativity as the ability to create and the quality of being creative, which leads us to the verb create, the core of its word family tree, and which means to bring into existence. People are creators, of everything from needles to complex software programs, using their minds and their limbs to "*birth*" a new product or idea. Similarly, they improve, improvement being a corollary construct of creation, bettering already established or existing concepts, notions, things. Here we see the similarity or kinship with the Latin *crescere* or to grow. The second concept employed in our study is innovation, which the same dictionary establishes as the introduction of something new or a new idea, method, or device. Cambridge Dictionary describes creativity a tad more nuanced, calling it the ability to produce original and unusual ideas, or to make something new or imaginative, while innovation is described as (the use of a) new idea or method.

Despite their relative simplicity, this word duo gains traction and new meanings if we apply it to cities and urban areas, especially in the works of another pair, this time two like-minded urban researchers. The first one is Richard Florida, the urban studies theorist, who coined and further expanded the so-called creative class in several books and scientific papers (Florida, 2003; Florida, 2005; Florida, 2008; Florida, 2016, to quote just a few). The second urban researcher is economist and Harvard professor Edward Glaeser, who focused, alongside Florida, on how creativity and innovation function in a very particular location (Glaeser, 2011). That location is the city, the one place where such concepts find the most fertile ground, where novel ideas, methodologies, or products are best employed to bring about growth and development.

The resemblance of ideas between the two might originate from the influence another, uncanny thinker, had on the pair. Jane Jacobs was the quintessential informal researcher of American urban areas and pioneered a whole new direction in economics and human geography. Even though she was not an economist or urban planner by training, Jacobs understood the nature of American cities. She was the first to propose the notion that human progress and the growth of the economy were driven by cities, when, in 1969, she wrote *The Economy of Cities*. She revisited and further expanded her theory 16 years later, in another take on urban economics, where she put forward the concept that cities are the main players in macroeconomics, not the nation states (Jacobs, 1985).

Her entire philosophy expanded not only the United States but also around the world, as now more and more studies acknowledge and expand here work, and despite the fact that her work did not focus that much on the creativity and innovation that takes place in cities, it helped Florida and Glaeser to polish their ideas and put the city front and center in the creativity-innovation game. They both support the idea of urbanized knowledge capitalism or shift of power from the nation-state to the city which is the key economic and social organizing unit of the knowledge economy. One (Florida) states that individuals are creative and innovative from nature, even in rural areas,

and what the city does is just offer them more and better opportunities to put that in practice, while the other (Glaeser) sustains the fact that cities exist to facilitate the exchange of ideas between these creative and innovative individuals. One might say it is just the two sides of the same coin and that the city is what brings the two concepts together and gives them a proper embodiment.

Other researchers built on this scientific backbone. Mellander et al. (2014) examined a more global reach of the creative class, gathering data and experiences as well from academics, city leaders, urbanists and economic developers from the United States, Canada, Europe (especially Scandinavia), Australia, and Asia. Again, Mellander alongside Andersson et al., (2011) devised a handbook of creative cities building on Florida's ideas. Kong and O'Connor (2009) go from creative class and creative clusters to the notion of creative city. The cultural and creative industries have become increasingly prominent in many policy agendas in recent years. Not only have governments identified the growing consumer potential for cultural/creative industry products in the home market, they have also seen the creative industry agenda as central to the growth of external markets. This agenda stresses creativity, innovation, small business growth, and access to global markets – all central to a wider agenda of moving from cheap manufacture towards high value-added products and services. The increasing importance of cultural and creative industries in national and city policy agendas is evident in Hong Kong, Singapore, Taiwan, South Korea, Beijing, Shanghai and Guangzhou, Australia, and New Zealand, and in more nascent ways in cities such as Chongqing and Wuhan, People's Republic of China. Much of the thinking in these cities/countries has derived from the European and North American policy landscape.

