

CULTURAL PROJECTS AS URBAN REDEVELOPMENT TOOLS

The case of the Zsolnay Cultural Quarter in Pécs



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The cover picture shows one of the buildings in the Zsolnay cultural quarter.
Source: Hungarofest: Pécs captured by culture

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Master Thesis

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Acknowledgements

This thesis marks the end of a fascinating and happy period of my life as a student. I shall look back onto this period as an interesting, fun, sometimes challenging, but mostly pleasant period of my life, in which I have learnt so much and have grown as a human being. The thesis also marks the end of my master's programme, which I have followed with the greatest pleasure.

It's hard to put into words the things I have learned while working on this thesis, but it's for sure I've grown to be more independent, more curious and more organised. I have to admit that this thesis hasn't been exactly the easiest part of my studies. My curiosity in culture, economics and planning led me into an area of research most suitable for qualitative analysis, while I was completely inexperienced in this field of research. Nevertheless, I managed to follow through and I am proud to have finished the thesis.

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Aletta Dijkstra

ABSTRACT

The research focuses on the use of cultural projects as tools for urban regeneration. Past research on this topic reveals that scientific and professional analysis of these tools is often not in accordance with the objectives and scientific underpinnings underlying these tools. This research evaluates the case of the Zsolnay quarter in Pécs, as a part of the European Capital of Culture programme in 2010. It demonstrates how such evaluation can take place and aims to increase the understanding of how these projects are organized and which factors are of influence.

The literature review explores why culture has come to take an important place in modern-day neoliberal economy, as well as some complexities to be taken into account when using it in urban planning. Besides this, a framework is constructed in which cultural quarters can be analysed in their urban context. This framework is based on four dimensions: The physical environment, cultural life, management and organization and identity.

The case study is descriptive of nature and focuses on a single case. The Zsolnay case is unique in the sense that the cultural quarter was established as a part of the Capital of Culture program. Data collection consisted out of putting together documentation, conducting in-depth interviews and direct observations.

Findings reveal the importance of formulating clear objectives in using cultural tools, especially when these tools are used for urban regeneration or economic reshaping of a city. In the case the Zsolnay quarter there was ambivalence concerning the goals of the project and the way it was carried out throughout the entire process. This has very likely influenced the outcome of the project. Moreover, the research demonstrates how the local political situation can influence the organisation of large urban projects.

Looking at specific objectives and outcomes, as well as putting the Zsolnay quarter in a broad analytical framework has proven to be a useful method to analyse this quarter. This way, the researcher was able to take into account the characteristics of the quarter, as well as the urban context it's embedded in.

Keywords: Cultural quarters, European Capital of Culture, Cognitive-cultural economy, Hungary, Pécs

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INTRODUCTION

1.1. BACKGROUND

1.1.1. THE RISE OF CULTURE AND CREATIVITY

In contemporary economic geography there has been an increased focus on regional and urban competitiveness over the last decades (Martin, 2000; Swyngedouw, 2004). Regions are more and more competing with each other in attracting investors, firms and skilled people. Often, the goal of policy makers is to create a competitive advantage, by developing a region's innovative sectors (Hitters and Richards, 2002).

A competitive strategy that has become increasingly important over the past decades, is promoting a creative and cultural environment in the city. The creative class theory by Florida (2002) brought this strategy to the attention of many policy makers (Glaeser, 2005). It argues that cities that are able to attract a lot of creative people are more likely to grow than cities that do not have this body of creative people. In turn, creative individuals and, more generally, creativity and culture are believed to attract high tech, innovative as well as creative firms and skilled people. These types of firms are exactly the kind that is forming the core of contemporary economy in western countries (Scott, 2007). It is therefore not strange that if a city has a lot of skilled people working in core sectors; it's expected to do well in economic sense.

However, there is one group of creative people that stands out amongst the other, which is the group that Florida names the "Bohemians" (Florida, 2005; Markusen, 2006). Instead of being made up out of highly educated skilled individuals working in sectors such as Research and Development (R&D), health care and law, this group is mostly made up out of artists. Bohemians are said to have multiple influences on a city. Besides the function of innovation they are also said to create the right cultural environment by providing the city with cultural and creative products, as well as through their sheer presence in society (Markusen, 2006).

According to Kunzmann (2004), culture has other benefits, besides boosting local economic development and creating jobs. It can for instance also enhance a city's image and identity and increase the value of locations. Also it's mentioned to increase social cohesion and improve quality of life (Miles and Paddison, 2005). These inferred benefits are the reasons why many policy makers attempt to strengthen the cultural or creative sectors in their city (Hitters and Richards, 2002; Evans, 2004, 2005).

1.1.2. THE EUROPEAN CAPITAL OF CULTURE PROGRAMME

Within the European Union (EU) there are several measures to enhance culture, one of which is the European Capital of Culture (ECoC) programme (ECoC Policy Group, 2010). The way the ECoC program has been organized throughout the years, reflects

the rise of culture as a means to develop cities. In the ECoC programme, each year, one or more cities get assigned the title of European Capital of Culture and get funds to promote its cultural life during that year. This programme started 1985 and in the early years of the project the cities that held the title were mostly cities well-known for their cultural life or capital cities of European countries. In these first years, the ECOC program was regarded a prestige program in which cities could promote their "high culture" (Griffiths, 2006; Evans, 2005).

However, the view of the ECoC project has changed over years. This trend started with the nomination of Glasgow in 1990. Glasgow was at that time a city struggling with industrial decline, social problems and urban degeneration (Griffiths, 2006). The capital of culture was considered a catalyst in changing the perception of the city's culture as well as in revitalizing the city's creative economy and tourism attraction (European Capitals of Culture Policy Group, 2010).

From this time onwards, the ECoC title has increasingly become an award for cities aspiring to position themselves as cultural and creative hubs and aiming to use culture to revitalize their urban economies and to promote social change (ECOC policy group, 2010). Many cities have tried to follow in Glasgow's lead by trying to use the ECOC project as a means to deal with larger urban dilemma's, as opposed to merely celebrating their culture. Eventually, in 2006 The EU officially decided to incorporate envisioned long-term social and cultural development as one of the selection criteria for the project (European Parliament, 2006).

Examples of past objectives of ECoC programmes that were focusing on long-term development are raising a city's image to attract tourists; promoting culture amongst different groups in society; upgrading the urban structure by renovating public places or historically important heritage; bring different ethnic groups closer together; improving quality of life; boosting the city's cultural sector and last but not least, help the city's economy restructure itself towards a creative or knowledge based economy (Cogliandro, 2001; EC, 2009; ECOC policy group, 2010).

1.1.3. EVALUATING ECoC PROGRAMMES

Despite the popularity of culture as a policy instrument for urban planning and despite the ambitious objectives for ECoC programmes mentioned above, there has been little evidence that the programmes actually achieve the goals that are set during the nomination phase (Langen and Garcia, 2009). This is not necessarily because the projects themselves have been unsuccessful, but simply because evaluations of individual projects fail to look at the long term effects such projects might have. Often the successfulness of a programme is expressed by the number of visitors it attracted. While this is a fairly important number, because it expresses the ability of a city to advertise itself and it is an indicator of the economic impulse to the city, it should not be the sole indicator of the successfulness of the ECOC programme (ECOC policy group, 2010). The ECOC policy group concludes that research and evaluation often has a focus on narrow, quantitative economic measures, while the impacts of cultural programs are more intangible in nature and require a more complex evaluation.

This is also concluded in the research of Langen and Garcia (2009), which analysed 50 evaluations of large cultural projects and found that only sixteen out of these articles were attempting to do more than an economic impact analysis, by combining this type of analysis with a social impact analysis. Out of these sixteen articles, nine were commissioned researches. The research by Langen and Garcia demonstrates that the lack of research on the long term impacts not only takes place in researching ECOOC programmes, but that it's common for other cultural projects as well. It does, however, not mean that scientists are not convinced of possible effects of cultural projects.

There seems to be a mismatch between ECoC objectives on one hand and the research done to test these objectives on the other hand. The reason for this is probably that creating a suitable research method that grasps all the different aspects is very difficult, and requires research with a more qualitative or longitudinal character, whereas policy makers might prefer a simple analysis right after the event. However, to evaluate the successfulness of different programs, a more elaborate approach will be needed, because it will give both scholars and policy makers more insight to processes occurring during and after the event (ECOOC policy group, 2010).

1.1.4. PÉCS AS EUROPEAN CAPITAL OF CULTURE 2010

This thesis is a case study focusing on one specific case, that of Pécs, Hungary. Pécs is Hungary's fifth largest city and was Capital of Culture in 2010. In its application, it was made clear that the city has to deal with the industrial decline and that this has caused social segregation and economic decline. Just like Glasgow, Pécs aimed to turn this decline around by trying to reshape the economy into an economy based on culture, creativity and innovation. Also, Pécs was aiming to become a stronger regional centre for culture (Pécs2010 application centre, 2005).

To achieve these goals three main projects were planned besides the elaborate cultural programs. The first comprised the development of a few flagship projects. Amongst these projects were a concert and conference centre and a regional knowledge centre. The development of these projects would increase the central function of Pécs, as well as increase the cultural capacity of the city. The second goal was to redevelop public spaces like parks and squares so that they would become more accessible to those living around them and might form a catalyst for other urban development. The third project, which will be the main focus of this thesis, was to create a cultural quarter in a former industrial area, in order to create a dense environment which would be a centre for cultural, creative and educational activities. The former industrial area used to be the location of the Zsolnay porcelain factory, and was Europe's largest brownfield (Trócsányi, 2011). The former factory buildings were neglected for decades and in need of a new function. This thesis will focus on the decision making process behind this cultural quarter, as well as behind the ECOOC programme.

1.1.5. CULTURAL QUARTERS

To gain insight in the cultural quarter in Pécs, it is necessary to consider insights on cultural quarters in general. The first question that will arise is what a cultural quarter

is. This question is hard to answer because there are as much types of cultural quarters as there are cultural quarters. However, some commonalities have been found. According to Montgomery (2003), cultural quarters are quarters that host several types of primary and secondary urban activities, of which the essential activity is cultural activity. Ideally there would be both production and consumption of culture within the quarter and there should be secondary amenities to support this. A good cultural quarter should have a rich evening life and host a complex network of cultural and creative businesses (Montgomery, 2003).

However, as will become clear in the third chapter of this thesis, a cultural quarter can have many different forms, besides the one described above, depending on the specific goals for the quarter and the urban context. This makes cultural quarters hard to compare or evaluate (Evans, 2009). Moreover, evaluations of quarters are often based on best practice experiences and have little scientific underpinnings (Pratt, 2009; Evans, 2009). To deal with these issues, a framework in which cultural quarters can be observed will be laid out in the third chapter. This framework will be used to describe the case of the Zsolnay quarter in Pécs later in the thesis.

1.2. RESEARCH DESIGN AND METHODOLOGY

The study is a descriptive case study, done from a critical realist perspective. According to Easton (2010) critical realism is a paradigm that fits case research well as it justifies the study of any situation; however case research from a critical realist perspective only upholds if the objective of the study is to understand why things are as they are. According to Babbie (2007) case studies can be used to make inductions, but also to rebuild or improve theories, the latter is being done in this study. This seems to be consistent with the critical realist approach, which mainly builds on the concept of retroduction (Yeung, 1997), a method being used in this thesis to determine what factors have influenced the Zsolnay quarter so that it became as it is today. These insights can then be used to sharpen the theories on cultural urban planning.

1.2.1. CASE SELECTION

The case of the Zsolnay quarter in Pécs is both unique and typical. It can be regarded as typical, because Pécs is one out of many cities trying to use culture and creativity to improve its economic and social situation. However, the Zsolnay quarter is, like all cultural quarters, unique and as shall become clear throughout the thesis, it is hard to make a comparison between cultural quarters, as each is embedded within its own urban context.

Another reason to select Pécs is the time-frame in which this research has taken place. Yin (2009) states that case study research should only be done to study activities that are either taking place or fresh in the memory of those involved. The fact that the Zsolnay quarter has partly been developed within the time span of this thesis made it an ideal case.

1.2.2. RESEARCH OBJECTIVES

This study aims to use the case of the Zsolnay quarter in Pécs, as well as the ECoC setting in which it has been developed as an example of how cultural policies are being executed and what factors can be of influence on the outcomes of these policies. This will hopefully result in a greater understanding of strengths and weaknesses of these cultural policies and their theoretical underpinnings.

The following research question will be answered:

How and why was the ECoC programme in Pécs organized and how was the Zsolnay quarter a part of this programme, what were important factors that have influenced these two things, both prior to and in the course of the event and how can the Zsolnay quarter be regarded and evaluated in the urban context of Pécs?

In order to address this question, the following sub-questions will be answered:

- How can cultural quarters be evaluated in their urban context?
- Why and how was the ECoC programme developed and what factors have been of influence during this process?
- How does the Zsolnay quarter fit in the context of the ECoC programme?
- What factors are important in evaluating the development of the Zsolnay quarter and how can the quarter be regarded in its urban context?

The first question will be answered in the form of a literature review in chapter two and three. This review will first go into why cultural policies have become important and what possible pitfalls of cultural or creative policies are. After this, it will focus on cultural quarters in specific, by going into the definition of cultural and creative quarters as well as by creating a framework based on four dimensions, which can be used to characterize and evaluate cultural quarters.

The second and third question will be answered through a narrative on the organisation of the ECoC project in Pécs, and more specific of the Zsolnay quarter. Creating a narrative is a very important element on the descriptive case study (Yin, 2009) and it will allow the reader to see the ECoC year in a wider perspective. The fourth question will be answered by expanding the narrative on the Zsolnay quarter and pouring it into the framework that was moulded in the third chapter.

1.2.3. THE CASE STUDY APPROACH

Doing a case study is the most logical approach, given the topic research topic. Babbie (2007) describes a case study as “*the in-depth examination of a single instance of some social phenomenon*”. In addition to this, Yin (2009) states that case studies are done to understand complex social phenomena and to retain holistic and meaningful characteristics of real life events. More specifically, they can be used to understand the dynamics present within a single setting (Eisenhardt, 1989).

Case studies are a suitable approach when the researcher needs to be flexible because he can't control the parameters of the fieldwork beforehand. Within a case study research the researcher should be able to adapt the research when the data collection is not showing the expected results or when information turns up that requires for a change in the research methods (Yin, 2009).

Yin (2009) emphasizes that a case study design is not the same as a blueprint from which a researcher can read the exact steps to be undertaken. In this aspect case studies are different from other types of studies, which have a more fixed set of steps to be undertaken. To avoid problems with reliability it still remains important to think ahead and document the different steps that are taken.

Although there is a large body of scientific literature that supports the topic, this case study will mostly be descriptive of nature. The process that I will be researching is too complex to do an explanatory study and the literature will review that theories on cultural quarters are not uniform and evaluations have little scientific underpinnings (Evans, 2009).

This is why a descriptive case study seems to be more suitable than an explanatory study. The way I intend to deal with this literature is by using an extended case approach as described by Buroway, so that the study will fit well in the body of literature surrounding the topic (Babbie, 2007). In this type of case study it's common to lay-out the body of literature, before reviewing the case (Yin, 2007). Although it's beneficiary for researchers using this method to follow leads and hunches, they should be careful that they're not too flexible, as this can compromise the reliability and internal construct of a case study (Yin, 2009). In order to deal with this issue, a good case study protocol can be very helpful (Tellis, 1997). The case study protocol used for this research is available in Appendix A. It contains an elaboration on the research questions, as well as an overview of data collection methods and the research objective.

1.2.4. DATA COLLECTION

For this study several types of data are being used, which are documents, in depth interviews and direct observations. Each of these types is discussed below.

DOCUMENTATION

The use of documentation is useful for almost every case study (Yin, 2009). In this research the documentation plays a crucial role. To create the narrative, several types of documents have been used, including policy documents, scientific publications, newspaper articles and web-sites. An overview of the documents that were used is given in Appendix B.

The documents were obtained through searches on the internet, from interviewees and from the Baranya knowledge centre. The documentation has had several uses in the research process. In the earlier stages of the research it helped the researcher create a case study protocol and the interview guides. In later stages it helped to construct the narrative.

The use of documentation has its strengths and weaknesses (Yin, 2009). Amongst its strengths are the facts that documents are exact and a stable data source. However, the researcher must be aware of a possible biased selectivity in creating the documentation. The collection may be incomplete, due to inaccessibility of certain documents.

In the case of this research the language barrier posed some difficulties in creating and reading the documentation. For a few policy documents and websites, a translator was being used, but it was hard to assess whether some significant documents might have gone unnoticed, due to the researcher not being able to understand Hungarian well enough.

OPEN-ENDED INTERVIEWS

Interviews are often amongst the most important sources of case study data (Tellis, 1997; Yin, 2009) and can be seen as a conversation with a purpose, rather than an interrogation (Flowerdew and Martin, 2005). Interviews can have several forms: open-ended, focused, or structured. This research makes use of open-ended interviews. In this type of interview, the researcher can ask for the interviewees' opinion on events as well as for facts on the event (Yin, 2009). The interviews are open-ended in a sense that the interviewer has prepared a list of topics and open-ended questions he wants to discuss, but that during the interview he will follow the direction of the conversation, rather than sticking to the list (Yin, 2009). This approach can be challenging, because the interviewer has to make sure that all the topics are covered at the end of the interview, while making the conversation as natural as possible (Hennink, Hutter and Bailey, 2011). Another challenge is to avoid bias during the interview, by leading interviewees into giving certain answers (Tellis, 1997; Hennink, Hutter and Bailey, 2011).

In this research interviewees were selected using a mixed approach. An informant at the university was asked for contact details of a few persons. Also, documentation revealed a few key persons in the ECoC process. Thirdly, interviewees were asked whether they knew anyone else who might be of interest for the research. Possible interviewees were approached through e-mail or telephone calls. The second proved to be more difficult, due to language constraints, therefore the first option was preferred. Even though possible participants were approached twice or three times, the response rate was very low. Out of the 22 persons that were approached, ten persons responded and eight were willing to participate in the research. The low response rate might have been caused by language constraints either; possible participants might not have understood the e-mail or might have felt too unsure about their English to participate. Although the number of participants is low, the researcher feels that the participants do cover a large area within the organisation. However, findings would have been more solid, if more people were willing to participate.

During the interviews, an interview guide was used. although in qualitative research it's usual to use the same interview guide for every interview, in case study research the interview guide might need to be tailored more to the interviewee, as each

interviewee has her or her own position in an organisation and might have knowledge the other interviewees have not (Yin, 2009). Therefore, this research made use of different interview guides. Each interview guide had a general part, which was used in every interview, and an interviewee specific part, that was used to ask more specific questions to the interviewee. An example of an interview guide can be found in Appendix C.

The eight interviews lasted in a range from 50 minutes up to around 140 minutes. Each interview was recorded, to ensure that no information would be lost. Interviewees were asked for their permission to record, before the interview started. During two instances language proved to be a problem. In the first case this has been resolved between the interviewer and interviewee, by using German words where English wasn't understood. In the second case, a translator was used during the interview.

DIRECT OBSERVATIONS

Besides these two methods, some direct observations have been made. In this method of observation the researcher acts like a fly on the wall, trying not to stand out (Hennink, Hutter and Bailey, 2011). However, the researcher is still an outsider and isn't participating in any activity. These observations were mainly made to assess the physical environment and surroundings of the Zsolnay quarter. Unfortunately, the quarter wasn't open to the public yet, during the fieldwork period, so no observations could be made on visitors of the Zsolnay quarter.

During the observations, notes were taken about the quality and functions of the buildings, the conditions of public space and the people residing in these places. The observations thus mainly served the purpose of finding out how the Zsolnay quarter fits in its urban environment.

1.2.5. DATA ANALYSIS

Interviews and observation notes have been transcribed systematically. After this the data was manually categorized and tabulated in a few different forms. One of these forms was a time series, which helped create a narrative; the second was based on the different topics in the protocol. Finally, the third tabulation was based on the framework for cultural quarters created in the literature review.

In order to verify facts mentioned in interviews, data from different sources were triangulated. At this point the documentation was supplemented with a few items, as searches could be made more specific to verify certain facts. Therefore it can be argued that this research underwent a second cycle of data collection and analysis.

1.2.6. ETHICS

All interviewees were informed about the objectives of the research, before the interview. Because I was going to use some of the quotes for my thesis, anonymity could not be ensured, and the interviewees were informed about this fact. At the start of each interview I asked interviewees whether it would be alright to use their function or occupation in my thesis, which meant that someone reading this thesis

might be able to find out whom I have interviewed and what they might have told me. Each interviewee agreed on this, some even mentioned that it was unnecessary that I had asked this.

During the observations I did not ask for any permission, as observations were made in public places. However, as I was sitting or walking in plain sight and taking notes it might have been clear that I was observing.

1.2.7. POSITIONALITY

Researchers using qualitative methods should be aware of the fact that their presence can influence the outcomes (Hennink, Hutter and Bailey, 2011). During the interviews I was aware of the fact that I was an outsider to the European Capital of Culture in Pécs. I am not from the city, nor from Hungary, nor do I work in the public sector, which might have influenced the way interviewees saw me. I tried using this position by emphasizing that I'm a student eager to learn about their project, which naturally gave me a lower status than the interviewees and made me less threatening.

As Yin (2009) advises, it's better to ask Who and What questions instead of Why questions, because Why questions can cause you to come across as judging or patronising. I have therefore tried to refrain from such questions. Overall I had the feeling that the interviewees were open about the facts, but also about their opinions. The interview done with a translator was an exception to this, although it's hard to tell whether this is because of the translation or because the interviewee wasn't open.

1.3. OUTLINE OF THE THESIS

This thesis consists out of six chapters, of which this is the first one. The next chapter is a literature review on how and why culture is applied as a method of urban regeneration and what possible complexities are. The third chapter will go more in-depth, by focusing on cultural or creative quarters as a specific cultural policy for urban regeneration. It will give a definition of the concept of cultural quarter as well as build a framework in which cultural quarters can be regarded. Finally, it will briefly go into the lack of analytic methods for cultural quarters, which is relevant, when discussing the case of the Zsolnay quarter.

The fourth and fifth chapter will focus on the case of the Zsolnay quarter within the ECoC setting it was carried out. Chapter four will start by giving an overview of how the ECoC programme was organised, this is relevant as the Zsolnay quarter is a part of the ECoC programme and decision making on both elements are related. After this, the chapter will go into the development of the Zsolnay quarter and compare the quarter as it was planned with the quarter how it is now. In chapter five I will focus on the Zsolnay quarter from the perspective of the framework sketched in the literature review, and compare the specific goals for the quarter with their outcomes.