Once again on the “*European front*”, Kratke (2011) challenges the new urban growth concepts of the creative class and creative industries from a critical urban theory perspective as he critiques Richard Florida's popular books about cities and the creative class, presents an alternative approach based on analyses of empirical research data concerning the German urban system and the case study regions, Hanover and Berlin, and underscores that the culture industry takes a leading role in conforming with neoliberal conceptions of labor markets. Geenhuizen and Nijkamp (2012) approach the concept of the creative knowledge city from various theoretical angles such as: evolutionary approaches, particularly path dependency related or how the set of decisions one faces (an individual, a company, a community, a city) for any given circumstance is limited by the decisions one has made in the past, even though past circumstances may no longer be relevant, for example, to (past) impacts of the Industrial Revolution; classic location theory; cluster theory such as advantages of specialization, supplying and outsourcing, and localized knowledge spillovers; “soft” conditions such as talent and tolerance; organizational learning, among companies and local authorities, including knowledge transfer spillovers; strategic choice approaches, particularly in dealing with uncertainty (Ferrara, 2016). All these concepts and approaches are applied mostly on European cities (Germany, The Netherlands, Hungary, or Austria), but also to some to cities from the United States, Brasil, and China.

Cities tend to be centers of what Landry (2000, 2008) termed the “*hard infrastructure*” of creative industries, as they are typically where the head offices of major industry players are located and where governments have invested heavily in the cultural infrastructure, with their extensive network of galleries, museums, libraries and of course schools and universities. This can in turn act as catalyst for the formation of “*soft infrastructure*”, or the relational assets associated with economically successful networks, such as trust, reciprocity, exchange of tacit knowledge, and propensity to invest, to fund and most of all to share and pool economic risk (Amin, 2003).

Satell (2013) draws inspiration from Florida, Jacobs, and Steve Jobs and professes a deep love for cities and their capability for creativity and innovation. Neglecting our cities neglects our future, he says and further adds the fact that if we are to continue to innovate, we need to invest not only in research and development, but in city life, where random collisions transform old work into new work, solve problems and create value.

A larger percentage of people live in cities than at any point in human history (Crane and Kinzig, 2005), while the density of urban areas is generally increasing (US Census Bureau, 2012), many getting densification right. All of these phenomena contribute and enhance an already high degree of creativity and innovation that has been inherent to cities ever since the Neolithic Revolution.

MATERIALS AND METHOD

Most attempts to map creative communities use census and jobs data. However, creative efforts are often side-hustles, being garage/basement/cottage industries that will never appear in a census (Matviyishyn and Mahats, 2015; Wenzel and Daniels, 2016). As innovation and creativity are spatially compact, dense, unequally distributed, and most of all spiky (Păcurar et al., 2016), we will use the Kickstarter online platform as a creativity and innovation proxy and we will try to present the geographic distribution and patterns of the projects submitted for funding on this website in the cities of three relevant counties for Central and Eastern parts of the European continent: Romania, Bulgaria, and Hungary. Consequently, we will be able to witness a relevant glimpse in the magnitude of creativity in these urban areas.

Before setting off however, we will make a brief presentation about what Kickstarter really stands for. Kickstarter is an American public-benefit corporation based in Brooklyn, New York, that maintains a global crowdfunding (the practice of funding a project or venture by raising monetary contributions from a large number of people) platform focused on creativity. The company's stated mission is to help bring creative projects to life. It has reportedly received more than 1.9 billion dollars in pledges from 9.4 million backers to fund 257,000 creative projects, such as films, music, stage shows, comics, journalism, video games, technology, and food-related projects. People who back Kickstarter projects are, in turn, offered tangible rewards and/or experiences in exchange for their pledges. This model traces its roots to subscription model of arts patronage, where artists would go directly to their audiences to fund their work. The project applications are divided into 15 categories (in alphabetical order): art; comics; crafts; dance; design; fashion; film and video; food; games; journalism; music; photography; publishing; technology, and theater.