Finally, in the sixth chapter I will discuss the findings of this thesis, as well as give its main conclusions and recommendations for further research.

THE COMPLEXITY OF APPLYING CULTURE IN URBAN REGENERATION

Since the beginning of the 21st century, culture seems to have become an important concept for urban planners (Kunzmann, 2004). While in the past, only large flagship projects, such as the Guggenheim or the Louvre were important, nowadays each major city seems to have developed a cultural development programme involving things as festivals, museums and theatres in their regeneration strategies (Mommaas, 2004). Cultural planning is considered vital in successfully creating economic development within cities (Gibson and Kong, 2005). Also in smaller cities, urban planners have been using arts and cultures as development tools, in order to revitalize rundown areas, preserve buildings and solve community problems (Markusen, 2006).

The fact that culture has become an integral part of urban planning policies is beyond a shadow of doubt. However, the question why culture is important cannot be answered easily. As will become clear in this chapter, there are several factors that could explain the importance of culture. Many consider the creative class theory by Richard Florida to be one of the main drives behind cultural planning policies (Markusen, 2006; Pratt, 2009), but as we shall see in this chapter this theory has some shortcomings and cultural policy makers have to deal with a lot of complexities in planning and implementing their policy. The creative class theory is nevertheless so popular that cultural policies have become widespread in urban planning strategies (Peck and Tickell, 2002).

This chapter will start with a review of the creative class theory in the next paragraph. In this paragraph the main principles of the theory are discussed, as well as some critiques on the theory. In the paragraphs thereafter I will try to set out more elaborately why culture and creativity has become a marked aspect of urban planning and which issues need to be considered when planning culture and what the negative effects of these changes are. After this, I will discuss the role culture can have on urban competitiveness in the third paragraph. Subsequently, in the fourth paragraph I will go into some changes in urban patterns, and how they affect culture. There are some conflicts in cultural planning, which will be discussed in this paragraph as well. Finally, I will review how preferences of city dwellers may have changed, causing an increasing interest in culture, in the fifth paragraph, followed by some conclusions in the sixth paragraph.

2.1. THE CREATIVE CLASS THEORY REVIEWED

The creative class theory is a theory which proposes that the presence of a creative class is vital for a city's economic prosperity (Florida, 2002, 2005; Markusen, 2006; Peck and Tickell, 2002). This creative class is a group of people working in certain professions, in contrast to the human capital theory, which states the importance of the education of people. Creative professions are professions in which people are confronted with decision making and thinking out of the box on a daily basis (Florida, 2005). If a lot of people working in such professions are working in a city, this city is more likely to experience economic growth. Therefore, cities that are able to attract a lot of creatives, by having the right amount of amenities and the right atmosphere will, according to this theory, be more successful (Florida, 2005, 2007; Storper and Scott, 2009).

Florida distinguishes three types of creativity within the labour force. There is the 'creative core' consisting out of professionals whose job it is to generate new ideas, concepts and creative contents; besides this core there is a body of 'creative professionals' (lawyers, health care workers, etc) who support the creative core; and last but not least there is a small group of 'bohemians' consisting out of artists.

Despite its popularity this theory has received some criticism. First of all the definition of creative is by some considered fuzzy and arbitrary. It's hard to identify creative persons (Marlet and Woerkens, 2007) and the overlap with the human capital theory is very large (Andersen et al., 2010; Glaeser, 2005; Markusen, 2006), which makes the theory little renewing.

Secondly, it's hard to speak of one uniform creative class (Markusen, 2006). The creative core and creative professionals are mostly high income workers, who have completely different lifestyles and ideals than the group of bohemians. Although all three groups are deemed important for economic successfulness, their contribution to this successfulness is completely different. The first two groups of creatives are able to attract firms (Florida, 2002) and spend their money in the urban economy, while the last group has the function of reshaping the urban environment by their art and lifestyle (Markusen, 2006). The presence of this group may help nurture the other two groups in terms of offering cultural amenities, and by them interacting with other firms offering non standardized creative services (Kloosterman, 2010), but they are by far not as rich as the first group and their interests are very different (Comunian et al., 2010).

Therefore, even if this argument would help to explain why artists and cultural amenities are beneficial for the urban economy, it breaks down the creative class theory in a political sense. The societal position of bohemians can be both progressive and problematic (Markusen, 2006). The differences between groups of creative make it hard to identify what factors would pull the 'creative class' towards a city, if we can at all speak of a single class.

A third point of critique on this theory is offered by Scott (2007), who claims that the concept of a creative class is redundant, since creativity and culture have become

much more prominent in the configuration of contemporary capitalism. Therefore any area that has a lot of innovative people is likely to have innovative firms, which are thriving in contemporary capitalism.. Areas with innovative firms are more successful than areas that only have firms that are hardly renewing. Thus it's only logical that areas with creative people are economically successful and we can indeed hardly speak of a 'creative class' (Scott, 2007). I shall go into this argument in the next paragraph, as it is vital in answering the question how and why culture and creativity are important to any city.

Despite the offered critiques on the creative class theory, it holds some truths as well. For instance, it's a theory that takes into account the need for competitiveness and place marketing (Peck and Tickell, 2002; Pratt, 2009). Also it recognizes the importance of innovation and technology for economic growth (Scott, 2007). However, the theory mixes up the concepts of creativity and culture. Many people may use this theory as an argument to develop cultural policies for an area (Pratt, 2005), but, because the culture of bohemians is much different from the lifestyle of the other creatives (Markusen, 2006), these policies may not always have the desired effects.

Although the creative class theory shows some reasons why arts and culture can be considered an important element of today's society; it is uncertain how many of these reasons are applicable to any given case, due to inherent restrictions that can create conflicts. As a result of these conflicts, cultural planning is a complex endeavour. In the remainder of this chapter I will try to organize and explain arguments surrounding cultural policies. In the next paragraph I will start by explaining the position of cultural firms and arts in the contemporary form of capitalism.

2.2. PRODUCTION AFTER GLOBALISATION: A NEW ROLE FOR CULTURE

Over the last decades, there have been some shifts in capitalism that influenced the spatial configuration of production. The most prominent of this shift is most likely globalisation in combination with speedy technological developments and neoliberal politics. Due to these three combined trends the world has become much more open in terms of trade and economy. The boundaries for communication and transport over long distance have declined (Altvater, 2005) and this decline has had several influences on contemporary capitalism, as shall be discussed throughout this chapter.

According to Scott (2007) urban centres reshape themselves to fit the contemporary form of capitalism. The form of capitalism that has become dominant due to processes of globalisation can by some be described as post-Fordist capitalism or, as Scott calls it, cognitive-cultural capitalism. The previous Fordist system was characterized by large-scale manufacturing, which required a lot of workers in production plants (Storper and Scott, 2009). This has led to the formation of large metropolitan areas at production sites, often characterized by large-scale

suburbanisation. In the seventies this system went in decline, influenced by the economic crisis and the 'stagflation' (Harvey, 2007).

At the same time processes started which increasingly opened up the world economy. Capital controls between different states were abolished in the early seventies and the Bretton Woods agreement was discontinued (McCann and Acs, 2011). Across the world there was an increasing flow of capital, often in the form of Foreign Direct Investments (FDI). Flows of capital and information were sped up significantly due to technological advances such as the World Wide Web and the barrier of distance has become less problematic (Altvater, 2005).

Marxist critics argue that this globalisation, in combination with neo-liberal politics, is the next logical step for capitalists after the 1970s stagflation. In order to continue profit making, these capitalist exploiters would have to find new ways to become profitable again, seeking new markets and cheaper production factors elsewhere in the world (Harvey, 2007).

Be that as it may, the facts are that production of large scale goods has gotten a more global character over the last decades. With the entrance of some large economies into the world market in the late 1980s and early 1990s, new markets and production factors became available, and the production of large scale products has moved increasingly to developing countries (Scott, 2007).

For western countries this meant that the production system changed drastically into a technology and innovation driven system (Storper and Scott, 2009). Also diversity of products and personalised services became much more important. As a part of this, cultural products have gained importance as well. The cultural sector is considered important, because they can provide non-standardized services that both individuals and other firms are looking for (Kloosterman, 2010).

This effect can be seen as a capitalist desire to continue profit-making. New markets are being established for non-standardized services, culture and entertainment, because the older industrial markets are no longer profitable. Indeed in the last decades, many cities have tried to transform from an industrial city to a city based on technology and services (Birch and Mykhnenko, 2009).

Moreover as the nature of the product is changing from standardised to personalised and high tech products, sectors such as design and media are playing a larger role in creating and selling products (Scott, 2007). Furthermore, additional jobs can be created within a city by establishing high quality services for employees working in these rising sectors, for instances high class restaurants and cultural amenities (Storper and Scott, 2009). The creation of these jobs will help cities to grow even further and large cities will attract new firms because of favourable urban externalities, such as size of the market, skilled workforce and a high-tech infrastructure (McCann, 2001).

2.2.1. THE OTHER SIDE OF THE MEDAL

This paragraph has summed up how culture has become more prominent in production. Because of changes in the configuration of production and consumer preferences, cultural products have become much more important and profitable over the past decade. Moreover, they can help nurture the high tech workforce by providing suitable amenities. There is however also a downside to this shift in capitalism.

In the Fordist era, there was a separation between the so-called blue collar and white collar labourers. However, as standardised production has moved out, only high tech production remains, which requires skilled labourers. This means that for many of the former blue collar workers there are no longer suitable jobs available and they have to turn to lower jobs, increasing the gap between rich and poor (Scott, 2007). This increasing gap could cause informalisation in society (Altvater, 2005); as there is no longer any suitable work left for lower class workers, they might turn to illegal, more profitable solutions, and by doing this they will have negative effects on society. For instance crime rates may rise and infrastructure may become neglected because of economic deficits due to missed tax incomes.

This increasing social economic segregation should be taken into account when planning structural changes based on arts and culture. Otherwise, they might have the opposite effect of what is desired for some parts of the city.

2.3. URBAN COMPETITIVENESS AND CULTURE

In the previous paragraph I discussed how changes in capitalism have made the cultural sector increasingly important. In this paragraph I will go into aspects of urban competitiveness, which is another effect of the contemporary 'cognitive-cultural capitalism' and which is another reason why cultural features can be considered important in today's cities.

The cognitive cultural capitalism described by Scott is typical for large urban areas. This seems logical because it's those large cities that have the ideal conditions for the formation of knowledge or culture based clusters. They can provide firms with necessary externalities, such as a customer base, high tech infrastructure or a concentration of highly educated, skilled workers (McCann, 2001). Cities that are successful in combining urbanization economies with localisation economies are particularly successful in creating knowledge or culture based clusters (Lorenzen and Frederiksen, 2008).

Such cities are often metropolises, such as New York, London and Los Angeles; however medium-sized cities that are globally connected or that contain clusters which can be seen as centres of excellence in their field can also be very successful, according to Lorenzen and Frederiksen (2008). Unfortunately, not every city has the competitive position of London or New York. Most cities would even struggle to be a centre of excellence. Despite this, many cities are trying to be such a city, by increasing their technical and services infrastructure, in order to create a basis for

current and future urban growth. Creative and cultural services seem to be a crucial element within these services, because these services are to be the ones that will attract new firms.

This normative agenda of 'having to have a culturally develop city' has been instigated by Florida (Scott, 2007) and, as Florida suggests, many policy makers seek to upgrade their urban amenities and cultural life in the hopes of creating a new urban fabric in which knowledge and creativity based clusters will thrive. Culture has been recognized by many policy makers to be a very important factor in this process (Miles and Paddison, 2005). Following Florida's theory, policy makers reason that culture will attract a creative elite, which with their presence, might increase the urban externalities discussed in this chapter. However, Miles and Paddison (2005) suggest that culture might be overestimated in this respect, especially if a city does not have any central function. Nevertheless, as many policy makers still use culture as a part of their city marketing strategy (Karavatzis, 2005), more research on the effects of this strategy might be in order.

2.4. NEW URBAN PATTERNS

Changes in production factors of contemporary capitalism have not only increased the need for cities to be competitive but they have also had an impact on the fabric of these cities by influencing urban development patterns. This paragraph will discuss how the city centre has regained its importance and what problems occur with that importance.

To apprehend how physical development is influenced by evolving capitalism, it's vital to understand what links these two concepts. The link between capital and urban development has been made decades ago by David Harvey (Arrighi, 2009; Theurillat, 2008; Rutland, 2010). In 1978 Harvey wrote his theory on capital accumulation and the switching between different circuits of capital (Harvey, 1978). The different circuits of capital are called the primary, secondary and tertiary circuits of capital. The primary circuit of capital concerns the production capital, labour force and means of production within a production cycle. As capital over accumulates in this circuit and the profit rates fall, capitalists will have to find new modes of production and capital will jump into the secondary circuit. This circuit involves durable consumption goods, but also aspects of the built environment, like housing and infrastructure.

According to Harvey, capitalists have a tendency to over accumulate capital in the first circuit and the presence of a functioning capital market is a general condition for the flow into the secondary circuit (Harvey, 1978). Harvey argues that the reason why capitalists decide to move their capital into the secondary circuit is because they fear an economic crisis and seek new ways to avoid it. However, this point has been modified by authors drawing on this theory, by positing profit seeking as the main motivation for capital switching and the built environment as a good place to make money (Rutland, 2010).

Looking at contemporary capitalism in light of this theory, it can be concluded that the latest circuit shift is the shift towards highly personalized services and cultural products (Scott, 2007) and high tech and knowledge based industries (Birch and Mykhnenko, 2009). This was necessary, because due to the effects of globalisation, standardized production has moved from Western countries into developing countries, causing deindustrialisation in many European and American cities.

For a city to become suitable for new types of production, physical changes need to be made. In order to guarantee their competitiveness, cities must have a high-quality built environment that contributes to the performance and functioning of the urban organisation (Rutland, 2010). This built environment is often located in city centres, not only because of their historical function, but also because of their centrality and atmosphere, however due to processes of deindustrialisation and suburbanisation, these city centres have sometimes become areas of social segregation and rundown physical structures (Smith, 1996).

Many argue that culture should play an important role in recreating a high quality urban environment in city centres. It could not only enhance the image of a city or region, but the presence of culture also could have a positive impact on rundown urban areas (Kunzmann, 2004); often, the concept of a cultural quarter is used to help regenerate deindustrialized areas (McCarthy, 2009). In this way the spatial outcomes of the previous, industrial, form of capitalism are slowly being transformed to fit the contemporary form of capitalism.

2.4.1. INTERNAL CONTRADICTIONS OF CULTURAL POLICIES

Although culture could be a useful tool to help regenerate urban areas, the use of culture within city centres can pose some contradictions. These contradictions create a tension in the field of urban planning. I will describe three contradictions here.

CULTURE AND THE NATURE OF PLANNING

The first contradiction is in the nature of cultural products compared to the nature of planning. Pratt (2005) argues that the fields of culture and planning are hard to combine, because planning is structured and focused on specific outcomes, whereas culture is intrinsically anarchistic and individualistic. It can therefore be questioned whether public art isn't influenced too much by place branding priorities, which would sooner lead to homogeneity and erosion of distinctiveness, instead of emphasizing place identities (McCarthy, 2009).

HOW FINANCIALISATION INFLUENCES URBAN PLANNING

Another contradiction has to do with the increasing financialisation that came hand in hand with globalisation. Financialisation did not only have an impact on corporate organisation and increasing urban competitiveness, it also had effects on urban development. Over the past decades, commercial properties are increasingly being treated as financial assets (Rutland, 2010). By turning a tangible fixed asset into a financial asset it becomes transferable and exchangeable more easily on the market (Theurillat, 2008). Local governments increasingly have to work together or compete with private institutions, because their redistributive capacities are often undermined by fiscal austerity. This makes urban development policies more market oriented (Soureli and Youn, 2009).

The contradiction here is in the fact that while governments strive to create the ideal competitive high-quality built environment, to be as competitive as possible; this built environment is increasingly financed and owned by private and financial actors who act on an increasingly international scale (Theurillat, 2008). The built environment thus becomes a financial asset which is dependent on the mobility of capital, because the financial owners are able to compare different locations and select the location that offers the highest return on their capital. Therefore cities are more inclined to offer investors the best conditions for investing their capital into the built environment, which is contradicting their principles of economic sustainability.

Considering this argument, where would this leave cultural activities? Culture is one of the aspects that according to many, can lead to economic sustainability. However, giving culture a place within or close to a city centre might not be profitable. This creates a tension, in which policy makers have to weigh the pros and cons of cultural spaces. A way to deal with this tension might be to turn culture into a creative industry, by creating a public-private partnership. This way, cultural organisations might get the necessary finance, while they're still being managed by local governments (Roodhouse, 2006).

URBAN REGENERATION AND GENTRIFICATION

The third contradiction lies in the fact that there is only limited space in the city centre. As a result of the Fordist production system and subsequent deindustrialisation, central urban areas have, in many cities, become rundown and deprived places, inhabited by those who could not afford to move to a suburban area (Smith, 1986). Because these places have become run down and unpopular, the land prices devaluated. This devaluation has become very useful in regenerating these urban areas, to make them fit for the 'creative class' (Fyfe and Kenny, 2005).

Culture and the presence of artists is often mentioned as useful in this regeneration (Ley, 2003). However, reasons why artists are often residing in these areas, are because they are affordable and because these old areas are often seen as inspirational (Markusen, 2006; Ley, 2003). Yet, for the same reasons these areas are not only attractive to artists but also to real estate developers (Smith, 1986). The presence of artists will even enhance this attractiveness, because it adds to the atmosphere. However, as areas are redeveloped and gain popularity with the "creative class" and commercial services (Lees, 2000), artists will not be able to afford living in these neighbourhoods anymore, due to rising rents and also, these areas will be less attractive to them because they have become standardized (Markusen, 2006).

Additionally, a negative effect of gentrification is that the poorer population living in these areas is often forced to move away because of increasing land prices or because they don't feel welcome (Zukin, 1987). The problem of isolated deprived areas will thus move to other parts of the city, instead of being solved (Smith, 1986).

Concerning the effects of gentrification, it can be concluded that although gentrification can be beneficial for the areas in which it's taking place and for the urban economy as a whole, it may be restrictive for both artists and the poorer part of the population. Urban areas that are being gentrified make the city as a whole more attractive; however, creative industries may only have a temporary role in this

regeneration. If gentrification is market-led, artists and other low income groups are expected to move out of areas after they are being gentrified. Just as is the case with planning of commercial property, strategies for residential neighbourhoods should be carefully planned as well, taking into account possible issues of social segregation.

2.5. CHANGING URBAN SOCIETIES AND CULTURAL PREFERENCES

So far, the argument made in this chapter explained how changes in production sectors and preferences could have led to an increasing interest in arts and culture. In this argument there is one other aspect which needs to be discussed. This aspect is about the people living in the city and their preferences. Both in the creative class theory raised by Florida and the critiques offered by Scott, this is an important, if not the most important, component. The reason why bohemians are an explicitly important group in the creative class theory is that they contribute to the local creative climate, by providing consumption activities within a city and by direct export of their work (Markusen, 2006). According to Florida (2002; 2005), the presence of these consumption activities is the very reason why cities are able to attract highly skilled, creative workers. However, causality might go the other way (Markusen, 2006). I shall try to explain why this might be the case in this paragraph.

Scott (2007) argues that, because of the changed production nature, the gap between skilled and unskilled workers is increasing. Nowadays, the group of skilled workers is larger than before, and these workers are more inclined to consume cultural goods. This can be explained by looking at standard household economics. In standard household economy, the production of certain luxury goods is dependent on the preferences and income of the consumer. Since art can be considered a luxury good (Throsby, 1994), the amount of money a skilled worker spends on art can be considered higher than the amount an unskilled worker spends. This is because skilled workers earn more money and they can afford more spare time (Scott, 2006). A higher rate of skilled workers in a city would therefore also imply a higher preference for cultural goods. Moreover, economically, cultural good can be seen as addictive. If a person spends a certain amount on culture he is likely to spend more in the future, because many forms of arts are an acquired taste that comes with time. Furthermore, since the 1960s the 'higher' forms of culture have become more and more integrated with 'lower' forms of culture (Harrington, 2001), this might make several forms of culture more accessible to the growing group of skilled workers.

Not only are there more skilled workers living in cities, also do these higher educated persons, often referred to as yuppies, make life choices that are reflected in their production behaviour. For instance, a great group of higher educated individuals will chose to live in the city centre, where they are close to work and leisure activities (McCann, 2001). Because the decision to start a family is made later in life, these younger people have more time to spend on entertainment and friends and will use different services than those living in suburban areas. Also if yuppies living in city centres choose to have children, they will be concerned with the wants of adults as

much as with the needs of the children (Short, 1989). Therefore, the group of professionals that is gentrifying city centres will very likely consume more creative and cultural products than those previously living in these areas and those in suburban areas.

The argument above, suggests that the demand for culture has been growing alongside the change in production nature. But it also raises a few issues to consider. First of all, in the argument around culture, higher educated people are considered to consume a large part of the culture that is produced. This raises two questions. The first question is “what about the rest of the population?” Can’t they afford to spend money on culture or do they have different preferences? And if so, can’t these preferences be considered a part of the popular cultural production? The answer to this question will probably lie somewhere in the middle.

The second question is closely related to this question and is of much more interest to policy makers. If a city or an urban area doesn’t have a lot of skilled or “creative class” workers, would it still be profitable to invest in culture? Who would be consuming this culture?

In this case it might be a bit naïve to expect that investing in culture would automatically boost the urban economy, and it might be more realistic to assume that artists and cultural industries follow high skilled workers and thriving economies instead of the other way around, as argued by Markusen (2006). She argues that artists are often drawn to large urban areas, because it will give them the greatest change of finding employment.

However, when present in certain neighbourhoods, artists or cultural industries might be very fruitful in reimagining these neighbourhoods (Kunzmann, 2004, Markusen, 2006) and thereby attracting wealthier people from within the city to these areas. This will help reshape some urban areas and will make it more attractive to firms and higher class residents.

From the argument above it can be concluded that the presence of cultural amenities can be of great asset to a city, but that it’s questionable whether solely investing in cultural industries in order to reshape the urban economy will be a successful strategy. It might be that creative and cultural industries will not find a proper consumer base in such areas so that culture, in these cases, will be a sinkhole for local subsidies (Bontje and Musterd, 2009). If this is true, areas will very likely not gain popularity and higher educated professionals will not relocate into them, therefore effects on the local economy might be very small to non-existent.

2.6. CONCLUSIONS

This chapter has tried to argue how and why culture has become important within urban policy making on one hand, and what possible pitfalls for cultural policies are on the other hand. As we have seen in the first paragraph, the creative class theory has become a very, or more likely, the most influential theory that has created attention for culture and creativity amongst policy makers. However, it has been

argued that this theory is fuzzy and that there is no such thing as a 'creative class'. Although these arguments may be true, there are many elements of the theory that are true in some way. It is true that cultural and creative services have become an increasingly more important part of the urban economy. Also, it is true that there is greater competition between places, as well as the fact that new urban patterns reveal a significant role of the services sector in this production. On top of this, preferences of people have changed, which has caused a rising demand of cultural and creative products. This shows that the creative class theory isn't completely nonsense, although it may be too rigid in some aspects.

However, this chapter has also shown that there is a downside to the societal changes described above, being the increasing social segregation. This segregation not only becomes greater through changing labour activities an increasing gap in income and informalisation, it's also something that manifests itself spatially. Lower income groups are pushed out of areas that are being gentrified. The promotion of cultural activities and urban regeneration could be something that speeds up this process. This is an issue that policy makers will have to deal with in making cultural policies.

Besides the issue of social segregation, the chapter has demonstrated that planning for culture may not be as straightforward as it initially seems. There are a few questions that policy makers will need to consider if they intend to use culture as a means of boosting economic development. First of all, it would be important to consider if culture would really raise the competitive positions of a city. Can the city be seen as a professional centre of some kind and would culture help binding firms within a professional cluster to a city? Would the creative or cultural facilities be part of a larger development plan, to improve an ideal climate for knowledge and service based industries, or are they a stand-alone project?

Beyond considering the competitiveness of the city, policy makers will have to overcome some contradictions considering the planning of culture as well. First of all it needs to be considered to what degree culture should be planned. Too much planning could make the cultural facilities less unique, too little planning could mean that the initiative doesn't take off. Secondly, there is a trade-off between the use of culture in central areas on one hand and real estate profit making on the other hand. The presence of culture might improve the image of an area, therefore make it more profitable, however, the location occupied by cultural initiatives will very likely not generate any income themselves and may even cost money. Thirdly, it might be a real challenge to retain the cultural image in some areas, because as these areas become more attractive to higher educated professionals and service based firms, they might lose their attractiveness to artists or bohemians.

Finally, because the effects that cultural and creative facilities have in drawing people and firms to cities may be overestimated, the actual demand for culture needs to be considered. Are the cultural and creative facilities going to be used once they are there and who will be using them?

These issues show that although culture has been recognized as a tool for enhancing local economic development, there are a lot of catches to implementing cultural policies that will have the desired effects. There may be negative side effects or the total impact of culture may not be as great as hoped for. Therefore it's important to regard cultural policies to be part of the broader urban system, as it are changes in society that have made culture and creativity a more important part of economy, but these same changes also make cultural planning more arduous.

THE CULTURAL QUARTER IN ITS URBAN CONTEXT

The previous chapter discussed the reasons why culture and cultural based urban policies have gained momentum in the field of urban planning, over the past decades. Cultural planning strategies are regarded to strengthen local and regional economy, by influencing the urban climate, by aiding the local creative economy and tourism, by physically making places more attractive and by drawing in higher educated professionals. However, as we have seen, using culture may be a complex endeavour, because culture alone, might not be so influential and also, because there are possible downsides to the use of culture as well. This being said, there have been many cities that focused on culture and cultural policies to help regenerate the urban economy.

This chapter will focus on how cultural quarters as a specific type of cultural policies are being used to this end. It will start by giving a brief summary of how theories of clustering can be applied to cultural or creative clustering. These theories are important, because establishing a cluster often seems to be the rationale in cultural quarter policy. The second paragraph will go into the conceptualisation of cultural quarters by sketching a framework in which cultural quarters can be seen. This framework will be used as a guideline to discuss the case of the Zsolnay quarter, later on. In the third paragraph, this framework will be linked to clustering theories, in order to demonstrate in what ways cultural quarters can be instrumental for the clustering of cultural or creative industries, and how quarters might be evaluated in the future.

3.1. CULTURAL CLUSTERING AND THE URBAN ECONOMY

This paragraph will go into cultural clustering. In order to do so, it's important to first explain what is meant by clustering, as some authors use the terms 'cultural quarter' and 'cultural cluster' to explain the same concept (Mommaas, 2004; Stern, 2010). Although this shows that the one of the goals of establishing a cultural quarter is to strengthen or establish a cluster of cultural activities within the city, this is confusing in terminology. In this paragraph I will focus on the mechanisms of clustering in a wider perspective. This is important in order to understand the benefits of a cultural quarter.

In general, there are three types of clustering, each with their own configuration that makes the cluster successful (McCann, 2001). These are first, the pure agglomeration model, second, the industrial complex model, in which economic relations between firms influence their geographical behaviour and, third, the social network model, in

which there is a social network between firms, based on trust and the exchange of information (Gordon and McCann, 2000). It's important to find out which type of model dominates a specific cluster in order to make policy interventions.

Although clusters are usually dominated by one type of clustering, all clusters contain elements of the three configurations mentioned above (Dahl and Pedersen, 2004). First of all, by its nature, spatial proximity is a prerequisite, because it allows for contact between firms, based on their proximity. Similarly, firms within clusters can share externalities, like the ones defined in the neoclassical model, which makes it fruitful to locate close to each other. Also, even in very open clusters, firms are expected to have some sort of social network in which information is shared. This network is based on trust can be enhanced by the right cultural and institutional context (Hitters and Richards, 2002).

Dahl and Pedersen argue, following Krugman (1991), that within a cluster, firms are located close to each other because of three possible externalities that can cause advantages. First, the economies of specialisation, where a concentration of specialized firms is able to attract and support specialised suppliers. Second, economies of labour pooling, where the existence of a specialised labour market can attract specialised firms, which in turn can attract more labour and, third, technological externalities or knowledge spill overs, where knowledge and information flows more easily through the social network than over a long distance. Krugman (1991) discards this last aspect from his analysis, but Dahl and Pedersen (2004) discover that there are indeed flows of information between employees from different firms, concerning either technical matters about products but also information about the cluster itself, such as job openings.

Since each cluster is expected to contain elements of the three models described by Gordon and McCann (2000) the success of clusters doesn't rely on particular formula in which these elements of clustering can be mixed. Instead, each thriving cluster will have its own mix of different elements, along with idiosyncratic elements, such as the historical, urban and institutional setting , which makes up for it success (Kloosterman, 2010).

Since the market for culture is different from other markets in several ways (Scott, 2007), cultural clusters are expected to be different from other clusters, however they will contain elements of the three types of clustering discussed above. First of all the product of cultural firms is different from other products. Culture does not have the same oscillating trend of innovation as, for instance, technical firms have, so the aspect of knowledge spill over in cultural clusters is expected to be markedly different from that in, for instance, technology based clusters. Secondly, cultural products are also not as dependant on the supply of (a bulk of) raw materials, and therefore suppliers, as some other firms. Lorenzen and Frederiksen (2008) argue that because of this, cultural firms do not profit as much from externalities of specialisation as other firms do. Instead they profit more from externalities of urbanisation, such as the built environment or the presence of a possible market, which is vital to survive.

This is why cultural firms tend to cluster in urban areas, often forming a very loose network of firms (Lorenzen and Frederiksen, 2008; Gordon and McCann, 2000).

Although cultural industries do not have the same level of innovation as R&D firms, innovation does play a role in cultural production. The main output of cultural firms is creating an experience for the customer. This experience has to be renewed and innovated to maintain its attractiveness for potential consumers; ideally cultural firms should produce a constant stream of innovative output (Dahl and Pedersen, 2004). For this, contact with other cultural firms may be vital, just as it is in technological clusters. Concluding, cultural clusters are benefitting from being located in an urban environment as well as from being close to each other. The benefits an urban cluster of cultural industries can provide, is thus not only related to urbanisation externalities, but may also be found in the proximity and social network aspect within cluster.

It can be argued that cultural clusters can provide some localisation benefits as well, especially when the cluster is located in a specialized area, such as a cultural quarter. In some cultural milieux authenticity is seen as something that is vital for the image of a cultural industry. The right built form of an area can therefore influence the image of the businesses residing in the area, making them look more authentic or creative (Montgomery, 2003, 2004). In this case, the built form can be seen as an economy of localisation; it can be vital in adhering cultural businesses to a certain place, creating a bond between these industries and their urban environment,

From the paragraphs above it can be concluded that the nature of clustering amongst cultural firms is mostly based on urbanisation economies, however the social network aspect could potentially be important as well, just as elements of proximity can be influential. A cultural quarter can strengthen all these elements, as it concentrates cultural industries in a creative environment and improves the social network of these firms. However, the largest benefit of clustering, which is access to a potential consumer base of both firms and individuals (Lorenzen and Frederiksen, 2008), is not accounted for in such a quarter and is more dependent on the city the quarter is located in.

In the next paragraph I will discuss the concept of the cultural quarter more in-detail, so that the case of the Zsolnay quarter can be put in a broader daylight.

3.2. CONCEPTUALISING CULTURAL QUARTERS

Throughout literature there are many definitions of cultural quarters, or cultural clusters, as they are also called. Moreover, within literature there are also elaborate discussions on the question what can be defined culture and which industries can be considered cultural industries. (Miles and Paddison, 2005; Mommaas, 2004; Evans, 2009) In this thesis I will refrain from repeating these discussions. However, to examine a case of a cultural quarter it's important to have at least some concept of cultural quarter that can act as a frame of reference. To conceptualise a cultural quarter it's important to look at elements which construct a successful cultural

quarter (Montgomery, 2003; 2004), as the evaluation methods for cultural quarters are hardly scientific (McCarthy, 2009) and mostly evidence based (Evans, 2009). I will attempt to create such an overview in this paragraph, by reviewing prominent literature on cultural quarters.

This task is not easy, as different types of quarters might all lead to successful outcomes in different situations. Moreover, the opinion of what could be a good cultural quarter has shifted over time. Earlier articles are mostly prescriptive; they list elements which have been successful and thereby, in a way, plead that transference of these policies will result in success. However, in later articles, authors have become more aware of urban context and dilemma's that cultural quarters can bring about. I will discuss both the elements of best practice in earlier articles and the dilemma's they might raise in my review. Special attention needs to be called to the article of Bert van Meggelen (2007), which is not written from a purely scientific point of view, but from a practical approach, based on elaborate experience in the field of cultural planning.

3.2.1. THE DEFINITION OF “CULTURAL QUARTER”

Cultural quarters, or creative quarters or clusters, as they are sometimes called in literature, are urban areas that are a focus point for cultural activities. Within some cities these areas have developed over time and are often a historical part of the city. Examples of such areas are Soho in London or Montmartre in Paris (Evans, 2005). However, since the late 1980s, these areas are being active developed, often to redevelop former-industrial areas (Montgomery, 2003). It's those areas that are of interest for this thesis and that will be taken into account in the framework that will be sketched in this paragraph. A definition of these cultural quarters can be the following:

Cultural quarters are geographical areas of a large town or city which act as a focus for cultural and artistic activities through the presence of a group of buildings devoted to housing a range of such activities, and purpose designed or adapted spaces to create a sense of identity, providing an environment to facilitate and encourage the provision of cultural and artistic services and activities.

Source: Roodhouse (2006), Cultural Quarters, principles and practice

This definition implies that cultural quarters are much more than an area in which cultural facilities just happen to relocate together. It insinuates that these areas are planned by using terms as “devoted to” and “purpose designed”. Another element that can be derived from this definition is that a cultural quarter is more than just an area of buildings, because these buildings are designed “to create a sense of identity”. Also this definition reflects the fact that there may be different types of culture in a cultural quarter by using phrases as “a range of such activities” and by mentioning both “cultural” and “artistic” and by mentioning not only “activities” but also “services”.

Evans (2005) classifies four types of cultural urban areas, in cultural and artistic activities and services are differentiated:

Mono-cultural industry production – these quarters are based around the production of one specific type of culture, for example the music industry, textiles or film production. The firms in these clusters are often vertically integrated in the production process.

Plural-cultural production – these quarters are based around the production of several types of cultural activities. Firms are often integrated horizontally.

Cultural production-consumption – these quarters involve not only production of culture but also the consumption

Cultural consumption – these quarters are based on consumption alone. They usually exist in the form of cultural/shopping streets, entertainment venues, museum islands, and so forth.

Source: Evans (2009), From cultural quarters to creative clusters—creative spaces in the new city economy.

This classification demonstrates quite nicely, that urban cultural planners can opt for different types of cultural quarters, which would make the conception of a uniform framework for cultural quarters very complicated. Nevertheless, in the next paragraph I will try to create such a framework, bearing in mind that the type of cultural activity can differ amongst quarters.

3.2.2. A FRAMEWORK FOR CULTURAL QUARTERS

I will discuss the concept of the cultural quarter, making use of four dimensions, which are (1) the physical environment, (2) cultural life, (3) management styles and organization and (4) identity. These four dimensions were chosen carefully after carefully reviewing existing literature and will give the most complete overview of the literature. The resulting framework is displayed in figure 3.1. The framework is partly built on that of Montgomery (2003; 2004), who uses (1) activity, (2) built form and (3) meaning as the three elements that make up place, derived from Canter's metaphor for place. However I have decided to add a fourth element -management styles and organization- as many attributes having to do with managing a quarter were mentioned throughout literature (Brown et al., 2000; McCarthy, 2009; Evans, 2009; Montgomery, 2007; Bontje and Musterd, 2009). By adapting the framework used by Montgomery, the framework presents a more comprehensive overview of the aspects of cultural quarters.

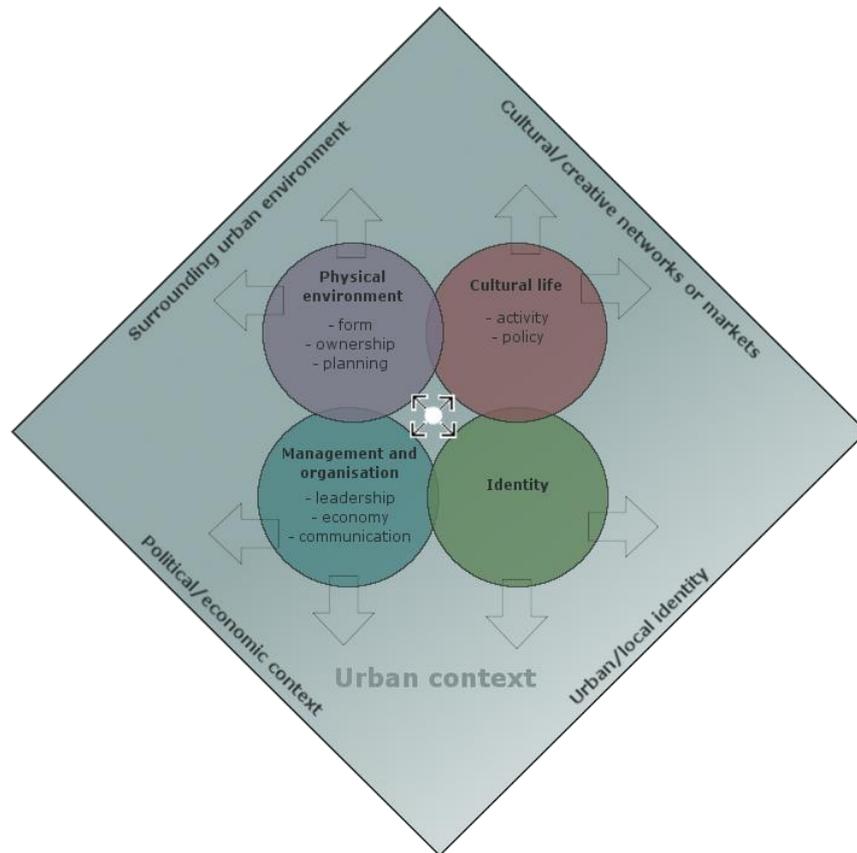


Figure 3.1. A framework for cultural quarters.

THE PHYSICAL ENVIRONMENT

Form

The right physical environment is vital to support the activities inside the quarter, that's why when designing or refurbishing a quarter, the future cultural programme and its needs, need to be kept in mind (Van Meggelen, 2007). Besides hosting the cultural activities there needs to be a supporting infrastructure, allowing for face to face constant to improve networks within the quarter (Brown, et al., 2000). This could be achieved by establishing open spaces and meeting spaces (Brown, et al., 2000), making sure that there are myriad patterns of movement within the quarter (Montgomery, 2003) and that there is a good reception area, possibly with a gallery to provide a showcase for artists in the quarter (Montgomery, 2007).

Montgomery (2003) states that a variety in building types allows for an interesting and permeable cityscape and will be suitable for housing different kinds of activities. Moreover, the quarter needs to connect to surrounding environments and structures, both architecturally (Montgomery, 2003) as through elements such as shopping spaces and wandering routes, which allows visitors coming from the city centre to move into the quarter more easily. This could also be achieved by creating necessary infrastructure and a public transport system towards the quarter. Roodhouse (2006)

identifies failed or delayed transport realignment as one of the elements that may be of risk to the successfulness of cultural quarters.

Ownership and rent

Although some authors plead for a mix of public/private ownership and mixed rent levels (Montgomery, 2003), this may be complex to manage on the long run. In multiple cases it has been reported that as a quarter became more successful, larger firms have been pushing out smaller, less profitable firms, and is doing this, privatizing most of the quarter and making it inaccessible to the smaller artists (Bontje and Musterd, 2009). By keeping some of the workspaces privately owned and rent controlled, quarters can bind growing firms to them. A variety of workspace size and costs will enable small artists to grow and move within the quarter as their businesses are becoming more successful, instead of having to look for a different location outside the quarter (Montgomery, 2003). Nevertheless, having a few large firms in the quarter will provide some stability by embedding smaller and micro firms (Evans, 2009). However the balance between publicly owned and privately owned spaces should be monitored carefully, if policy makers want to continue to use a quarter as a breeding place for beginning artists.

Although the commercialisation described above can be seen as a threat to local small artists in need for cheap workspace (Bontje and Musterd, 2009) and as a threat for a quarter to reflect the local identity (McCarthy, 2009), successful commercialisation of a quarter, could result in success as well, in which case the quarter could become the acknowledged cultural area in the city, while still being a natural meeting space for independent artists, as the case of Nottingham's cultural quarter shows (Shorthose, 2004). Moreover, as public funding is likely to diminish or discontinue over the years, privately owned capital might be fruitful to ensure sustainability (Roodhouse, 2006; Evans, 2009).

Formally or informally planned?

The success story of Nottingham is mainly due to the informal, bottom-up planning strategy, that has been used (Shorthose, 2004). This poses another dilemma, namely whether cultural quarters should be planned formally or informally. The establishment of cultural quarters might often go hand in hand with large public and/or private investments and therefore it might require formal planning (Roodhouse, 2006; Shorthose, 2004). However although formally designated quarters are more entrenched in cultural planning practice, less-formal approaches may be more malleable. For instance rigid top-down approaches might delay parts of the quarter to be developed due to land or building acquisition and planning objections (Roodhouse, 2006). Also a flexible approach could result in the formation of stronger interfirm networks (Shorthose, 2004).

On the other hand, Shorthose (2004) concludes that both vernacular and engineered quarters have the potential to be successful, as long as the adopted approach fits the goals and urban environment. For instance a neighbourhood that is already home to many artists due to cheap rent prices, may benefit more from a bottom-up approach,

whereas a cultural quarter that forms a part of a more elaborate economic or artistic development programme may benefit more from an engineered approach. In any case, a cultural quarter planning approach doesn't need to be either vernacular or engineered, it can be somewhere in between (McCarthy, 2009). It's important for the planners to have a clear view of the framework underlying the quarter or cluster, taking into account the kind of activities that will take place in the quarter and local needs and goals. McCarthy concludes that policy makers often reproduce existing frameworks, instead of taking into account a wider spectrum to consider different approaches. An ideal approach would involve a mix of both organic and top-down management (McCarthy, 2009). A fluid management approach banking on economic and political support is vital (Van Meggelen, 2007).

Urban dilemma's

Literature shows that there is one recurrent dilemma concerning planning of cultural quarters, which is that a cultural quarter can cause negative effects of gentrification (Bontje and Musterd, 2009; Evans, 2009). A cultural quarter could raise the image of the quarter itself and surrounding areas, which will cause land prices to rise. As we have seen this may force out independent artists, but it may also force out those living in the surroundings of the quarter. As cultural quarters are often established in run-down areas (Montgomery, 2003; Bontje and Musterd, 2009; Evans, 2009), this will frequently concern lower classes. By forcing these people out, cultural quarters may even increase social segregation and planners should be sensitive to this dilemma.

Another issue raised by Roodhouse (2006) is that in focusing on developing one specific area might go at the expense of other areas. Post-industrial cities might have multiple run down areas, which need not to be forgotten when developing a cultural quarter.

CULTURAL LIFE

The right type of cultural activity

Looking at the classification of cultural quarters by Evans (2009), given at the beginning of this paragraph, it becomes clear that cultural quarters can choose different sets of activity; A quarter can focus on production or consumption of culture, or a mix of both), furthermore some quarters might rely on one branch of culture, whereas other quarters house a mix of different types of culture. Within literature there are several opinions on the scope of activities a quarter should harbour in order to be successful (McCarthy, 2009). For instance according to Montgomery (2003; 2004) and Van Meggelen (2007) cultural quarters should provide an ideal mix of production and consumption in order to be successful. But how can we know what mix is ideal? There have been examples of cases, such as museum islands, in which a quarter based solely on consumption have been successful, (Roodhouse, 2010). A quarter solely based on cultural production seems less likely, as it might become more of an office space where people come just to work. In order to be an attractive

space for networking a quarter should at least have some basic consumption facilities (Brown, et al., 2000).

Although many authors plead for a mix of production and consumption activities, there isn't an optimal ratio for the two types of activities (McCarthy, 2009). In fact, it seems that under different circumstances, different scenarios might be preferred (Mommaas, 2004). In cases where there is already a centre for cultural consumption available elsewhere in the city, it might be more useful to focus on production, whereas if there is a need for a cultural centre for the public, it might be more useful to focus on consumption (McCarthy, 2009).

The same argument goes in assessing whether a quarter should be focusing on one type of cultural activity or on several types. Different configurations can all lead to success; as long as the policy and framework is clear (Mommaas, 2004). Policy makers should be aware of the already present cultural infrastructure in their city and the scale on which it operates. For instance, larger cities usually already have a rich and diverse agglomeration of cultural life and are connected to the world through various networks, therefore cultural policy focusing on diverse types of cultures might work well in these areas. However, medium and small-sized cities will not reach advanced levels of agglomeration and connectivity, thus for those cities it might be better to focus on a few specialized sectors (Bontje and Musterd, 2009).