We first selected the seven largest cities (in terms of population size) from each of the above mentioned states (table 1 and figure 1):

Table 1. The sample states and cities used in the study

Romania	Hungary	Bulgaria
Bucharest (NSC)	Budapest (NSC)	Sofia (NSC)
Cluj-Napoca	Debrecen	Plovdiv
Iași	Szeged	Varna
Timișoara	Miskolc	Burgas
Constanța	Pecs	Ruse
Craiova	Gyor	Stara Zagora
Brașov	Nyregyhaza	Pleven

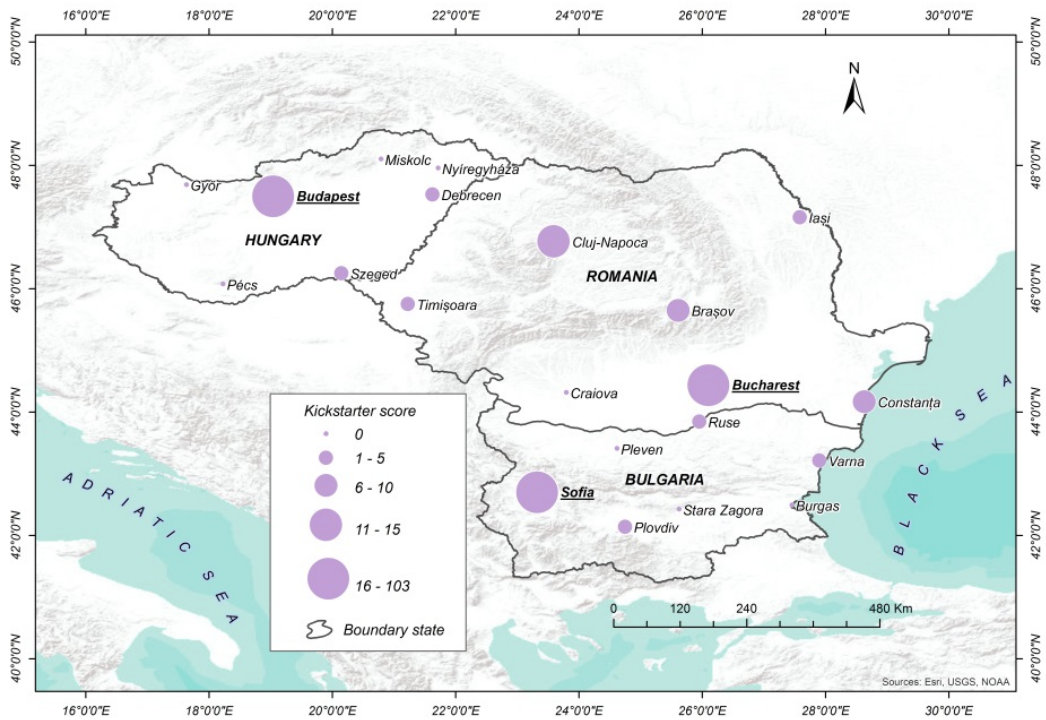


Figure 1. Location of the sample states and cities used in the study

Then, using the data provided directly by kickstarter.com, which allows viewers to see the location of each project and its proponent(s), we studied the structure of Kickstarter projects (the 15 categories mentioned above) based on the already mentioned cities, thus enabling a visualization of every project at city and national level and a characterization of every major city by the types of venture it launches.

RESEARCH RESULTS AND DISCUSSIONS

Table 2 depicts the number and distribution of all Kickstarter initiatives in Romania, Bulgaria, and Hungary, for the seven largest urban cores of these countries.

First of all, table 2 unravels the fact that Hungary's cities have a higher number of Kickstarter proposals than the urban areas of Romania or Bulgaria, with almost double the number of initiatives (106 projects submitted for financing compared to 69 and 58 respectively). Second of all, it seems Budapest and Sofia act as primate cities on the Kickstarter stage as well (more than 90 percent of projects are based in these two cities), amassing most projects in their respective countries and thus creating a massive creative and innovation geographic spike. In Romania however, Kickstarter submissions are more evenly distributed among cities, with Cluj-Napoca, for instance, holding 14 projects or approximately 20% of the total number of Romanian initiatives. Some other Romanian cities (Braşov and Constanţa), despite lacking a great representativeness, still manage to produce more project submissions than fellow tier two Hungarian and Bulgarian cities.

In the case of the cities of two of the three states under scrutiny, games seem to be the category with the most initiatives (21 out of 69 projects in Romania and 16 out of 58 in Bulgaria). The game category comes in second in Hungary (18 projects submissions), as video and film takes the laurels in Hungarian urban areas, with 24 proposals for funding. This is partially due to the fact that Hungary has become, in the last few years, a Mecca for big budget as well as independent film

enterprises. The new, massive moviemaking facility opened at Korda Film Studios, 29 km west of Budapest, quickly became a center for national and international film development, transforming Hungary and Budapest into a cinematic hub thanks to its cheap talent, seductive tax breaks and could-be-anywhere architecture (Nadler, 2010).