In conclusion it seems that awareness to the cultural life in the rest of the city will help shape cultural policy for cultural quarters. Not recognizing and building on indigenous cultural activities and infrastructure is one of the main risks in establishing a cultural quarter (Roodhouse, 2006).

Matching cultural life to policy goals

Besides awareness to existing current life, it's also necessary to keep in mind the justifications for setting up the quarter, in other words: what effects should the quarter have? If a quarter is built to enrich urban cultural life it will need other type of activities than if the quarter is considered an economic development instrument (Montgomery, 2007). In the latter case, the quarter would need a production based focus, ideally with some large firms to benefit social networking.

Besides this, it's also important to consider the scale level the quarter should be servicing (Bontje and Musterd, 2009). Possible levels on which a quarter could operate are neighbourhood, city, region, or even on a higher scale as a tourist attractor. A quarter operating on neighbourhood level, might aim for neighbourhood involvement. Such a quarter would need completely different cultural institutes and approaches than a quarter that aims to serve a region. In the latter case some sort of flagship project might be needed to draw in the public.

Possible elements of success

Although most articles focus on the adaptability and suitability of cultural activities, Montgomery (2003; 2004) and van Meggelen (2007) also discuss some more practical points in organizing cultural life. First of all, a cultural program should have some kind

of synergy; the program should be coherent and fit the built structure (Van Meggelen, 2007). According to Montgomery (2003) a cultural quarter should have a 24-hour economy with an active street life and a 'café culture'. Furthermore the opening hours should be long and there should be 'people attractors', such as restaurants and shops. Besides these attractors there should be meeting and spaces as well, to make for the right diverse mix of cultural activity (Montgomery, 2003). It needs to be noted here, that Montgomery in his articles pleads for a mix of activities. For a quarter focusing on a single sector, or focusing more on production, not all of these things might be necessary, although these aspects would make any urban area more vibrant.

MANAGEMENT AND ORGANISATION

Important elements influencing the successfulness are the organizing capacities and competences of those managing the cultural quarter (Van Meggelen, 2007). Because many authors discuss some elements having to do with management and organisation styles, I've added this fourth dimension to the framework used by Montgomery (2003).

Leadership style

In the paragraph on physical environment and planning I've already discussed the fact that in some cases a top-down planning and in other cases a bottom-up planning of cultural quarters is more desired, depending on the specific situation and goals. This paragraph is more focused on management styles within the quarter, although the following paragraph also focuses on economic policy, something that should very well be considered, while planning the quarter, as economic sustainability is very important for the survivability on the longer run (Roodhouse, 2006).

There are a few authors that discuss leadership styles in relation to cultural quarters. According to Van Meggelen (2007) it's vital to have an open leadership style with open processes of communication. Moreover, it's very important that there is a shared vision amongst stakeholders, which should ideally be achieved before development of the quarter is started. This vision is shared by Evans (2009) and Roodhouse (2006), who argue that models of governance and economic development are needed. These models may be conceived by looking at best practice within the field (Evans, 2009), however, they should take into account local cultural and development policies, so that a quarter can adapt to the local environment (Roodhouse, 2006). Indeed, analysis of the political and economic context is vital in developing a cultural quarter (Van Meggelen, 2007).

Although most of the authors seem to agree on a governance open-style leadership, Mccarthy (2009) argues that policy makers should more often think of policy to be on a spectrum between top-down and bottom-up approaches and that in some specific cases a top-down approach might prove to be more conducive.

Economic awareness

As the economic dimension seems to be important in developing cultural quarters, many authors make claims on how to develop quarters economically. An important issue within economic policy of quarters is how to deal with ownership and rent

issues, this has already been discussed in the section on the physical environment. However, besides managing the quarter and its occupants, it's also important to be mindful of the outside world.

First of all, it should be very clear which market the quarter is serving (Brown, et al., 2000), as one of the main risks for a cultural quarter is a lack of markets for creative products and creative services (Roodhouse, 2006). It's important to take into account local markets and respond to them (Montgomery, 2007), for instance by constantly being aware of the competitive position of the quarter and by finding niche markets (Evans, 2009). Using existing local networks can be very important in doing this (Brown, et al., 2000).

Furthermore it's important to adhere to local economic policies and context (McCarthy, 2009). As has been discussed in the previous section, this means for instance adapting the type of cultural activity to the type that is needed in the city or region. This can be vital to gain economic support (Van Meggelen, 2007). However, Roodhouse (2006) warns that cultural quarter leaders should be aware of the overpowering effect local policies can have and be wary of the 'cultural imperialism' this might result in.

Communication

Another important aspect of management is communication, both internal and external. Van Meggelen (2007) recognizes that an open communication is favourable in developing and managing cultural quarters. Communication should not only be transparent amongst managers and occupants of the quarter, but should also be transparent to local policy makers, potential customers, media and nearby residents (Van Meggelen, 2007). Managers should be sensitive to signs from outside, as managing community expectations can be hard (Roodhouse, 2006). It's important that there is knowledgeability about the activities in the quarter, not only to the public, but also to the media, by effective and targeted marketing (Roodhouse, 2006), as well as within the quarter. This can help cultural consumption and can stimulate unity within the quarter (Montgomery, 2003).

IDENTITY

The last dimension used by Montgomery (2003) is identity. Part of this has to do with communication with media, which has already been mentioned above. Having a unique identity can help a quarter differentiate from other quarters and give them a unique selling point (Montgomery, 2003). To create an identity, managers can choose to build on urban or historic context or look at a present image and enhance this (McCarthy, 2009). However, McCarthy warns that enhancing a certain image can lead to homogenisation instead of diversification, as it has often to do with popular market images. This could reduce the unique image of a quarter. Instead it might be more promotive to build on local urban identity (Evans, 2009; Van Meggelen, 2007; Montgomery, 2003; Roodhouse, 2006).

Often this is done by understanding the history of an area and linking this to the current identity of the area and the urban context (Roodhouse, 2006; Montgomery,

2003). In this process it can be helpful to make use of local heritage by restructuring old buildings (Evans, 2009) or by public works of art, emphasizing the local history (McCarthy, 2009). It's important that a heuristic approach is used, combining the story of the area, with the built environment and with the cultural activities performed to achieve this local identity (Van Meggelen, 2007).

However, managers should be aware of other places in the area that might develop into cultural areas, for instance in neighbouring towns. This might result in competition, and a lack of distinctiveness (Roodhouse, 2006).

3.2.3. EVALUATING THE SUCCESSFULNESS OF CULTURAL QUARTERS

In the previous paragraph it has not only become clear that there are many different types of cultural quarters, but also that it's hard to establish a single recipe for success in establishing and managing different quarters. Moreover, it has been concluded that cultural quarter approaches are sometimes being criticized for their lack of scientific underpinnings. These two facts make it difficult to come up with a single method of evaluation for any cultural quarter (Evans, 2009).

Indeed in planning strategies regarding cultural and creative industries, policy makers often transfer 'best practice' policies to their own situation (Pratt, 2009) and that even the creative class theory is an example of policy transfer, as the objective of this policy (to nurture a creative class) is being used in all kinds of generic or non-generic policies. A downside of policy transfer is that, with the lack of evaluation methods, policy makers are at risk of reproducing failures, for this reason, policy makers should shy away from copying generic policies and device an approach that is specific to their urban context (Pratt, 2009). In order to evaluate such specific cases, it will be vital to look at the proposed objectives in each separate case (Roodhouse, 2006), which makes a general model for evaluating all cultural quarters impossible.

This is not the only difficulty in evaluating a cultural quarter. Another important issue to deal with is the fact that research in the last years has shown little evidence of a relation between cultural clusters and economic growth (Evans, 2009). Also there is no definite proof that cultural policies affect social cohesion and cultural integration positively (McCarthy, 2009). In fact, in some cases cultural policies turned out to result in social segregation (Evans, 2009b). It seems that only the cities in which cultural clusters are the result of natural processes are the only examples in which culture drives the economy (Evans, 2009). Moreover, cultural quarters that have been established through natural processes are able to focus more on the 'ends' of culture, instead of on the 'means', which suggests that culture is more integrated into daily life (Shorthose, 2004).

From this could be concluded that policy makers might have gone the wrong way in planning, managing and evaluating cultural policies. Not only do they need to be more wary of setting the right objectives and choosing an approach that fits the context. Furthermore, the lack of scientific evidence suggests that cultural policies and cultural clustering strategies may not have had the desired effects up until now.

More research needs to be done to reveal whether this is due to the fact that policy making and evaluation methods are too generic, or whether the effects of cultural policies in general are overestimated.

3.3. DISCUSSION

In this paragraph, I will discuss the conclusions for this chapter, as well as unite the framework for cultural quarters discussed in paragraph two with the clustering theory discussed in the first paragraph.

3.3.1. SENSITIVITY TO CONTEXT

Something that has become abundantly clear throughout this chapter is that policy makers will need to be sensitive to their surroundings when dealing with cultural quarters. Policy goals should be set considering the urban context and the cultural activities and services should match the local economic context as well as the existing cultural infrastructure. Besides this, it's important to have both political and economic support, as well as a good relationship with the media, so that there is sufficient support for the quarter. A good relationship with media and potential visitors will give insight in the cultural market and will help find niche sectors. Furthermore, the quarter should fit its environment architecturally and ownership structure should be carefully balanced, both to reflect the needs from within the cultural sector as well as to ensure economic sustainability and profitability in the long run. Besides looking at the cultural quarter, urban planners should take into account the effects the quarter has on the rest of the city, as it may force people out of the area and as it will also affect competing cultural facilities elsewhere in the city. Finally planners need to consider the uniqueness of the quarter, by considering possible other quarters in the region.

The combination of the tasks mentioned above, demonstrates that transference of 'best practice' policies is not the way forward. Each of the tasks mentioned above will be complex and will have no easy solution. To combine these aspects, thorough research would have to be done.

3.3.2. CLUSTERING AND THE CULTURAL QUARTER

In the first paragraph of this chapter I gave a brief overview of three types of clustering and how parts of these types could be applicable to cultural clustering. The first type mentioned was the model of (simple) spatial proximity, or pure agglomeration, in which clustering is based on sheer proximity of the firms. Establishing a cultural quarter creates this proximity, by providing locations for creative and cultural industries that are both suitable to their needs and affordable. The aspects of ownership and rent, discussed in the *physical environment* dimension, are important in ensuring the affordability of these locations; a proper architecture will enhance the suitability.

It has already been mentioned in the first paragraph that cultural or creative clusters tend to locate in cities, because this provides them with a larger consumer base and the built environment. Locating in a cultural quarter may enhance these features,

even if the individual firms were to have no contact at all, which is one of the main principles of the pure agglomeration model (Gordon and McCann, 2000). In the dimension of *cultural life* it has become clear that cultural quarters do well if they have a 24 hour economy and a 'café culture'. Adding people attractors such as restaurants and cafés, as well as some open spaces to relax, the area will draw in potential consumers and these people are likely to stay longer. This can be further enhanced by ensuring a quarter is connected to surrounding areas and has a supporting public transport system, as has been discussed in the dimension of *physical environment*. Moreover, if a quarter has managed to create a unique selling point, as discussed in the dimension of *Identity*, this might attract people from outside the city as well.

Besides the pure agglomeration model, there is the industrial complex model, in which firms choose their location based on geographical advantages. Although this model fits firms that require a bulk of raw materials and large industrial firms (McCann, 2001) some elements of this model can be found in cultural quarters. A marked difference with the pure agglomeration model is that in this model, clustering is based on contacts between firms and the fact that it's harder for firms to enter the cluster (McCann, 2001).

The openness of a cultural quarter depends largely on management styles. However, there are some elements in the framework that would stimulate this type of clustering. If a quarter is mainly production based and has some elements of vertically integrated firms, it will benefit the firms to locate close to one another. So if policy makers seek to stimulate clustering, seeking out and matching different cultural or creative activities is very important. Also if a quarter is more consumption based, cultural industries would benefit from the availability of exhibition spaces or spaces that can be used for performing arts. Therefore, the physical form and architecture of the quarter is very important in enhancing clustering within the quarter.

Although the *management and organisation* dimension is more consistent with clustering based on social networks, it provides some externalities that can be ascribed to the industrial complex model as well. First of all, by creating economic and political support for a quarter, managers create a security for cultural or creative industries, lowering the risk of relocating or starting up in a the cultural quarter. By maintaining a variety in size and costs of workspace this sense of security could be enhanced. However, some quarters carefully select their industries (Van Meggelen, 2007; Roodhouse, 2006), so entering the quarter is not easy for all industries and in some industries might have to conform in order to fulfil objectives set by managers.

The last model discussed by Gordon and McCann (2000) is the social network model. This model assumes that clustering does not only come with rational economic thinking, but also with interfirm contacts. These contacts can be formal, but are often also informal. A proper management style could promote interfirm contacts within a quarter. For instance, creating a shared vision and a synergetic cultural program could result in shared projects. Also as has been mentioned in the *cultural life*

dimension, larger industries could help embed smaller industries. For interfirm contacts to happen it's important to have some meeting spaces inside the quarter, as has been discussed in the *physical environment* dimension. Furthermore, creating an identity, either based on historical or urban context, can enlarge a sense of unity amongst different industries and artists.

In conclusion, there are aspects of all three types of clustering that can be stimulated by a cultural quarter, while without a quarter cultural clustering seems mostly driven by the spatial proximity model. Establishing a cultural quarter could therefore help to embed cultural or creative industries in their urban environment, by strengthening other aspects of clustering as well. However, as this chapter has made clear, the matter of planning and managing a cultural quarter is very complex and should be carefully researched in each specific urban setting, to achieve the best results.

THE CAPITAL OF CULTURE PROJECT AND THE ZSOLNAY CULTURAL QUARTER

In the previous part of this thesis I've discussed the growing interest in cultural development strategies and how these strategies can be important in today's society. Afterwards I've discussed cultural quarter development as one of these strategies. As became clear, this strategy is complex, and research on how to evaluate cultural quarter policies is still very much needed. In this part of the thesis I will go into the case of the Zsolnay quarter, which has been developed as a part of the European Capital of Culture Program in Pécs. In this first chapter I will give the narrative of how and why the city applied for this program and won, and how the development of the quarter fitted into the program. I will start the chapter by describing transitional trends in the city, followed by a description of the application process in the second paragraph and how the year of culture was prepared for and carried out in the third and fourth paragraph. Subsequently I will discuss how the Zsolnay quarter fitted into this program and how development of the quarter has taken place in the fifth paragraph. In chapter 5, I will discuss the quarter in light of the framework sketched in chapter 3, so that threats and opportunities will become clearer and this will help evaluate the planning process of the quarter up until now.

4.1 PÉCS, A HUNGARIAN CITY IN TRANSITION

Pécs being the fifth largest city of Hungary with approximately 150,000 inhabitants; is located in the south of the country, near the border with Croatia and Serbia. The city has a central function; it's the county seat for the South Transdanubian County of Baranya and besides this it's home to 20.000 students. In Hungary industry has played an important role in the development of the larger cities (Kiss, 2004) and in the last century and a half, Pécs was known to be a thriving industrial centre (Pirisi, et al., 2002). Important industries were coal and uranium mining, textiles (Nagy, 2001) and porcelain manufacturing. During the communist era mining used to be one of the main sources of income, however over the past decades employment in mining has almost been swept away completely (Pirisi, et al., 2002).

Much of Pécs's growth can be attributed to central state planning. When capitalism became the new economic paradigm, during the early nineties, this industrial growth came to a standstill. Everywhere across Central and Eastern European countries industrial production has been declining since 1989, and this is not different for Pécs. In the period from 1990 until 1998 employment in the industries sector was cut in half from 25.245 jobs to 12.728 jobs (Kiss, 2004). Furthermore, general economic decline

in Hungary caused total employment in Pécs to fall from 134.8 thousand in 1980 to 98.0 thousand in 1996.

The causes of these declining trends can be observed throughout central and eastern Europe. After state regulated production ceased to exist, and Europe opened up, firms were not able to compete in a worldwide setting, because they were lacking technological advancements and organisational features that made firms in other countries more successful. Furthermore, the demand for products was no longer regulated by states, but was determined by free market processes. In the case of Pécs, this meant a decline in the porcelain sector, as well as a decline in raw materials industries.

4.1.1. URBAN DEVELOPMENT STRATEGIES FOR PÉCS

According to some of the interviewees, the trends described above was well-recognised during the 90's and there on initiative of the university there has been research to find out in which way Pécs could develop itself in the future.

Amongst the main conclusions of the research was the suggestion that Pécs should focus on becoming a knowledge-based economy. The numbers of highly qualified people and information based services were amongst the highest in Hungarian cities in 1996 (Nagy 2001), so this suggestion was a very plausible direction.

Paths for development that were mentioned during the interviews were to focus on being a high quality service and leisure city, to be a regional centre of entertainment and culture and to focus on tourism. Focusing on leisure and health services seemed logical when looking at the demographic of the city. A lot of elderly chose to retire in Pécs, their spending could be great impulse to the city, so it would be vital to provide them with the services they needed.

Other strategies mentioned, were focusing on creativity and culture more than on leisure. Studies often drew upon examples from the UK and other parts of Europe, where the development of cultural industries, cultural clusters and cultural quarters had seem to lift cities like Glasgow and Liverpool from a trend of industrial decline into the twenty-first century of cultural production and economies. When Hungary was selected as the host for the capital of culture in 2004, these strategies seemed to become all the more relevant, because winning the title would mean getting the financial input that was needed to realise these plans. Strikingly, most interviewees mentioned either the works of Richard Florida or Charles Landry as the underlying rationale for focusing on culture. The application document doesn't mention either of these names, but it does address the fact that cultural urban policy has changed over the past decades, as well as the need for a knowledge based society.

4.2. RUNNING FOR CAPITAL OF CULTURE

Pécs was selected to be capital of culture in 2005, but the process of running for capital of culture started much earlier. As mentioned above, the idea to become more oriented towards, amongst others, culture, creativity and leisure industries, arose in the nineties, mainly under the influence of local scholars and professionals.

Around 2003 there have been a few organisations lobbying for creative industry and cultural planning. Although some of these discussion groups were purely civil, one of these organisations was led by the city council and involved members of the city council, members of the county council, experts from the university and from the chamber of commerce. This Regional European Information and Education Centre (PPC) was established as an incubator house for European integration. Because of the earlier by scholars established development directions for Pécs, this centre started looking across the border to see in which ways culture was being used to redevelop rundown parts of the city. The centre organized trips to Graz in 2003, which was at the time capital of culture and to Liverpool in 2004, which was preparing for a capital of culture program to be held in 2008. Both cities had been trying to use culture as a way to redefine themselves. Due to these trips and the strong scientific lobby for culture, the city council decided that if the opportunity arose, Pécs should try to compete for this title as well.

In 2004 it became clear that in 210 a Hungarian city would be appointed ECoC and thus, the city council decided to compete for this title. A person heavily involved in starting up the application process was Mr Toller, who was at that time the mayor of Pécs. He was mentioned in all interviews to have had a great influence on winning the ECoC title. The application consisted of two rounds and the document for the first round was written by the city council. However, after the first round, it became clear that just emphasizing the history and university life of Pécs wouldn't be enough and a special office was established to write the application.

4.2.1. APPLICATION AIMS

For this second application a lot of research was done on how to improve the position of Pécs by strengthening cultural life. The cultural program would be designed to involve the entire border region as well as promote contacts with neighbouring Balkan countries; hence the title for the program was Pécs, borderless city. Moreover, the program aimed to involve disadvantaged social groups and aimed to raise interest for the consumption of creative and cultural products amongst different groups in society.

Besides this cultural program, there was a large focus on urban development in the application. The application built upon the development poles programme in Hungary. In this programme, regional centres get a budget for developing themselves as a pole of regional competitiveness, to counterweight the central position of Budapest. According to this program, Pécs is to be a pole of quality of life and reshaping the economy should focus on three elements: health care, ecology and culture. With these three elements Pécs should be able to attract a group of pensioners looking to retire, as well as a group of young professionals, looking for high-quality cultural amenities and university life. By attracting these younger people, Pécs would ideally be able to establish a solid R&D sector and thereby increasing its competitive position, according to the local chamber of commerce.

The ECoC application built on this strategy, by creating a development programme to strengthen cultural life in the city. In short, the programme had the following objectives:

- To ensure that Pécs has cultural and artistic spaces which are sufficient in number, size and quality for the programs of the European Capital of Culture year.
- To promote the utilization of the city's economic potential and the development of the creative industry and (cultural) tourism.
- To make the system of cultural institutions in Pécs is compatible with that of the European Union so that they can fulfil international functions.
- To revive the urban character of individual city quarters
- To encourage talented young citizens to stay in the city
- To have an international regional radiating impact.

In order to achieve these objectives, three different development programs were taking place:

- Realization of some flagship projects, such as the regional knowledge centre, the conference and concert hall and a grand exhibition space in the city centre.
- The development of the Zsolnay production site, to become a cultural quarter
- The redevelopment of public places, such as squares and parks, to make areas more attractive and fight social segregation.

The reason why Pécs eventually was selected as ECoC was the fact that this application was so elaborately focusing on culture as a means for urban development. Not only was the aim of the Capital of Culture year to show how culturally diverse Pécs was, but the city of Pécs strived to use part of the money for long term benefits. Also, according to the applicants, the international orientation of the application was one of its strengths. These goals were in conformance with the goals the EU had set for the Capital of Culture programme, therefore the application was seen as a very strong one.

4.3. PREPARING THE YEAR OF CULTURE, TENSIONS BETWEEN POLITICS AND IDEALS

After the bid for ECoC was won in 2005, the city had around 4 and half years to prepare for the Capital of Culture programme in 2010. While this may seem like a long time to prepare for the cultural programs, it would be hard to realise the infrastructural part in that time span (Bakucz, 2009). This turned out to be true, because during the capital of culture year in 2010 the Zsolnay quarter was still under construction and closed off to the public.

The process of organizing the capital of culture programme and, as a part of it, the development of the cultural quarter has been turbulent. There are some causes for this turbulence, which shall be discussed in this paragraph.

4.3.1. SET-UP OF THE PÉCS2010 ORGANISATION

Quite a lot of the difficulties that were mentioned by the participants had to do with bureaucratic issues. After the selection for the capital of culture programme, the application office was transformed into the Pécs2010 management office. Although the described goals were clear, it was hard for the initial managers to create the transparency these urban development projects need. Both the initial manager as an architect involved in the process, state that local politicians were very much driven by the fear to lose power. This is demonstrated nicely in the following quote, by the first general director of the Pécs2010 management centre:

"There were many collisions between management and the city council. Constant conflict was embedded within the approach. They didn't want to have more people on board, we wanted to involve more people. Politicians were frightened of individual creative and strong personalities, individual thoughts. They wanted to keep it much more scrutinized, much more controlled and in their hands."

Other interviewees also spoke of an inability of the city council to relinquish power. According to some this had to do with the amount of money involved. For a city such as Pécs the project involved a lot of money and with the history of corruption in Hungary, these fears may be natural, however it does not help the process of preparing a program and planning urban development.

The city council wasn't the only government involved. Although Pécs had won the ECoC program, the financing of the program was diverted to the Hungarian central government, before being spent. This had to do with the poles of competitiveness program. The Hungarian government had decided earlier on that all regional centres in the country would get a budget in order to increase their competitive position. For the ECoC winner-this budget would be funded partly by EU money, partly by the Hungarian state fund, for the other cities it would be completely funded by the Hungarian government.

After winning the bid in 2005 the National government signed an agreement with the city council, in which was stated that the ECoC projects would be a joint venture between the city council, the Pécs2010 management centre, the national government, and Hungarofest, a national cultural organisation. A schematic overview of this collaboration can be found in figure 4.1.. While it may have been a good idea to share expertise between these four parties, some of the interviewees were very negative about it, for various reasons.

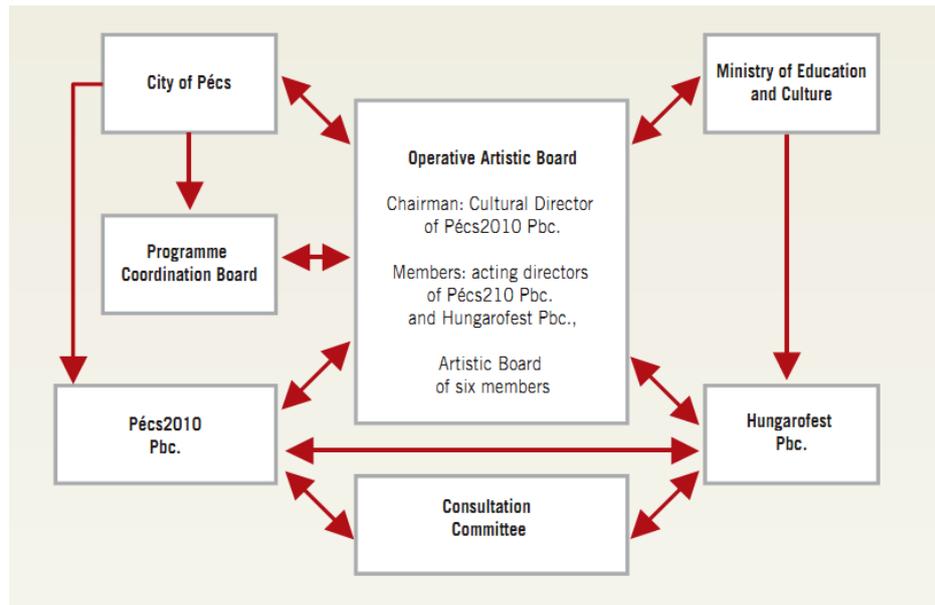


Figure 4.1. Cultural management structure of the ECoC programme. Source: Pécs 2010 monitoring report (2009).

An architect of the office involved in some of the development projects mentioned for instance that the decision making process was a slow, because every decision needed to be approved in Budapest before it could be carried out.

Furthermore, as the creative cluster manager of the Pécs chamber of commerce mentioned, another negative downside to this collaboration was that many of the projects were contracted with partners from outside Pécs, mostly from Budapest, and therefore the Pécs industries missed out on any extra income they could have had during the preparation period. Also the organizing partners chose to involve consultancies based in Budapest to judge on, for instance, how to develop the cultural quarter. This decision has made the city council and the ECoC project less popular amongst local stakeholders, because they felt left out in the decision making process, according to the creative cluster manager.

Eventually, in 2007, the original Pécs2010 managers resigned from the project. The fact that interviewees all told different versions of the events leading up to the resignation, shows that this topic might have been politically sensitive at the time. Some interviewees were under the impression that the original managers were fired because they wouldn't conform to local political ideas, while a former vice-mayor of the city said that they were leaving because they couldn't agree on a salary raise. However, the general director, whom this concerned, revealed that the management left, because they felt that the lack of freedom was keeping them from successfully organizing the event.

4.3.2. THE INFLUENCE OF LOCAL POLITICS

The first management was eventually replaced by a management that was much more oriented towards the city council, so there was less conflict between different parties. However, as the following quote by the dean of the faculty of fine arts

demonstrates, this management got replaced as well and politicians were involving themselves into the process continually.

First was Istvan Tarrosy, then he was thrown out, then the new leader, he was later thrown out, so there was kind of this terribly chaotic organization [...] the real problem was that nobody had any power, nobody could make any decisions. The system [of the Capital of Culture group] is that the culture should be completely free of politics, non-political, and they set up this company which was supposed to be the organizer, but the politicians continuously.. you know.. poked their nose in and be obstructive and get what they wanted and... because there were large amounts of money involved, huge amounts of money for regional development, they wanted to keep the money in the right place. So they didn't want to give this independence to Pécs2010 [management centre], which they should have done. So it was very difficult to move ahead with the events and in the end with the organization, because every time they did something the politicians didn't like, they threw out the... not just the manager, not just the big boss, but people all the way through the organization, I mean.

Replacing the people throughout the management centre and intervening with affairs, has caused some delays in the organization and realization of the Capital of Culture program. Also it drew bad publicity to both the local government and the whole Capital of Culture project, who were struggling to keep public support for the whole project.

The EU decision regarding selection and monitoring of ECoC's contains no official statement on how to set up internal organisation in a Capital of Culture. However, the EO website states that there are some further considerations which shall be made in practice, concerning the organisation of the project. One of these factors is:

"governance – a solid structure, managed by competent people who have some degree of independence from the political authorities, while at the same time enjoying their support"

Source: website European commission, http://ec.europa.eu/culture/our-programmes-and-actions/capitals/selection-criteria_en.htm, last accessed 20-02-2012.

This shows that a degree of political independence is valued. However, figure 4.1. illustrates the political organisation is very much intertwined with the Pécs2010 management centre. It shows that officially, the Pécs2010 management centre is contracting the development program; decisions are made on another level, also involving Hungarofest and an artistic Board. Moreover, the city of Pécs seems to be advising not only the management centre, but also this operative artistic board as well as the programme coordination board. Although this can be interpreted as "supporting" the governance structure, interviews revealed that it was much more than that. Not only did interviewees make statements such as the one given in this paragraph, they also often referred to local politicians as the decision makers in certain events. Also, an employee of the Pécs2010 management centre said:

"We have to pay for the companies in the city centre and the Zsolnay, so they [the companies in the city centre] can move into the Zsolnay park."

The use of the word "we" may suggest that this person considered himself to be an employee of the municipality as well as an employee of the Pécs2010 management centre. It also demonstrates that the municipality has taken it upon itself to finance both the Zsolnay quarter as well as all the cultural functions, which will be discussed more detailed in the next chapter.

The fact that politicians were interfering in the organization of the ECoC project, wasn't the only factor of instability. During the organization period, the city council has been replaced a few times, and each council had its own ideas on how to best organize the project. So besides constant changes in the management centre, there were also changes in the political opinions on how things should be organized.

4.3.3. POLITICAL INSTABILITY

Although local politics in the nineties were already focusing on parts of the cultural programme envisioned by the 2005 application, such as the Zsolnay quarter, it was Mayor Toller who decided to run for Capital of culture and who was one of the main political forces behind it, both locally and nationally. Due to his strong national lobby Pécs had had a fighting chance to win the application, also this mayor had been trying to collaborate with the university and professionals in order to write the application and create support amongst different stakeholders. However, in 2006, this mayor was involved in a car crash and eventually died.

To replace this mayor, elections were held, and they were won by Tasnádi, who was, like his predecessor, a member of the Socialist party (MSZP). Yet, Tasnádi was a far less popular person and seemed to have less leadership skills, or at least so he was portrayed in the media. According to several critics, he had a hard time controlling the development projects in the city and especially the financial side of them, which will be discussed later in this thesis. Some of the interviewees think that this mayor has made some decisions to change policies for the development projects, not because it was best for the city, but to return to popularity.

Tasnádi died from cancer in January 2009, and thus election needed to be held again. This time, they were won by a member of the Fidesz party, Zsolt Pava, who was challenged with getting the development projects of the ECoC programs back on track. His agenda was somewhat different from the agenda of the socialist mayors, influencing the Pécs 2010 management team to change directions once more.

A positive aspect of this change was that Pava was well aware of the unpopularity of the whole project and asked some professionals how to solve this. The given advice was, in order to regain support for the project, the management should involve all kinds of small scale organizations and encourage them to organize their own cultural projects, funded with ECoC money. This way the population would be involved more and they would directly benefit from the ECoC year. This has helped the 'soft' part of the ECoC program (e.g. the cultural activities) to be a great success. Despite this success the city was still struggling with the 'hardware' part of the project.

4.3.4. DISCREPANCIES BETWEEN IDEALS AND OUTCOMES

Under the influence of politics and the chaotic organisation process on one hand and of the crisis on the other hand, some of the things written in the ECoC application did not have the outcomes suggested in the application.

An important thing that was mentioned was the proportion of attention given to the “soft program” in relation to the “hard program”. Some critics said that during the application, the main focus was on the redevelopment projects and infrastructure, while in the end the city council and Pécs2010 management centre claimed that the main focus should be the cultural program. Indeed, in an interview with a former vice mayor of the city underlined this importance. According to critics, this shift in focus was the only way for the management to save their face, after all the delays and increased expenses of the development projects. It needs to be noted here, that in the past, many ECoC’s have had elaborate cultural programmes, and that these programmes used to be the backbone of the Capital of Culture project, so it would be strange if the city didn’t provide its citizens with a cultural program, after spending so much funds on the development programs.

Another point of critique was offered by the creative cluster manager of the local chamber of commerce. One of the objectives of the ECoC programme was to restructure the creative industry sector so that it would be more successful and thereby help the economy. However, according to the creative cluster manager, Pécs’s creative industries weren’t involved at all in the preparation of the ECoC year. According to the interviewee this was because the city council and pécs2010 management centre were unable to differ between cultural and creative industries. The ECoC preparations focused mainly on cultural industries, such as musicians and artists, while according to the manager, the creative industries are much more important for the future of the city. Especially in the case of the Zsolnay quarter, where there were plans for an incubator house, this might be a missed opportunity. In conclusion, the creative cluster manager felt that his cluster hadn’t been involved in the ECoC programme enough, while it represents all the creative industries in Pécs and the surrounding region.

In the case of the Zsolnay quarter, the discrepancy between the application and the actual outcome might be the most significant. This will be discussed later on in this chapter and throughout the next chapter. The following paragraph will be a short summary of the year of culture in 2010.

4.4. PÉCS 2010, THE BORDERLESS CITY

This thesis wouldn’t be complete if it didn’t have at least a short summary of the ECoC programme in 2010. Therefore in this paragraph I shall give a short summary of the highlights of the year of culture in 2010.

During the entire year of 2010, as well as during the preparation years, there has been a plethora of cultural activities, such as concerts, expositions, and theatre performances. In total there have been 650 projects organizing 4675 events

throughout the year. All interviewees considered the “soft program” a great success. The dean of the fine arts faculty stated that the programme was a great experience for art students and young artists alike, as they had a chance to exhibit their work and show the public what they were doing. Also there was a strong focus on international relations, as many projects involved foreign artists and some projects were aimed on taking Hungarian art abroad.

Although the ECoC project aimed to strengthen relations with the southern cultural zone and there were several programmes involving Croatian or Balkan culture, People from this zone were not amongst the largest groups of foreign visitors. One of the interviewees was of opinion that the program didn't have enough consistency to reach out to people living in that region.

The development projects were mostly successful as well, although some of them did not finish in time before the year 2010. Redeveloping public spaces was often mentioned by the interviewees to be a successful project. Interviewees felt that these public spaces have become more accessible and that the people of Pécs are very positive about these changes.

Other successes that were mentioned were the knowledge centre, and the Kodály concert and conference centre. The knowledge centre opened its doors during October 2010, which is later than expected. The library was established by merging the city library with the regional library and university library and the interviewees agreed that this library is a great asset for the city. A reason why finishing this project late was given by the dean of the faculty for fine arts, who revealed that initially the plan was very sloppy and there was no concept until the university decided to join in. Without the university, the outcomes might not have been as positive as they are today.

The Kodály concert and conference centre was opened in November 2010. It's a missed opportunity that this centre wasn't opened sooner, because it would have been a very good place to host cultural activities, but since construction only started in August 2009 and during construction there were some unforeseen circumstances with the soil, the building was not in time for the year of culture.

The concert hall is one of the facilities expected to improve cultural life in the city, as it offers a place for concerts that wasn't previously available. Also, the concert hall is the only of its kind in the region, therefore it's considered a great asset in helping Pécs strengthen its position as cultural centre.

The last big project was the Zsolnay cultural quarter. In spendings, this quarter is the most costly project of the ECoC programme. The development of the quarter also has been facing delays, as will become clear in the next paragraph.

4.5. ROLE OF THE ZSOLNAY QUARTER

The redevelopment of the Zsolnay quarter seemed to have a special role in the application. The quarter was not only meant to be a development tool, it also would

reflect the history and identity of Pécs, by combining a historical important site, with new cultural functions.

4.5.1. A SHORT HISTORY OF THE ZSOLNAY HERITAGE

The Zsolnay heritage has always been important to the city, both economically and culturally. However the factory today is much smaller than it once used to be. The Zsolnay factory has been founded in 1868. At first it used to be a small family business but in a few decades it grew out to be a world-leading manufacturer of porcelain. This was partly due to the unique production process. Besides regular porcelain production the factory invented two other techniques. The first was the use of pyrogranite, which created a ceramic material that is impervious to weather conditions and can therefore be used as an architectural element. The bright Zsolnay tiles are visible throughout great parts of central Europe and made the Zsolnay brand very visible and well known. The second technique was the so-called eosin technology, which gave works of arts a unique look.

In 1868 two thirds of the current Zsolnay site, east of the city centre, had been built. Not all original buildings survived until today, some of them have been rebuilt in the past.

The Zsolnay heritage had its peak from 1900 until 1922. In this period porcelain was produced on a large scale. However, the last heir of the Zsolnay family died in 1922 and economics were getting worse in the face of the approaching world war.

After WWII, Hungary became a socialist state and the Zsolnay factory became a state owned enterprise in 1948. Under the regime and its plans, production shifted from production of more exquisite goods to mass production of industrial insulators. In 1950, the use of the special techniques mentioned above was forbidden and the Zsolnay brand devaluated greatly.

During communism, a more modern building for mass production was built and production moved out of the older buildings, which weren't renovated. With declining production they became obsolete and were abandoned. In 1982 the plant regained its independence and demand for decorative products increased slowly. However in around 1990 this demand decreased again, as a consequence of increased market orientation and the deteriorating national economy. In 1991 the factory became a stock company, and subsequently became a privatized company in 1995 with as the main owner the Hungarian Investment and Development Bank. Since 1999 the production of industrial porcelain ceased and the Zsolnay Company is only producing porcelain tableware and decorative products nowadays. The number of employees has decreased from around 2000 before the 1990's to only a few hundred today, hence the factory didn't need most of its old buildings, which were too decayed to use as well. Since 2006, the factory is owned by the Zsolnay heritage fund, which is a company owned by the municipality of Pécs.

4.5.2. DEVELOPMENT OF THE ZSOLNAY PRODUCTION SITE

After the Hungarian state had pulled itself away from the factory, the real estate on the former production grounds of the Zsolnay factory came in hands of several

companies. A part was sold to the city of Pécs, a part was sold off to a few investment companies and the newer part was still in hands of the Zsolnay porcelain manufacturing company. However as a few of the interviewees indicated, the old buildings were under monument protection and could not be replaced. Redeveloping these buildings would be very expensive, so they were left empty for a few more years.

Already at the end of the 1990's plans were made to give these buildings a new function, preferably a creative or cultural function, but financially this was never possible. The ECOC program was a good opportunity to finally overcome these difficulties, therefore the Zsolnay quarter was taken up in the application.

In accordance with earlier ideas in the nineties, the quarter was destined to be redeveloped into a cultural quarter, and the first thing that had to happen for this is that the city of Pécs needed to buy all the properties that were inside the former production site, as the municipality did not feel much for public-private partnerships. After the city had bought all the properties, the Pécs2010 management centre called for architectural tenders in 2008, which was won by a group of young architects from Budapest. At the beginning of 2009 the plans were ready, but construction couldn't start straight away due to the fact that the Management centre still needed to file for building permits and find a contractor. Over 40 building permits were filed and the actual construction didn't start until August 2009. Some interviewees suggested that the permit procedures might have gone faster if the ECOC organisation wasn't set up to be collaboration between four different parties, as discussed earlier in the chapter.

Also, the financial crisis has had negative impacts on the development of the quarter. It caused some uncertainties in the preparation process, as the Hungarian currency was deflating. Since many of the building materials had to be imported, this had negative effects on the costs. Furthermore, there was a large increase in the price of bank guarantee insurance costs for the constructors, due to the credit crunch. As a consequence of this, public procurement procedures had to be delayed until January 2009, while they were originally planned for 2008.

Besides the permits and financial crisis other factors of delay may be that at this time mayor Tasnádi had just passed away and in May 2009 the new mayor was elected, which could have caused for some uncertainties in how to handle the process, since the Pécs2010 management centre was so heavily under the influence of local politics. Another reason for this delay that was mentioned in the interviews was that the city council wasn't well informed on the EU contracting process. This may, according to one of the interviewees, have cost at least three months.

After production had started, it turned out that a lot of restoration of the older buildings involved restoration of delicate features, which could only be done by hand, therefore restoring the buildings took longer than expected. In the year of 2010, the quarter could not be opened to the public, because it was still far from ready. Some of the interviewees agreed that this was a missed opportunity, because hosting some of the cultural events in this quarter would have given it a boost in publicity.

A striking fact is that some of the interviewees noted that the many delays were typical for Hungarian political culture. By making statements such as "*Hungarians are always late*", these interviewees seem to have accepted that tardiness is part of the development process in Hungarian development programs.

At the end of 2010, the first institutes were ready to move to the quarter. First, the Sikorski villa was completed in September 2010. This villa houses an exhibition of porcelain produced in the heydays of the Zsolnay factory, the Gyugyi collection. This collection used to be a private collection, but it had been bought by the municipality.

Later, in December 2010, the Pécs art gallery, which was previously located in the city centre, relocated to the quarter and at the beginning of 2011 the Bóbita puppet theatre followed. This theatre was also located in the city centre, but its former location was run-down and required renovation. Because it was cheaper to relocate, the theatre director had been lobbying for a place in the cultural quarter. In the first months of 2011 the quarter was opened to the public only a few hours a week, as it was still very much a building site. However, over the course of 2011, different buildings in the quarter were completed step by step and different institutes moved in.

In July 2011 an agreement was made with local restaurant holders and the local wine and beer industry, to ensure cafés and restaurants would move in. In August and September both the Faculty of visual arts and music and the university theatre relocated to the quarter. The faculty had previously been spread out all over the city, and the old buildings they resided in didn't fulfil their needs. This is why it was decided that it should move towards this area of the city. At the end of 2011 the planetarium, youth centre, university theatre and an interactive science lab moved into the quarter. The planetarium is expected to be fully functional in February 2012.

4.5.3. COMPARING PLANS AND OUTCOMES

To understand whether the development of the quarter was successful, it's useful to compare the quarter as it was planned to the quarter as it is now, since evaluations of cultural quarters should be done, taking into account the unique context, which is one of the main conclusions of chapter three. This comparison will help taking into account and evaluate specific policy goals, which will be done in the next chapter. Also, it might help putting the quarter in the framework that was sketched in chapter three.

The original application is quite short on how the Zsolnay quarter is envisioned. The applicants state that the Zsolnay quarter has always been interesting to tourists, because of its parks and by giving the quarter some cultural activities its attractiveness should grow. By making the quarter more lively it would not only become more attractive to tourists, but also to citizens of Pécs. This was to be achieved by introducing new artistic and educational functions, as well as functions relating to leisure time and catering industry.

The 2005 application states that the following functions were planned to be established in the quarter:

- A thematic park of industrial history. This museum would show the industrial heritage and technologies behind the production of porcelain. Although the Zsolnay heritage was already strongly represented in the application, this theme is now a very strong central theme within the quarter. Visitors can see different aspects of the production of porcelain, as well as visit an exhibition on the Zsolnay family history and the Gyugyi exhibition. Furthermore, many of the open spaces contain porcelain artworks.
- A training base of the faculty of visual arts and music of the University of Pécs. As the faculty of visual arts and music was located at different locations, scattered out over the city, they have been looking for a new location. In earlier plans this location would have been a sort of campus. However, once the city got the ECoC title, the local government decided that the faculty would be better off inside the Zsolnay quarter and the earlier plans were scrapped. According to the dean of the faculty, the faculty wasn't too happy about being forced onto this location, but at least it was an improvement compared to the old situation. Thus, instead of establishing a training base, now the entire faculty is located inside the quarter. This is a significant difference between the plans and the outcomes.
- A Design Centre. This centre would include an exhibition space and a documentation centre, in which southern European design art would be documented. The exhibition space would have a commercial character. When taking a look at the current facilities in the quarter, the exhibition space of the Pécs gallery (Pécsi galéria) fits this description best. The Pécs gallery has been operative since 1977 and its main exhibition space is in the city centre, on the main square. The newly renovated rooms in the Zsolnay quarter provide the gallery with more modern rooms for art exhibitions. The gallery operates on an international field, but also gives local artists the change to exhibit their work. A few interviewees indicated that the reason for letting the Pécs gallery move into the quarter was that it was too expensive to renovate the existing exhibition spaces in the city centre. Some interviewees were disappointed that the Zsolnay heritage management chose to let an existing institute move into the quarter, instead of letting the quarter manage its own exhibition spaces, and blamed local politics to be responsible for this decision.
- An incubator house. The main function of the incubator house would be to help small creative industries start up their business by providing cheap studios and workshop areas. However, today there isn't really an incubator house present in the quarter. The closest thing is the youth centre, which organizes cultural activities, such as concerts or workshops, aimed at a younger public. In the quarter the youth centre has rooms to organize concerts and some rooms for dance and music practice. Between all the previously planned functions, this is probably the largest difference between original plans and outcomes.