Table 2. Structure of Kickstarter projects per city and state

Source: www.kickstarter.com

Romania	Total	Art	Comics	Crafts	Dance	Design	Fashion	Film & video	Food	Games	Journalism	Music	Photo	Publishing	Technology	Theater
<i>Bucuresti</i>	34	2	0	3	0	3	1	3	1	14	0	2	1	2	0	2
<i>Cluj-Napoca</i>	14	0	0	0	0	4	0	3	0	5	0	0	0	0	2	0
<i>Iasi</i>	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0
<i>Timisoara</i>	5	0	0	0	0	0	1	0	0	1	0	0	0	0	3	0
<i>Constanta</i>	7	2	0	0	0	0	0	1	1	0	1	0	0	0	2	0
<i>Craiova</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Brasov</i>	8	0	0	0	0	2	0	1	1	1	1	1	0	1	0	0
Total	69	4	0	3	0	9	2	8	3	21	2	3	2	3	7	2
Hungary																
<i>Budapest</i>	103	7	3	1	2	11	3	24	2	16	0	7	7	11	9	0
<i>Debrecen</i>	1	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0
<i>Szeged</i>	2	0	0	0	0	0	0	0	0	1	0	1	0	0	0	0
<i>Miskolc</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Pecs</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Gyor</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Nyregyhaza</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	106	7	3	1	2	11	3	24	2	18	0	8	7	11	9	0
Bulgaria																
<i>Sofia</i>	52	1	3	1	1	6	2	8	1	15	0	2	3	6	3	0
<i>Plovdiv</i>	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0
<i>Varna</i>	4	1	0	0	0	0	0	1	0	1	0	0	0	0	1	0
<i>Burgas</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Ruse</i>	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0
<i>Stara Zagora</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Pleven</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	58	2	3	1	1	7	2	10	1	16	0	2	3	6	4	0

A look over the numbers above reveals that Kickstarter projects are category- as well as geographically clustered. Most project categories have little or no representation whatsoever, implying a lack of interest from would-be entrepreneurs. Theater, dance, or journalism for instance

are areas where few venture as if they were risky endeavors. It somewhat denotes a low level of creativity and innovation since risk and risk taking are, in our view, main features of these concepts. Geographically, the numbers indicate strong centripetal phenomena towards larger cities for creativity and innovation, as national state capitals absorb most talented people and the majority of ideas. Smaller and less talent attractive cities are left behind, steadily losing the creative game, while exceptions such as the Municipality of Cluj-Napoca are uncommon. As a side note, this confirms, for instance, Istrate and Horea-Serban's take on uneven economic growth and inequality in Romania (2016).

Again, we believe that creativity and innovation cluster where there are enough resources and where talent has been already established. Furthermore, we postulate that, in this case, the gravitational pull of the largest cities (Bucharest with over 2 million inhabitants, Budapest with more than 1.7 million, and Sofia with more than 1.2 million people) is extremely powerful because of their urban demographic mass, not because of their national state capital status.

Unfortunately, most projects fail, being canceled, suspended or unsuccessful. Bucharest for instance had only one project that managed to reach the proposed budget, with six more others under review, waiting to gather more financial backers. Bulgaria and Sofia had no successful projects, with 10 more under review, while Hungary and its cities failed as well to obtain the necessary funds.

CONCLUSIONS

At first, our case study may seem too straightforward and rather narrow in scope. However, we believe that it managed to convey that creativity and innovation, despite being universal thus theoretically evenly spread out, are in fact geographical concepts at heart. They congregate in locations with enough mass to support and eventually enable them to flourish. Cities, especially larger, more populous ones, are entities that have the characteristics that are needed, concentrating massive social and economic energy, crucial for creative, innovative people and their ideas to thrive. Despite failing to win sufficient financial supporters, Kickstarter proposals show that the creative and innovative heart of Romanian, Bulgarian and Hungarian cities is beating strong.

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