- A Centre of Contemporary Arts. This centre is also referred to as the Art Factory in the application. The city planned to build this centre on the southern side of the complex, where it should comprise exhibition halls, studios as well as a stage and educational facilities. The goal of this centre was to form a bridge between high culture and alternative culture, by offering different types of music and theatre performances. This is also one of the elements that seem to have fallen through. The main part of the southern side of the quarter is now taken up by university buildings. There are venues for concerts, however. One of them is the E78 concert hall, which is mainly used for activities by the youth centre and the Pécs cultural centre, both of which already existed before the quarter opened. The other is the Liszt concert hall which is mainly used by the faculty of visual arts and music.
- A Hotel, a restaurant, a café and offices. There are a few cafés and restaurants inside the quarter and there is also a guest house opening up. Amongst the café's is a wine house and one of the restaurants is a university restaurant, so there is some diversity in the character of the different amenities. One of the strengths is that there is a focus on local beer and wine, which might help local the local economy as well as incorporate an element unique to the region into the quarter.

So far, I've compared the plans laid out in the ECoC application to the actual outcome. Besides the different elements mentioned in this comparison there are also some other institutes in the quarter, which have been briefly mentioned already. Those are the university theatre, the Pécs planetarium, the bóbíta puppet theatre and the visitor centre, which houses a permanent exhibition of interactive scientific experiments. The university theatre and the planetarium, as well as the puppet theatre were already in existence before they relocated to the quarter, but they were located elsewhere in the city. The interactive exhibition is completely new.

When looking at the different elements in the Zsolnay quarter as it is today, it can be concluded that it is very much a place for families to come and spend the day. It has many attractive elements for children, such as the puppet theatre and the interactive science exhibition. Also the park that surrounds the buildings is a place to linger and it has some playground elements as well. For adults interested in culture there are also some attractions, such as the exhibition on the Zsolnay family history and the Gyugyi collection, as well as the Pécs gallery. Also there are places to eat and drink. The combination of mentioned attractions might make the quarter a place to spend leisure time or to visit as a tourist.

For young people, such as students the quarter might be attractive as well, since it has some locations which are frequently used for concerts, as well as the university theatre and some cafés. Also because the quarter houses the faculty of visual arts and music, the atmosphere might be more open due to many students being present in the quarter.

However, there is one element that was originally planned that seems to be missing now, which is the supportive structure for the creative sector, such as the incubator house and the centre for contemporary arts. These elements could have a great potential, especially in combination with the faculty of visual arts and music, because they might have given graduates a chance to start up a business or find a job, which could have been a great opportunity for the creative industry sector in the city.

In the next chapter I will discuss how the decisions made in regards to the development of the quarter can be regarded in a broader light, by putting the Zsolnay quarter in the framework given in chapter three and by considering policy goals and outcomes.

THE ZSOLNAY QUARTER EVALUATED

The last chapter provided a narrative of the organisation of the ECoC year in Pécs and in particular, that of the Zsolnay quarter. The chapter finished with an overview of differences between plans and actual outcomes of the quarter. In this chapter it will become clear how these differences came about. The chapter will attempt to give some sort of evaluation by looking at policy goals that are specific to the Zsolnay Quarter, as one of the main conclusions of chapter three was that policies towards cultural quarters should be tailored to the urban context, and evaluations should look at policy goals, rather than at best practice.

After this, the Zsolnay quarter will be placed in the framework for cultural quarters, laid out in the third chapter. Although this framework is partly based on best practice policies, it also demonstrates the importance of incorporating the specific economic and urban context into cultural quarter policies. This will give a more complete evaluation of the quarter, as certain elements might be missed, by just reviewing policy goals. The chapter will end with some conclusions in the third paragraph.

5.1. POLICY GOALS AND OUTCOMES

In the previous chapter I have already discussed the aims of the infrastructure development plans that were mentioned in the official application. Briefly, they are aiming at two different sectors. The first sector is tourism, which, according to the application, needs to get a more international character. Also, tourism is expected to have a more cultural character in the future. Second, the application is aiming at boosting the cultural and creative industries sector, so the city becomes more attractive to creative professionals. Both of these goals are in accordance with the national plan for regional developments, in which Pécs is to be a centre of quality of life, by focusing on, amongst others, culture. Considering the totality of the infrastructure plan, the Concert and conference hall is expected to boost cultural life, as well as provide spaces for conferences, which may be useful to, for instance the university. Although interviews indicated that within the region people are not willing to travel for culture, the concert hall is aimed at attracting visitors from outside the region, as well as local citizens. It therefore serves a purpose of boosting local cultural in order to give it a more regional or even national character.

The revitalisation of public places, is mainly designed to improve quality of life in several, as well as improve the character of the city. It could therefore be regarded as enhancing both quality of life and boosting tourism, by giving the city a more positive look. The knowledge centre is aimed at improving local quality of life, by providing both citizens and students with a place to read and study.

All these projects have little to do with stimulating Pécs's creative industry, so it seems that the Zsolnay quarter would be the place that could be perfect for this goal. Also, the revitalized area might attract tourists, as it is a historically important area in Pécs. With regards to the Zsolnay quarter the ECoC application states the following objective:

The primary goal of the establishment of this cultural district is not to exert a stimulating influence on the immediate environment, but rather to create a dense, internal creative medium by making the district at once a scene of production and consumption, a mixture of different creative, entertaining and educational functions.

Source: Pécs2010 Application Centre (2005), *Borderless City; European Capital of Culture – Pécs, 2010*.

From this it can be concluded that one of the goals was to stimulate different functions; both production and consumption are being mentioned, as well as, creative, entertaining and educational functions. So the quarter was thought to be a mixture of these three types of activities.

However, nowadays the functions in the quarter are mainly aimed at consumption of culture, and the institutes in the quarter mostly have an entertaining and educational function. If these outcomes are compared with the primary goal of the quarter, the creative industry part seem to be missing completely and the cultural part can be regarded more as a museum quarter that happens to house the faculty of visual arts and music.

There are several possible explanations for this discrepancy. The first explanation could be that somewhere along the line, the original goal of the quarter was reconsidered. This seems to be supported by the fact that the independent consultancies hired to analyse the sustainability of the cultural institutes in the city, amongst which is the Zsolnay quarter, concluded that maintaining to support all the cultural institutes would be very expensive for the municipality, who owns a great deal of the institutes. Therefore it was thought wise to let some of the institutes move into the quarter, and spare the additional costs of redeveloping their old locations and of having to find new institutes and let them move into the quarter.

However, if these goals were changed along the way, it's very unclear when this has happened; one of the interviewees indicated that this change must have been somewhere in 2009. However, the Baranya counties' business brochure, still speaks of the incubator house, albeit for cultural industries instead of creative industries. The program book of Pécs 201, which was published in the year of culture itself, also speaks of an incubator house to be a part of the creative area within the Zsolnay quarter, which was at that time thought to open at the end of the year. However, the evaluation which came out after the year of culture, doesn't speak of this function anymore, and focuses more on the museum functions of the quarter, as well as the educational functions. However, the incubator house is still mapped out as a very small space in a map conveying the different functions of the quarter.

The interviews held at the beginning of 2011 revealed that some interviewees weren't convinced that the creative function of the quarter would take off, mainly because creative industries weren't involved during the process. The consequence of this was that the Pécs2010 management had little knowledge about the creative industries in Pécs, as well as that creative industries would have no incentive to relocate to the quarter. Also, most of the interviewees were negative about the financial sustainability of the quarter. They indicated that one of the weaknesses of planning of the quarter as a part of the ECoC year, was that there would only be an infusion of capital over a short period of time, while getting a quarter started and running in a way that it can sustain itself financially, it might have been better to have capital infusions over a prolonged period of time.

Indeed the interviews with the project manager of the Zsolnay quarter and the managing director of the Zsolnay heritage funds revealed that the levels of rent still needed to be decided upon, while parts of the quarter were already opened. Some interviewees feared that rents were going to be set at a high level, so that the costs of maintaining the quarter would not have to be funded by the municipality only. The dean of the faculty of visual arts and music revealed that initially the plans were to let the faculty move into the quarter rent-free, but that this had changed since the development started. The interviewee thought that by asking the faculty for rent, the municipality could afford to move in the existing institutes mentioned in chapter four and that the faculty would be "*paying for the rest*".

In April 2011, an interviewee said:

We are also thinking about moving there, but I don't know. I don't want to be in there if it's empty. We don't want to be the first one to move in. Also, I don't know if it will be cheaper, what the rents are. So we don't know yet.

From this quote it might be concluded that the interviewee thought it to be a risk to move to the quarter. He was uncertain whether other firms would move there or whether it was affordable to move there. Keeping in mind that the main idea behind the incubator house was to help creative industries start up, by providing cheap workplaces, it seems that this idea was no longer present in 2011.

Earlier in this paragraph I suggested that one of the explanations for the absence of creative industries was that the plans changed somewhere along the road. Looking at above arguments this seems a very viable theory. There was a high uncertainty with regards to sustainability, which may have caused the Zsolnay managers and municipality to play it safe, in regards to functions, as was also suggested by the consultancies hired by the municipality to assess the sustainability of cultural life in the city.

However, another explanation for the differences between goals and outcomes, may lay in the fact that the goals were unclear, or maybe never completely agreed upon. This becomes clear throughout the conference publication of *The cultural quarter as an urban development strategy*, A conference organised by the Pécs2010

management centre and the university to discuss future strategies for the Zsolnay quarter.

Several people speak about the future of the quarter at this conference and throughout their stories different terms are mentioned. For instance, Wessely stresses the importance of creative industries and warns against becoming another high culture amusement park, whereas Rádóczy speaks of the quarter to be developed as a “cultural themepark”. Komor, on the other hand considers the development of the quarter as an opportunity to make the Zsolnay brand popular again, as well as give arts education an important function in the city and raise tourism. He emphasizes that feasibility studies have already indicated the difficulty of making the quarter a privately owned sustainable project. Gömöri states that it’s best to move existing cultural institutes into the quarter and stimulate the area between the city centre and Zsolnay quarter to become a centre for creative industries. At the end of the conference, a team of external experts gives the local managers their recommendations for the quarter. Not surprisingly, one of their conclusions is:

The symposium raised three different perspectives for Zsolnay.

- *a civil meeting point for creative industries, academics, entrepreneurs, foreigners, artists in residence, technologists, innovators and cultural avant-garde;*
- *an enclave of high quality, high income housing estates, high culture, museums and services;*
- *a more or less closed tourist attraction, like an adventure park, based on innovative technology in an industrial heritage environment.*

These three perspectives are not compatible with one another. Each perspective calls for a specific model to organise and manage traffic, financing and ownership.

It will be inevitable to make a choice between the perspectives. Since the city wants to create a new kind of creative dynamics, we recommend the first option: it is open, interactive and always inspiring. There is only one restriction: the visitors and the heritage have to be protected.

Source: *The cultural quarter as an urban development strategy*, conference proceedings, Pécs 2007.

This conclusion, along with the different speeches at the conference, show that there isn’t something as a shared vision amongst stakeholders in 2007, although the vision for the Zsolnay quarter seemed very clear in the original application. This also became clear throughout the interviews. When the interviewees were asked to discuss what the main idea behind the quarter was, different answers were given, ranging from the first perspective of a meeting place for creative industries mentioned above, to the third perspective, that of a theme park. Also, two interviewees mentioned that there wasn’t any real concept behind the quarter:

"The town had 5 years to prepare it, but they never thought of why [they were making] this quarter. They always only thought of the daily problems. Now they have this quarter but nobody knows what to do. Nobody prepared [...] to use the place."

"When we [...] put together the application the idea was not to clearly visualise the details. It was put together to convince the EU. [...] You always make things seem a bit nicer than they are."

The first quote may seem a bit rash, but indeed the long term development plan for the city, written in 2007 doesn't speak of the quarter, although at that time the city had already been preparing the cultural year for two years.

If agreement was never reached amongst different stakeholders, or no real plans were made, it's no wonder that the outcomes are different from the initial goals set in the original application. Especially considering the fact that the Pécs2010 management has changed considerably over time and that those, writing the application were not involved in the actual development of the quarter.

In conclusion, the goal *"to create a dense, internal creative medium by making the district at once a scene of production and consumption, a mixture of different creative, entertaining and educational functions"* has only been partially reached. The Zsolnay quarter is nowadays mostly a mixture of consumption and educational functions and activities taking place are mostly aimed at entertainment and education. The objective to become *an internal creative medium* is not accomplished, as the quarter has no focus on creative industries, but more on cultural industries. This may have been caused by the fact that objectives have changed throughout the planning and development process, either because of financial or political reasons, or because objectives never were clear to begin with.

One of the proponents of the creative aspects of the quarter said:

"Some people still don't understand. They think that culture is to make a lot of theatre and such, but they don't understand that we have to change the image of the town and the economy."

It seems, that along the way, policy makers lost track of what they were trying to reach, albeit because of financial setbacks, arguing stakeholders, or political pressure.

5.2. THE ZSOLNAY QUARTER IN A CULTURAL QUARTER FRAMEWORK

Up until now, the discussion around the Zsolnay quarter has mainly focused on comparing original objective with actual outcomes and explaining discrepancies. Although this is very useful, a wider perspective is needed to see whether the quarter complements its urban context and cultural life in the city. For this, I shall use the framework discussed in chapter three, which is displayed below in figure 5.1., to

refresh the readers' memory. I will go into each dimension of the framework in this paragraph.

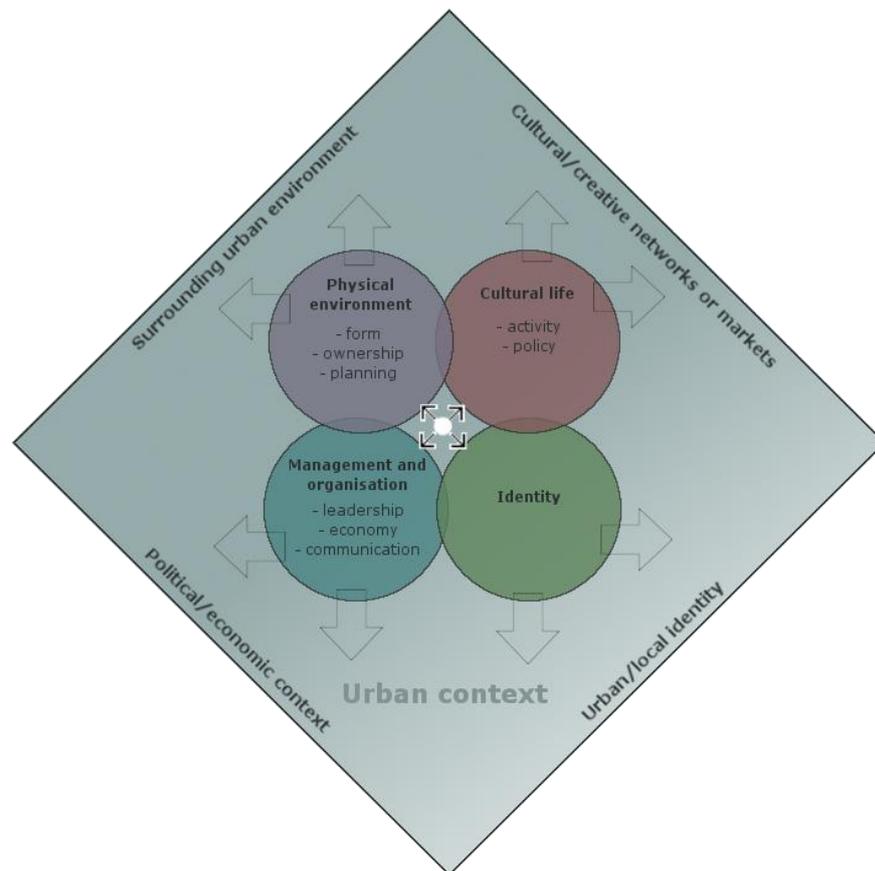


Figure 5.1. A framework for cultural quarters.

5.2.1. THE PHYSICAL ENVIRONMENT

FORM

The architecture of the quarter is one of its fortes. It's unique and provides many different types of buildings. The many open spaces as well as different entry points, allow for varied patterns of movement. A walking bridge, which depicted in figure 5.2., connects the southern part of the quarter, which is separated by a road, in a safe manner to the rest of the quarter.



Figure 5.2. The motorway running through the quarter is bridged for pedestrians.
Source: József Speiser.

The framework states that the architecture should fit the cultural programme and its needs, which mostly seems to be the case in the Zsolnay quarter. The porcelain-related activities of the park fit well in their historical context; the faculty of arts has several places that are suitable for performance, as well as for teaching and practice; the youth centre has an integrated space for performance as well. However, the dean of the visual arts and music faculty indicated that he felt that the faculties' wishes were not taken into account during the development of the quarter. This mainly had to do with air circulation in labs in which is worked with chemicals, such as paint thinners and soundproof music labs.

The framework also expresses the need for supporting infrastructures. The quarter has some meeting spaces, such as cafés and restaurants, Also the integration with the Pécs gallery might prove to be useful for starting artists at the arts faculty, but this is something that will become clear in the future. The faculty might have benefitted more from its location in the quarter, if the planned Design Centre would have been realised, as this was to be a centre for documentation as well as exhibition. Nevertheless, the institute which seems to be best connected to the local urban context is the faculty of visual arts and music. Not only does it have internal places where students can perform, it can also be benefitting from the nearby knowledge centre and concert hall.

The vicinity of the concert hall seems to make the area a designated centre for musical performances. However, if the planned centre for contemporary arts would have been established, this effect might have even been greater.

When looking at the surrounding urban areas, as is suggested in the framework, it's hard to see a connection between the Zsolnay quarter and the rest of the area, with the exception of the concert hall. The Zsolnay quarter is located too far outside the city centre and the area is too run-down to lead pedestrians from the city centre into the quarter. This has also been recognized by some of the interviewees as one of the challenges that need to be dealt with in the next few years. The area between the city centre and the quarter is mostly inhabited by the poorer segment of the population, streets are rundown and some buildings are abandoned and in decay.

Generally there are not many people walking around in this area, and certainly no tourists. Although the area is mostly residential, there are some commercial functions as well, in the form of a few cafés and small shops. Some parts of the area, which are closer to the city centre, have been refurbished and there is some development of new apartment blocks and renovated houses, an example of which can be seen in figure 5.3., but time will tell whether these few developments will be able to bridge the gap between the historical city centre and the Zsolnay quarter.



Figure 5.3. Example of a development project near the city centre. Source: Aletta Dijkstra

To the south of the city centre there is a motorway entering the city. This motorway passes alongside the quarter, as well as the concert and conference hall, the knowledge centre and Pécs's most important shopping centres, as well as a few university buildings. Although it seems positive that these important functions are all connected by one road, the different elements along this road are too far apart for pedestrians to walk comfortably and the motorway isn't aesthetically nice to walk along, as becomes clear in figure 5.4.. One of the interviewees indicated that the parts closer to the cultural quarter are dangerous, since there is crime, such as drug

dealing and prostitution going on in the area. The first Pécs2010 manager indicated that the right thing for the municipality to do would have been buying all the problematic areas along the motorway and creating a high quality area, so people would be more inclined to go from the shopping areas or university area to the quarter. However, there were no funds available for this, as the development of the quarter was already expensive on its own.

In conclusion, although the quarter is located next to a motorway, which might make it more accessible to tourists and regional visitors, as well as to locals who can reach the quarter by car or by bus easily, connecting the quarter to other central areas in the city will be a challenge the city has to deal with in the coming years. For now, the quarter is a place someone would go to intentionally, because there is something to do, not a place a person would wander into from the city centre or shopping area. Nor is it located in a neighbourhood with a creative atmosphere. So, although the quarter has a synergetic and historically relevant architecture, it doesn't really match with the surrounding environment.



Figure 5.4. Motorway as seen from the university area. The industrial chimneys of the Zsolnay quarter can be seen in the distance. Source: Aletta Dijkstra.

OWNERSHIP AND RENT

Earlier, literature review revealed that in most cases a mixed ownership structure was beneficial, in order to ensure financial sustainability as well as embed smaller firms. However, in the case of the Zsolnay quarter the Zsolnay heritage funds bought all the property on the former industrial site, before starting development. According to some interviewees this was necessary, as redevelopment of the buildings didn't take off under private ownership and to ensure a successful and timely development of the project this had to be done. However, since the municipality has such a large

share in both the heritage management, as well as in some of the institutes that are now residing in the quarter, it has become more of a city planned project, instead of a fluidly planned creative medium. Having some amount of privately owned capital might have been more cost efficient for the municipality, as well as it might have help attract other types of industries to the quarter.

As it is now, the municipality indirectly owns a large part of the property, as well as it has a share in the Pécs gallery, together with the county government. Also it funds the youth centre and the cultural centre organising activities in the E78 hall. The puppet theatre wouldn't disclose any financial information for this research, but other interviewees said that the theatre was located in a building of which the renovation needed to be paid for by the municipality, so it might be that a large part of the subsidies of the theatre is also from the city government. Besides these institutes, newspaper articles revealed that the municipality has spent a considerable amount of money to obtain the Gyugyi porcelain collection, as well as to purchase equipment for the planetarium, both of which were not in the official budget for the quarter.

The faculty of visual arts and music was more or less pressured to move to the quarter, as former development plans for a campus were no longer going to be approved. So it seems that almost all the elements in the Zsolnay quarter are under influence of the local government. This takes away the need of having to embed any smaller or micro firms, as suggested in the framework, as there are no small or micro firms in the quarter at the moment. Some interviewees were very negative about the idea that the municipality had such a large influence, because, according to them it would diminish any natural competition and no new functions would be introduced into the city.

Although there is a chance of smaller firms moving into the quarter at a later stage, a few interviewees were afraid that the rent of these firms would be used to balance municipality expenditures on culture, while according to the framework it should ideally be the other way around. Local governments and larger privately owned firms could help to keep rent levels low in a quarter, while smaller, or micro firms can pay the amount of rent they can reasonably afford. In the set-up of the Zsolnay quarter the amount of government money is so high that there wasn't any fund left to help such smaller or micro firms. The only way of ensuring that these firms will be in the quarter in the future, will be to increase government spending or to find larger privately owned firms, which will be very challenging as the creative sector in the city is still very small.

FORMALLY OR INFORMALLY PLANNED

The character of the ECoC project has left the Pécs2010 management with little options, but to formally plan the quarter. The project was on a deadline and subsidies were only given within a short period of time, therefore, a vernacular approach would have taken too long. However, as stated in the previous chapter, some interviewees felt left out in the planning process, so it might have been better to spend a little more time getting possible stakeholders involved.

One of the main conclusions in the framework was that the type of planning should fit cultural life already present in an area. In this case, the neighbourhood surrounding the quarter had very little cultural life, as well as the creative industry sector of the entire region is not on par with European average, so a top-down approach would probably have been the best option. This is even strengthened by the fact that the quarter was intended to enhance local economic development and raise quality of life, thereby strengthening the Hungarian regional competitive poles program.

However, as we have seen in previous chapter, planners didn't have a clear view or underlying framework developing the quarter; this has perhaps made the entire planning approach a bit sloppy and has led to outcomes that were different from the goals that were originally intended.

URBAN DILEMMA'S

The framework sketched in chapter three, noted two possible urban dilemmas. The first of these has to do with negative effects of gentrification. In the case of the Zsolnay quarter this is something that is hard to predict. It is true that the area surrounding the quarter is somewhat run-down and therefore land prices may be fairly low for an area close to the city centre. However it isn't clear yet, what influence the quarter will have on the long run. If it will indeed give the neighbourhood a more positive image, there may be some creative industries or individuals relocating to the area. If this trend will take off, it might be the case that on the long run, the present population will feel pushed out. However, since the area was not a particularly creative area during the development phase of the quarter, this issue might only become relevant years from now. For now, the bigger challenge seems to be connecting the quarter with the city centre.

The second urban dilemma is more relevant in this case, which is that the development of a quarter might go at the expense of other areas. During the interviews, most interviewees expressed the concern of the hollowing out of the city centre. Because most retail stores have already moved away to shopping malls outside the city centre, the local government is aiming to make the city centre a place for gastronomy and pubs. However, this might not be enough for a historical centre to survive, especially if a cultural quarter draws people away from the centre. Many of the interviewees feared that the quarter would amount to the emptying of the city centre, as for instance the Pécs gallery and the puppet theatre were moving out of there locations, it might be hard to find new functions for the remaining buildings. A good connection between the quarter and the city centre, in which each has its own function, might help prevent this problem.

Another area that needs to be mentioned here is the museum street. In the previous chapter it became clear that this area has been another project of the ECoC program. The museum street is located in the city centre and has several museums, amongst which a porcelain museum, an art museum and a mining museum. This area also has a great historic value to the city, as it is one of its oldest streets. Moreover, there is also a park and a place for open air performances nearby. In conclusion, many of the functions in this street look a bit like those in the Zsolnay quarter and having both

tourist sites may prove to be a bit much. It will be a challenge in the coming year to keep both sites balanced and well-maintained, especially if the city centre is emptying out.

5.2.2. CULTURAL LIFE

THE RIGHT TYPE OF CULTURAL ACTIVITY

In the framework, it became clear that quarters can opt to have different types of activity. Although some authors claimed for a mix of production and consumption, it's more important to match the cultural activities with the local needs for culture. If for instance, there is already a rich cultural life, then maybe it should be better to focus on creative industries.

In the case of Pécs this means considering the type of activities that would have been present had the quarter not been developed. As stated in the application, Pécs already had a rich cultural and historical life, with for instance the museums along museum street, a city theatre and the Pécs gallery. According to a SWOT analysis conducted in 2010 Pécs had 59 galleries and exhibition spaces and played a nationally significant role in visual arts. The goal of the development projects was to bring the city's culture to a higher level, by for instance building a concert hall, which would be home to the Pécs symphonic orchestra. The Zsolnay quarter would have complemented this cultural life quite nicely, had the developers stuck to the original features planned. It would have complemented elements of high culture with popular culture, as well as it would have complemented a cultural life with cultural and creative production. This could have been very beneficial for cultural life in the city, as the SWOT analysis also revealed that Pécs had a booming underground cultural life but that stakeholders often didn't have the knowledge or means to multiply this culture.

However, with current outcomes, it seems like some of the existing cultural institutions have gotten an upgrade or in the case of the planetarium, have been revived, whereas only a few new things have been introduced. Some interviewees complained that a few of the features, like the science lab, or the youth centre, weren't really cultural or creative to begin with, and that the quarter indeed started to look too much like a theme park, as it has been mentioned at the beginning of this chapter.

The question here is whether upgrading existing activities would have been more fruitful than introducing new activities or helping the growing popular cultural institutions and local creative industries. This is something the interviewees were not agreed upon. Some interviewees had hoped to see more of the creative activities mentioned in the application and were sceptical about the success of Zsolnay as a theme park, whereas others thought that the theme park setting was the way forward, because it would boost tourism and raise the image of the city. The first managing director of the Pécs2010 management centre was probably the most

nuanced about it, stating that under given circumstances and restricting factors, the management team has tried to make the best out of the quarter.

Besides assessing on what type of cultural or creative activities a quarter should focus, the scope of activities has also been mentioned in this framework. The main conclusion was that cities that already have a wide range of cultural and creative activities could easily develop a quarter with a wide range of different activities, whereas smaller cities might need to focus on more specialised activities. In the case of Pécs, a medium-sized city with its creative sector still in development, this would probably mean focus on a small set of activities. This is one of the strengths of the quarter, as it focuses on a few distinct things, amongst which porcelain is perhaps the most prominent. There is a collaboration between the faculty of visual arts and music and the still functioning Zsolnay porcelain manufacturing company, The quarter emphasizes this integration nicely, by providing the perfect location for displaying and selling porcelain, as well as for production. Also by choosing to strengthen a few other existing networks, the municipality can be sure that there is a market for its activities.

MATCHING CULTURAL LIFE TO POLICY GOALS

The question whether the Zsolnay quarter matched its policy goals has already been discussed elaborately in the first paragraph of this chapter. In short, the answer is: partially. The quarter does upgrade cultural life, by providing a mixture of consumptional and educational functions, however, the quarter has failed to focus on creative industries and as one of the goals of the development program of the ECoC project was to strengthen creative industries, this is a missed opportunity.

However, it needs to be noted in this section that interviewees have been asked to discuss the main idea behind the Zsolnay quarter and the reasons why this quarter was part of the development plan. Almost all interviewees reasoned from the fact that previously the quarter was a large brownfield, relatively close to the city centre, and that this was something that needed to be fixed, while preserving the heritage on the site. The next issue that arose was how to develop this site, and because culture seemed the way forward in other cities, the consensus had been to develop the brownfield into a cultural quarter. This means the initial goal may not even have been to strengthen urban economy or to boost cultural life in the city, but to deal with the brownfield and to preserve its urban heritage. In this respect the Pécs2010 management centre and the municipality have succeeded, which would, according to most interviewees, have never been possible if Pécs didn't get the ECoC title.

Another element that needs to be considered in this section is the scale level on which a cultural quarter is intended to operate. In this case the quarter is expected to operate both on local scale, by attracting young people going to concerts and children going to the puppet theatre, as well as on a higher scale level, by attracting tourists. Most of the activities and exhibitions are aimed to do this. However in times of economic crisis, attracting tourists may be difficult, and as the SWOT analysis of the Baranya Chamber of Commerce indicates, a very large group of citizens living in

Pécs never (31%) spend any money on culture and also the youth is often not familiar with culture, so operating in a sustainable way, might be hard for the quarter.

POSSIBLE ELEMENTS OF SUCCESS

This part of the framework was used to classify some elements of cultural life which weren't part of the sections discussed above. There was some literature stressing the importance of a synergetic cultural program. In case of the Zsolnay quarter, the elements having to do with porcelain form some sort of theme, however, this doesn't combine with some of the other elements in the quarter. Furthermore, because some of the elements are permanent exhibitions, there is some rigidity in the quarter as well.

The other element that is often mentioned as successful is having an active street life with a 24-hour economy and a café culture. There are some cafés and restaurants in the Zsolnay quarter, although these all have fixed opening hours, so there isn't really a 24-hour economy at the moment. With the character of current institutes this may not be necessary for the quarter as well.

5.2.3. MANAGEMENT AND ORGANISATION

LEADERSHIP STYLE

Throughout this chapter, as well as chapter four, it has become clear that the development of the Zsolnay quarter seems mostly to be a development project of the city council. Although there are some different partners involved in the project, they are all influenced by the municipality to some degree. This makes it hard to discuss leadership style, as the framework assumes that there are several stakeholders involved in the quarter, working towards a shared vision, while this quarter is managed more from a top-down approach.

ECONOMIC AWARENESS

In chapter three it has become clear that in order for a quarter to work, it needs to find the right market. Therefore it should take into account local markets and be aware of its competitive position. In the case of Pécs we have seen that many of the institutes already existed before moving into the quarter. These institutes probably already had a sense of their market, before moving into the quarter. For the new exhibitions, the Gyugyi collection, the exhibition on the Zsolnay heritage, the exhibition on industrial history, as well as the science lab and planetarium are aiming mostly at families, children and tourists. The successfulness of these elements can only be assessed after a period of time, but still some of the interviewees feared that these elements were not going to be successful enough to be financially sustainable.

According to a feasibility study mentioned by several interviewees, the quarter would need 200.000 visitors a year, in order to be sustainable. Considering Pécs has around 150.000 inhabitants, of which around thirty per cent never does anything cultural, this means that those visiting would have to do so multiple times a year, or the quarter will need a lot of tourists. Some of the interviewees were very sceptic about

whether this number could be achieved, especially during the first few years, whereas others were more positive. In any case, the quarter might need to have some renewing factors over time, to keep people coming back. This may be a challenge that has to be dealt with in the next few years.

The final issue discussed in this framework is the relation between adaptability and economic awareness. If a quarter is too much influenced by the desire to boost local economy, this might lead to 'cultural imperialism', in which policy more or less take over an entire project and shape it the way they see fit, instead of letting creativity create a unique image. This is what seems to have happened during the course of the development of the Zsolnay quarter, whether the course was political instability, financial uncertainties or just an unclear management process, it seems that the activities going on in the quarter today have more to do with government intervention than with cultural initiatives, which may be a missed opportunity.

Furthermore, if the city would truly build on existing cultural networks, it might have been better to develop a few of the empty city centre buildings into a cultural quarter, as both the long term development plan of Pécs as the SWOT analysis of the Baranya chamber of commerce revealed that almost all cultural and creative industries were located in this area. Therefore, any meeting space for cultural or creative individuals seems to be more suitable in the city centre instead of three kilometres outside this area.

COMMUNICATION

Literature pleads for an open communication process regarding the management of cultural quarters. The fact that interviewees were not in agreement on the planned functions of the quarter, as well as the fact that conference proceedings from 2007 reveals this disagreement amongst speakers, suggests that during the development phase, the communication might not have been very open or clear. During the development phase the quarter has received a lot of negative media attention, which suggests some negativity among the public as well.

The successfulness of the Zsolnay quarter as a tourist attraction will depend on a great deal on external communication. Next summer, the quarter will be fully functional for the first year and further research might reveal how the quarter is doing in terms of marketing.

5.2.4. IDENTITY

Local identity is one of the strengths of this quarter. Because the Zsolnay brand is unique, redeveloping this brand will automatically give the quarter a unique selling point. Also because local history and heritage are very integrated with some of today's activities, as well as with public art in gardens, this quarter might be very attractive to tourists and locals. Incorporating the local beer and wine industries into the brand, might boost this popularity further.

One of the pitfalls in this dimension is that policy makers are unaware of competing quarters in the region and fail to distinguish their quarter from the rest, this would

certainly not be the case for this quarter. However, one interviewee fears that the popularity of the Zsolnay heritage is overrated:

"Zsolnay is famous in Pécs. We think that this is a great international brand, but this is not true. In Hungary half of the population heard about porcelain in Delft, but you don't know about Zsolnay."

If this is the case, it might be harder to attract international tourists, and more publicity should be made to ensure that visitors keep coming.

CONCLUSION AND DISCUSSION

6.1. OBJECTIVES OF THE RESEARCH

This thesis is situated in the field of creative or cultural urban policies. Although these kinds of policies have become very popular throughout the last decades, evaluations are often lacking. This is not only true for large cultural events, but also for longer lasting projects, such as cultural quarters.

In the case of cultural events, evaluations often are based on economic impact assessments, whereas policy goals often include targets such as increasing the quality of life, or increasing social cohesion (Cogliandro, 2001; ECoC policy group, 2010). These objectives are harder to measure and require a different type of research (Langen and Garcia, 2009).

In the case of cultural quarters, evaluations have little scientific underpinnings and are mostly based on best practice policies, which often leads to transference of policies that may not work in other settings (Evans, 2009; Roodhouse, 2006).

This thesis is using a case study approach to describe how such cultural policies can come about in their specific setting, thereby adding to the understanding of possible difficulties that may arise in formulating and carrying out these policies. Also it might give insight to alternative methods of scientific evaluation of these projects.

The case study focuses on a single case, which is that of the Zsolnay quarter, as a part of the European Capital of Culture programme in Pécs. This quarter was one of the development projects of the ECoC programme in Pécs that would exert its long term effects on the city, making it an ideal case to study.

A common critique to the single case study approach is that this approach isn't scientific, because the researcher cannot generalise from a single case (Flyvberg, 2006). However, this shouldn't be the purpose of a case study (Tellis, 1997; Yin, 2009). Case studies can be used to deepen the understanding of certain processes. By doing this case study I hope to add to the understanding of how cultural projects are carried out and what factors influence their successes or failures. This knowledge is useful, because it may help both policy makers and social scientists to gain insight in the evaluation of these kinds of projects.

According to Yin (2009), a Literature review can help linking the actual case study to the significant theoretical or policy issues that are at hand, as well as sharpen the case study objectives; this is why the first chapters of this thesis contain a literature review.

After this review of literature I focus on the case of Pécs. The research question of the case study was:

How and why was the ECoC programme in Pécs organized and how was the Zsolnay quarter a part of this programme, what were important factors that have influenced these two things, both prior to and in the course of the event and how can the Zsolnay quarter be regarded and evaluated in the urban context of Pécs?

In this final chapter I will discuss the outcomes of this question and link them to the relevant literature. I will finish this chapter with the main conclusions of this thesis, as well as with recommendations for further research.

6.2. THE USE OF CULTURE AS AN URBAN DEVELOPMENT TOOL IN PÉCS

When Pécs got awarded the ECoC title, it had five years to prepare for the programme. However, the idea to use culture as an urban development strategy was much older. There have been civil initiatives lobbying for this idea before 2005. Also, culture was already officially a focus in the city, as a part of the national development poles plan. The ECoC programme gave the city a lot of opportunities to boost its cultural and creative sectors.

Initially the use of culture in its urban planning seems well-grounded; the ECoC application shows insight in the use of cultural policy instruments and many of the interviewees mentioned scientific theories underlying these ideas, such as the creative class theory.

However, by looking at chapter two of this thesis, it can be concluded that such policies are not as straightforward as initially seems. Chapter two reviews the creative class theory by looking at five aspects of applying cultural policies. These five aspects all play a role in the development of Pécs as well. The first two aspects mentioned in chapter two are closely related and involve reshaping of the urban economy. Due to technological advances, the opening up of the world economy and easier communication production in western countries has become more oriented towards services, high tech and cultural product (Scott, 2007). By reshaping their economies away from standardized production towards these new types of production, cities try to ensure future growth and their competitive position (Birch and Mykhnenko, 2009).

Pécs is trying to re-establish its regional position by focusing on a few different elements. According to the Hungarian development pole programme, Pécs should focus on becoming a cultural centre with a high quality of life, as well as a place for elderly to retire, with sufficient amounts of health care and entertainment. Other goals are to retain graduates, by focusing on research and development, as well as creative industries. The development plans that came along with the capital of culture focus on these goals. They were designed to raise the city's cultural profile, as well of the quality of life for their inhabitants. In the end, some flagship projects have been realized that could help in raising the city's cultural profile, such as the concert centre and the grand exhibition space. Also the revitalisation of public spaces may have raised the urban quality of life. However, there aren't much new cultural

institutions in the city, something the Zsolnay quarter could have been an ideal place for, and it seems that the city has mainly focused on moving existing institutes around. This could mean the extra jobs generated through the Capital of culture programme are mostly temporary jobs, and the long term effects may be very limited. Also, not focusing on the city's creative structure and by not involving existing creative networks may have limited the economic reshaping process, mentioned above. Although strengthening its existing cultural sector and refurbishing public spaces as well as the Zsolnay quarter will have a positive effect on the image of the city as a cultural centre, the future will have to show whether this will be enough to retain university graduates and other professionals and to attract professionals, tourists and elderly. Given current economic circumstances, reshaping the city's economic position and boosting its competitiveness might be a challenge.

The third element discussed in chapter two was that culture or creativity could be considered a new 'circuit of capital' (Harvey, 1978; Arrighi, 2009). It's difficult to apply this idea to the case study of Pécs, as capital investment hasn't been the focus of the study. It can however be said that almost all capital invested in the ECoC programme came from public funding. This tells us something about two of the three internal contradictions of cultural policies mentioned in paragraph 2.4. First, considering the impacts of financialisation on modern society, a field of tension is to be expected in city centre planning, where on one hand properties can be treated as financial assets and can thus be profitable if sold to private companies, whereas on the other hand, to keep the urban environment attractive and property value high, cities need to invest in certain elements, such as infrastructure or culture (Theurillat, 2008). A way to keep these costs down can be to create private-public partnerships. However, looking at the cultural life in Pécs, it can be concluded that there are few private partners involved. Thus, the cost of culture may be very high for the municipality. However, considering the industrial decline and loss of employment, keeping control over the quality of the urban environment, may not be such a bad idea as it might be a prerequisite for urban redevelopment.

Although a negative side effect of controlling cultural life could be that the city's culture becomes homogenized and less distinct as it's used increasingly for place branding activities. This might make cultural life less attractive to artists. Since many of the cultural institutes and the Zsolnay quarter are funded by the city, this could be a risk factor.

The fourth and final aspect related to the use of culture was that of changing cultural preferences. Higher skilled workers are expected to consumer more cultural goods and therefore a society that has more of these high skilled workers will be more biased to culture (Throsby, 1994; Scott, 2006). Since the case study has revealed that cultural consumption is very low in the city of Pécs, it's unclear whether its society is changing towards a 'creative class' society. As the literature review states, it's thus unclear whether an increase in culture will actually boost the urban economy, because it's more likely that cultural industries follow a market of skilled workers, than the other way around (Markusen, 2006). The cultural institutes that are funded by local governments are not likely to disappear, but it's attracting new industries

that will be vital in boosting the economy and diversifying the supply of cultural products.

At the end of the second chapter I concluded that although there are many theories underlying the use of culture as an urban development tool, the application of culture is complex and is therefore not automatically successful. This case of Pécs strengthens this conclusion, because although many efforts were made to strengthen its cultural sector and although the ECoC programme has contributed to a better cultural infrastructure, it's still unclear whether the economy shall truly reshape to become an economy based on innovation and knowledge, as well as on culture and creativity.

6.3. THE EUROPEAN CAPITAL OF CULTURE PROGRAMME IN ITS POLITICAL CONTEXT

Many interviewees agreed that the European Capital of Culture programme has been a great opportunity for the city to profile itself culturally as well as to start reshaping the urban economy. Although without this programme, Pécs would still have had a considerable amount of subsidies from the development poles programme, the ECoC programme gave the city the opportunity to raise extra funds and create a cultural programme for its citizens.

Nevertheless, there have been some struggles in organizing the programme, which have been described in chapter four. During the five years the city was planning and organizing this programme and critiques were that the programme focused too much on culture and too little on creative industries and boosting the cultural and creative sector. Also, there was some instability during the planning phase, as well as delays in the development programme. This study revealed that there are several factors that contributed to this, the most important of which was the influence local politics exerted on the Pécs 2010 management centre. This has caused frequent changes in management. Moreover, the organisation was set up in a way that the organizers of the programme had little political independence in the end, which has made the project more or less a local government project.

Although this might have had some upsides, it had some downsides as well; due to political instability, the planning of the project also has experienced instability, as politicians often made decisions motivated by the desire to (re)gain popularity. Critics moreover argued that local politics didn't have the expertise needed to organise this event and therefore lost track of the original ideals underlying the application. This is something which has become particularly clear in the case of the Zsolnay quarter, making this case a good example for future policy makers.

A third reason given for the many delays was the financial crisis. As the price of building materials suddenly peaked, development projects became more expensive and were often postponed. Moreover, the crisis has caused the city to rethink the future cultural programme, as a lack of sustainability was feared. The outcomes of this have influenced the Zsolnay quarter considerably, as the city chose to keep

control of the cultural facilities in its own hands, which became clear throughout chapter five of this thesis.

6.4. THE ZSOLNAY CULTURAL QUARTER AND PÉCS

Plans to develop the Zsolnay industrial site into a cultural quarter have existed longer than the idea to apply for capital of culture. The Zsolnay site was an architecturally unique site with historical importance. Winning the bid to become ECoC has given Pécs the financial means to develop this site into a cultural quarter. Though, as the previous paragraph has made clear, factors that influenced the ECoC programme negatively, had a great, if not the greatest, impact on the development of the Zsolnay quarter.

Several factors contribute to why the Zsolnay quarter today is different from the Zsolnay quarter described in the winning application. Local politics have influenced the development of the quarter greatly, not only in the decision making process, but also because the municipality played a big role in funding the quarter and its occupants.

Moreover, as can be read in chapter five, policy goals for the quarter have been unclear throughout the process. Even though the quarter was almost finished, interviewees made contradictory statements on the underlying goals and purposes of the quarter. This obscurity may have delayed decision making and have led to disappointment amongst some involved in the creative industry sector.

Also, the financial crisis has had its effect on the development of the quarter. Due to the crisis the local government had to invest extra budgets in realising the quarter and the construction was delayed. Due to these delays, the quarter couldn't open in time to be a part of the year of culture, but was opened in stages throughout 2011. Moreover, as was stated in last paragraph it had a dramatic influence on the final purpose of the quarter, which, instead of being a place that embeds both cultural and creative industries, has become more of a family park and a place for educational facilities.

In the second paragraph the ECoC programme as a part of the cultural policies in Pécs was put in the perspective of the literature review given in chapter two of this thesis. If the same would be done for the Zsolnay quarter as a specific instrument of cultural planning, the results would be very similar. It can be argued that, although cultural quarters are often used for instance to stimulate start-ups of small creative and cultural industries, thereby boosting these specific sectors and making a city more attractive, this effect may be limited in case of the Zsolnay quarter, as a large part of the quarter consists out of recycled or upgraded cultural institutes and only a smaller part of the activities it offers is truly new to the city. And, although it may increase the cultural image of the city, making it more competitive in the field of tourism, it might not help restructure the urban economy as much as was previously anticipated.

Furthermore by keeping the quarter in its own hands, the municipality may have created a money sink, which could have been prevented by public involvement in the

quarter. Moreover, having such a large amount of funded institutes in the quarter may compromise its originality and lead to 'cultural imperialism'. Also, as the quarter is located in a rundown part of the city, raising the neighbourhood profile might push out underprivileged people in the long run, although this doesn't seem to be a problem at the moment.

Considering cultural preferences of 'creative individuals' or 'yuppies', the quarter might be successful, as it offers musical performances and some cafés and restaurants. However, since the quarter is tailored towards the family, it might not have such an exciting image and its attractiveness may therefore be limited.

6.5. EVALUATING CULTURAL QUARTERS

At the beginning of my thesis I stated that there hasn't been a solid scientific method to analyse cultural quarters (Evans, 2009). I have tried to deal with this, by creating a framework for cultural quarters based on a literature review. Although there are very likely other possible solutions for this, I feel that this framework has helped me throughout the research, by enabling me to identify strengths and weaknesses as well as future challenges the city might be facing. The findings discussed in this chapter are partly based on the analysis for which I used this framework. Besides some of the challenges mentioned in the previous paragraph, there are some other findings as well, which I will very shortly mention here, to illustrate the use of the framework.

6.5.1. STRENGTHS AND WEAKNESSES OF THE ZSOLNAY QUARTER

- One of the main strengths of the quarter is its urban form. The architecture is unique and historically relevant. The quarter has different types of buildings and sufficient open spaces. The physical environment links the history of porcelain making with porcelain making today, which makes it very interesting for tourists.
- It will be challenge for the city to make sure that the quarter is connected to the city centre and people will wander from one area to another as the area is somewhat underdeveloped and not very attractive.
- It will be a challenge to ensure future sustainability of the quarter, as the greater part is now funded by local governments. If the management chooses to embed small firms in the future, it will be vital that rent levels are kept low, even though this will not generate much income.
- The city should be careful not to let the quarter exist at the expense of other areas. With this quarter, the historical city centre might lose its central position. Moreover, some facilities in the quarter might be competing with those in the city centre.
- The quarter focuses on a few distinct cultural activities, which is strength, given that Pécs is only a medium-sized city. The activities surrounding porcelain are well embedded in their environment and by moving in existing

cultural activities it is more certain that there is a market for offered cultural products and services.

- However, as has been stated in the last paragraph, the quarter may only constitute to economic reshaping a little, because it brings nothing new to the table.
- The future will have to show whether the quarter will be able to attract enough visitors to be sustainable. To have some elements that keep renewing over time, might help to keep people interested.
- The municipality should be aware of their influence on the quarter. Having a great political influence might lead to homogenization of culture and might take away the uniqueness of the quarter.

One of its greatest strengths is the fact that the quarter is unique in its kind. In the region there is only one quarter and by combining the Zsolnay brand with other local products, the quarter reflects a strong local identity.

6.5.2. A WIDER PERSPECTIVE

Besides the strengths and weaknesses mentioned above, the framework was very useful in helping me to see the Zsolnay quarter in a wider perspective. Combining the framework with an analysis of policy objectives and outcomes, might make it especially useful for policy makers and scholars. This is because it takes into account the urban context as well as specific features of a quarter. Therefore this framework can help to prevent ill-used policy transference, or 'copying of failures' as Roodhouse (2006) called it.

6.6. REVIEW OF THE RESEARCH

For this thesis I made use of an (extended) descriptive case study approach. Looking back, I feel that this approach has helped me generate much insight in the evaluation of cultural projects, such as the Zsolnay quarter, even though only a single case was analysed. It has been very useful to include an extended literature review, because it helped me gain perspective on cultural quarters. Nevertheless the research has some shortcomings that might have had effect on the findings.

The response rate was very low, which might mean that parts of the story have not been unveiled. I tried to resolve this by not only looking at interviews when writing the narrative, but also by corroborating mentioned facts with any documentation I could find. Moreover, using multiple sources of evidence has helped me in staying as objective as possible.

A second shortcoming was the language barrier that I encountered. On a few occasions I have worked with a translator. When transcribing the interview done with a translator, it became clear that this interview was less useful than others, as I had the feeling that translations were not always literal. Also, if I had spoken Hungarian, I would have had access to a greater body of data and it would have been easier for me to estimate the value of certain sources. For this research I was very dependent on the English articles that were written on the subject or the Hungarian information

that has been handed to me, while had I spoke the language myself, I would have been less limited in searching for data.

6.7. IMPLICATIONS AND RECOMMENDATIONS FOR FURTHER RESEARCH

This study aimed to use the case of the Zsolnay quarter in Pécs and the ECoC setting in which it has been developed as an example of how cultural policies are being executed and what factors can be of influence on the outcomes of these policies, in hopes of adding to the understanding of strengths and weaknesses of cultural policies and their theoretical underpinnings.

A common critique in literature was that research on this topic has been too quantitative; therefore this study opted for a qualitative approach. Moreover, it has used the available literature on both cultural policies in general, as well as on cultural quarters, so that possible urban dilemmas of cultural policies could become apparent.

The literature review has made clear that although there are many facts and theories supporting the use of cultural planning policies, these type of policies can be very complex to apply, as there are several dilemmas and challenges a city might have to deal with. Also these policies could have some negative side effects, which need to be taken in consideration. Moreover, in the case of cultural quarters, analysis was often based on best practice, which, given the fact that each quarter is built in a different context, wasn't always practical. This research has demonstrated how cultural quarters could be analysed in their specific context, using a broader ontological perspective. Furthermore, this research demonstrates that the political arena in which cultural development projects take place is very important, and should not be disregarded. Finally it demonstrates that using culture to reshape the urban economy is tricky, and that it's vital to keep in mind the goals of cultural policies, instead of looking at other examples of such policies.

To review the effects of cultural policies more in detail, future research should have a more longitudinal character. This way, information would not only be generated on how cultural instruments were designed and if they fit in their urban context, but also on what the actual effects of these instrument are over time, and how these instruments may be adapted. Moreover a comparative research might be beneficial, as this will increase the understanding of how different factors may influence a cultural planning tool in different contexts.

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CASE STUDY PROTOCOL

OVERVIEW OF THE STUDY PROJECT:

TYPE OF CASE STUDY

The study is a single descriptive case study. It intends to describe the narrative of an aspect within the capital of culture, which is unique and cannot be found elsewhere. Since causality is hard to ascertain, it would be impossible to do an explanatory study. However, processes that are being researched will be linked to relevant literature.

By describing the motivations and processes that took place in the decision making and implementation of the event, it becomes easier to see the event in a bigger picture and to set the event within theories of cultural economic geography. This will make the theories described above more easy to understand and more grounded into the reality of the capital of culture program.

OBJECTIVES

The main objective is to get insight in the planning of the cultural quarter as a part of the Capital of Culture programme, in order to understand the consequences a capital of culture programme can have for a city. Also, because of limited evaluations made in the past, this study might help to gain insight in how a capital of culture programme should be qualitatively analysed.

LITERATURE AND READINGS

The theory underlying the case study is based on theories regarding culture and economy and theories regarding cultural quarters and urban reshaping.

Following literature, the research might go into the types of culture that are targeted in the quarter, the physical surroundings of the quarter, the economic and political context in which the quarter was developed and the image of the quarter. A narrative should be made of the Capital of Culture programme.

ACCESS TO DATA

The case studies data will ideally contain a documentation, interviews and observations.

Documentation: Data can be each type of document. Data searches will be done on the internet, through the Pécs2010 management centre, in the local knowledge centre and by asking interviewees if they have any useful documents.

Interviews: Possible interviewees might be found at the Pécs2010 management centre, at the municipality and amongst future occupants of the quarter. Interviewees should be asked if they know anyone else who is might be of interest to me.

Observations: Ideally, observations should be done to observe life in and around the Zsolnay quarter.

METHODOLOGY

Interviews: Interviews will be open ended and ideally last 60-90 minutes. An interview guide will be used, however as each interviewee has its own speciality, the interview guide will have to be adapted to the interviewee. Ideally all interviews will be recorded and transcribed systematically afterwards.

It is preferred to conduct the interviews at the work place of the interviewees; this makes them feel more comfortable and decreases the effort they have to take to participate in the research. If this is for any reason not possible, a public place needs to be found to conduct the interviews.

If interviewees don't speak English, a translator needs to be sought. The translator will need to be instructed about the nature of the interview beforehand, as well as get a copy of the interview guide.

Observations: An observation session should ideally be no longer than two hours. The observations will very likely be direct observations, as there is no activity to participate in. During these observations I should act like a fly on the wall. Ethically it's not appropriate to hide the fact that I'm observing, however I should try not to stand out.

During the observations I will take notes, and possible photographs, as this might help my memory.

ETHICS AND POSITIONALITY

Before an interview starts I should do the following:

- Thank the interviewee for taking time to do the interview
- Inform interviewee about the fact that this research cannot be completely anonymous, but that everything said during the interview will be treated confidentially
- Ask the interviewee for permission to mention his/her occupation or position in my thesis
- Ask the interviewee for permission to use quotes from the interview in the thesis
- Ask the interviewee for permission to record the interview

After the interview has ended I should do the following:

- Thank the interviewee for participating in the research
- Stress the confidentiality again

Concerning positionality, I should be aware of the fact that I'm an outsider to this project. I should stress the fact that I'm here to learn and that I'm interested in the project. If I find out that there may be negative things about the project. I should still keep this point of view, as I do not seek to accuse anyone. Generally keeping a lower status during interviews might help interviewees open up and build rapport during the interview.

CASE STUDY QUESTIONS

RESEARCH QUESTIONS

The following research question will be answered:

How was the ECoC programme in Pécs organized and how was the Zsolnay quarter a part of this programme, what were important factors that have influenced these two things, both prior to and in the course of the event and how can the Zsolnay quarter be regarded and evaluated in the urban context of Pécs?

In order to address this question, the following sub-questions will be answered:

- How can cultural quarters be evaluated in their urban context?

- Why and how was the ECoC programme developed and what factors have been of influence during this process?
- How does the Zsolnay quarter fit in the context of the ECoC programme?
- What factors are important in evaluating the development of the Zsolnay quarter and how can the quarter be regarded in its urban context?

CASE STUDY QUESTIONS

To answer the second, third and fourth question, the following case study questions are posed:

- Why did Pécs apply for Capital of Culture?
- What were the main goals of the ECoC programme?
- Who was involved in the application, the preparation and the execution of the programme?
- What role did the different parties have?
- Are the outcomes different from the plans? If so: in what ways and why?
- Why did the city opt for a cultural quarter as part of the program?
- Why was the Zsolnay site chosen as a site to develop the quarter?
- What were the original ideas behind this quarter?
- Since when have these ideas existed?
- Who was involved in realizing this quarter and what was their role?
- How do other institutes see the quarter?
- How does the quarter fit in the cultural life of Pécs?
- Which creative industries are involved with the quarter?
- Who is the target audience of the quarter?
- Are the outcomes different from the plans? If so: in what ways and why?

CASE STUDY REPORT

The outcome of the study will be my master thesis. This thesis will consist out of a literature review and the outcomes of the case studies.

SOURCES USED TO CONSTRUCT THE CASE STUDY NARRATIVE

INTERVIEWS

During the study, several interviews were conducted. Interviewees were promised anonymity, but they agreed on their function being mentioned.

Interview were held with:

- The first managing director of the Pécs2010 company
- A former vice mayor of the city of Pécs
- The managing director of the creative cluster in Pécs
- The dean of the faculty of arts and visual music
- The project manager of the Zsolnay cultural quarter
- An architect involved in the architectural tender committee, the original application and in the civil lobby surrounding the ECoC project
- The managing director of the Zsolnay heritage fund
- A manager at the Bóbita puppet theatre

DOCUMENTATION

For this study several publication were used. They comprise both official documents, such as policy documents and scientific articles, and more informal publications, such as newspaper articles and websites.

OFFICIAL DOCUMENTS

Author	Title	Year
Pécs2010 management centre	Borderless city – European Capital of Culture 2010 – Pécs	2005
European commission Directorate General	Decision No 1622/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Community action for the European Capital of Culture event for the years 2007 to 2019	2006
Pécs city council	Long and medium-long development plan for the city	2007
The Monitoring and advisory Panel for the European Capital of Culture (ECOC) 2010	Report of the first monitoring and advisory meeting for the European capitals of Culture 2010	2007
The government of the republic of Hungary	South Transdanubia Operational Programme 2007-2013	2007
Pécs2010 management centre	The marketing strategy of the Pécs2010 European Capital of Culture program	2008

Pécs2010 management centre	Pécs2010 – European capital of culture. Monitoring report	2009
Baranya county	Baranya county, the cooperative partner	2009
Pécs2010 management centre	The borderless city awaits you (Project book)	2010
Pécs2010 Management centre	Pécs 2010, the city forever	2010
Cultural Innovation Competency Centre, Baranya chamber of commerce	SWOT analysis of the Creative Industry in the city of Pécs	2010
US embassy in Budapest	Pécs, a window on Hungarian politics?	2010
European Commission DG Education and Culture	Ex-post evaluation of 2010 European Capitals of Culture	2011
Hungarofest	Pécs Captured by culture	2011

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Trócsányi, A. (2011). "The spatial implications of urban renewal carried out by the ECC programs in Pécs." *Hungarian Geographical Bulletin* 60(3): 261-284.

WEBSITES

Author/ institute	url	Last visited
Pécs2010 management centre	http://www.pecs2010.hu	16-02-2012
Pécs cultural centre	http://pecsikult.hu	10-02-2012
Pécs municipality	http://en.pecs.hu	10-02-2012
Creative cities project	http://www.creativecitiesproject.eu	15-12-2011
Baranya county seat	http://www.baranya.hu	09-11-2011
TÉDÉEM PÉCS, Pécs tourist information	http://www.iranypecs.hu/portal/	16-02-2012
Zsolnay porcelain factory	http://www.zsolnay.hu	10-02-2012
Zsolnay heritage management funds	http://www.zsn.hu	16-02-2012
építészfórum	http://epiteszforum.hu/english	12-01-2012
Pécs-Baranya chamber of commerce	http://www.pecseconomy.eu/home	20-02-2012
Pécs gallery	http://www.pecsgallery.hu/	15-02-2012
Zavod Big architectural weblog	http://www.zavodbig.com/ INFORMATION ON ZSOLNAY QUARTER NO LONGER AVAILABLE	01-10-2011
South-transdanubian chamber of architecture	http://www.ek2010.hu	20-02-2012
Janus University theatre	http://www.jesz.pte.hu/	21-02-2012
Zsolnay cultural quarter	http://www.zsolnaynegyed.hu	22-02-2012

DIGITAL NEWSPAPER ARTICLES

Source: <http://www.kultura.hu>

Title	Date
New Director Has Big Plans For Zsolnay Cultural Quarter	09-02-2012
Pécs Inaugurates Last Zsolnay Cultural Quarter Buildings	14-12-2011
A Zsolnay negyedben kapott új otthon a Janus Egyetemi Színház	10-12-2011
Liberal Arts College Moves Into Zsolnay Cultural Quarter	08-08-2011
Pécs Shows Gyugyi Collection of Zsolnay Porcelain	26-08-2010

Source: <http://www.politics.hu>

Title	Date
Former Socialist Mayor of Pécs dies after four-year coma	11-05-2011
Pécs mayor slammed for blowing struggling city's cash on porcelain tchotchkes	17-08-2009
Fidesz candidate elected mayor of Pécs, defeating Parliament Speaker Szili	11-05-2009
Driver convicted for putting Pécs mayor in coma	26-06-2008

Source: <http://www.realdeal.hu>

Title	Date
Former European Capital of Culture now Hungarian capital of endless, pointless legal disputes	14-02-2011
Pécs' "Zsolnay Quarter" project to be completed by June, city vows	18-01-2011
Kodály Center inaugurated in Pécs	17-12-2010
Pécs main square project completed	17-05-2010
Pécs municipality to try again to sell stake in Zsolnay porcelain company	25-05-2009
Pécs: European capital of wacky economic development ideas	29-04-2008
Pécs to sell city-owned properties to help finance "cultural capital" project	28-03-2008

Source: <http://hirek.csillagaszat.hu>

Title	Date
Elkészült Pécs leendő planetárium	05-10-2010

Source: <http://www.pecsinapilap.hu>

Title	Date
Látogatóközpont – Labor a Zsolnay Kulturális Negyedben	18-01-2012
Befejeződik a Zsolnay Kulturális Negyed épületeinek átadása	06-12-2011

Source: <http://esbalogh.typepad.com> (Hungarian Spectrum)

Title	Date
Mayoral elections at Pécs: Defeat for the Hungarian socialists	12-05-2009
Pécs: European capital of culture, 2010	14-12-2007

Source: <http://eduline.hu>

Title	Date
Új épületbe költözött a pécsi egyetemi színház	11-12-2011

Source: <http://www.pecsma.hu>

Title	Date
Lézerrel világítják be a Planetáriumot	17-12-2011

Source: <http://www.pecsiujsag.hu>

Title	Date
Megnyílt a csodák pécsi palotája a Kultnegyedben	18-01-2021
Tízmilliós projektort kap az új planetárium, februárban mindenki megnézheti, de addig titkosították	17-01-2012
Tettye-vizet árusítanak a Zsolnay-negyedben	16-12-2011
Zsolnay Negyed: helyi borok és kizárólag pécsi sör lesz kapható	17-06-2011

OTHER DOCUMENTS

- Personal notes from lectures CESUN summer school 2010, in Pécs
- Conference flyer: New Positions for Culture in Urban Development, Pécs, September 2010
- Conference handout: University Network of Capitals of Culture (UNeECC) Annual Conference, Vilnius, October 2009. Speaker: Péter P. Müller, University of Pécs.
- Presentation on the Zsolnay quarter in Türkü Finland, by the Pécs2010 management centre.

Appendix C

EXAMPLE OF AN INTERVIEW GUIDE

This interview guide was used to interview the Dean of the faculty of visual arts and music. There are three topics discussed. The first two topics are the Capital of culture programme and the Zsolnay quarter, questions in these categories were asked to all interviewees, although where it says "faculty" or "university", this was replaced with the institute/firm of the specific interviewee. The third category was, in this case, about the interaction between the quarter and the faculty, which was specific for this interview.

First of all, I would like to thank you for participating in my research. I'm doing this research for my master thesis, which will be about the development of the Zsolnay quarter. I would like to know more about the decision making process and the influence it has on different parties, that's why I'm conducting these interviews.

During the interview I will ask you questions about the Capital of Culture programme, the Zsolnay quarter and the effect it has on the university. I would like to encourage you to speak freely. I'm not looking for particular answers, but more for different points of view.

Everything that is being said in this interview will be kept in confidence. It will be impossible for me to completely anonymise the research, because then I would have to leave out the fact that it's about Pécs and that Pécs was a capital of culture. I think that this will make the story I would like to tell weaker, so I chose not to do it. I will leave out the names of the people who participate in the research, however it may sometimes be necessary to speak about their function in the process. Any person that is familiar with the Zsolnay quarter in Pécs might be able to figure out who I've interviewed. This is why I cannot guarantee anonymity of the research, but I will do my best to guarantee confidentiality. Is this OK with you?

[wait for answer]

During the interview I will be taking notes. However, it will be impossible for me to write down everything that is being said, that's why I would also like to record this interview. The recordings will only be heard by myself. Do you agree with this?

[wait for answer]

Ok, then I will start the recording so that we can begin, Do you have any questions at this point?

[Questions]

Introduction question

Q: Can you tell me a little bit about your faculty?

P: how many students? How old? What kind of degrees?

Questions about Capital of Culture

For my thesis I would like to know more about the capital of culture project. I have already read quite a few things about the program and I have visited the city last summer and seen some of the events myself. I would now like to find out more about the organization of the program.

Q: How did the idea rise to apply for the capital of culture programme?

P: who came up with it, who was involved in writing the application? How long did the application process take?

Q: After the city got awarded the capital of culture title in 2005, who was involved in preparing for the year of culture in 2010?

P: role of municipality? Role of institutions? Role of university?

Q: How was the university involved in the process of the application and preparation?

P: financially?

Q: How was your faculty involved in the process of application and preparation?

P: Financially?

Q: If people speak about culture, it can be hard to find out what they really mean. Some people only think of culture as 'high culture', which involves classical music, opera and so forth, some people think more of popular culture, and others think more about local traditions and folklore. Can you tell me something about the kind of cultures that were targeted for the capital of culture programme?

P: who was the audience?

Questions about the Zsolnay quarter

For my research I am interested in the development of the Zsolnay quarter in particular. I already know that this quarter is one of the main development goals that were set for the capital of culture program.

Q: Can you tell me why the choice was made to develop this quarter?

P: who came up with the idea? Was this idea supported by everyone?

Q: Why was the Zsolnay factory chosen as a location for the cultural quarter?

Q: what kind of amenities and organisations will be located in the quarter, once it's finished?

P: who will be the audience? What kind of culture?

Q: How did these organizations and amenities get selected?

P: was there an application process? Who was involved in targeting organizations?

Q: Do you know anything about the development of the quarter itself?

Q: In your opinion, how is the development by the quarter viewed upon by the public?

P: did it get a lot of publicity? How are people reacting to it?

Questions about the faculty and the Zsolnay Quarter

I would like to go deeper into the relations the university will have with the Zsolnay quarter.

Q: Why did the faculty choose to relocate to the Zsolnay quarter?

P: was it a necessity? Opportunities?

Q: What benefits will the cultural quarter have for the faculty?

Q: In what ways will the students benefit from this location?

Q: Do you think that the cultural quarter will change the opportunities for graduated students?

P: Are student moving away from Pécs? Will this keep students bound to the city?

Closing questions

Q: In your opinion, what influence will the Zsolnay quarter have on creative industries in the cities?

P: will artists/designers/sculptor/... Go there? Will it be a centre of creativity?

Q: Do you think that if the capital of culture had not been there, there would have been initiatives to develop the creative industry in the city?

Q: What would have happened to the Zsolnay factory if the Capital of Culture had not been there?

Closing

I think we have discussed all the topics I would like to discuss today. Do you have anything to add yourself?

[...]

Ok, I will stop the recording now. [stop recording]

I would like to thank you again for participating. I think your information will be very valuable to me. Would you be open to any questions in the future? **Do you know anybody else who I might speak with?**