

need to be flexibly adjusted in consideration of economic fluctuations.

To enhance the SOC investment effects, the following policy response measures should be implemented.

Intensive budgeting should be expanded. For SOC investment to be effective, the duration of SOC stock to be used as a production factor needs to be reduced. To this end, there is a need to intensify investment in the current budgeting system, in order to complete construction.

There is a need to expand investment ratios in the sectors with high employment effects and add value enhancement effect in terms of SOC investment. As seen from the SVAR analysis result, the core path

contributing to the production expansion of SOC investment is through employment creation. Consequently, there is a need to increase investment ratios in the sectors with high employment effects, and to avoid simple labor-focused employment creation. As seen in the U.S. case, there is a need to enhance public trust by transparently disclosing the execution process of SOC investment. Devising and revising policy measures for SOC investment to cope with crises becomes easier as the transparency of investment improves.

Kim Min-cheol (mckim@krihs.re.kr)

Cultural Cluster Strategy as a Tool for Urban Revitalization

Park Se-hoon, research fellow

A new trend of “cultureonomics” has recently emerged. Consequently, cultural activities are being recognized as a growth engine that can stimulate an urban economy. An active effort to implement culture at the policy level is happening as well. Many cities are implementing so-called urban cultural strategies as core strategies for urban development. World capitals like London, New York and Paris have bolstered policy support for cultural competitiveness. Small and medium-sized cities are trying to utilize cultureonomics with different strategies, such as setting up large-scale cultural facilities, holding cultural festivals and utilizing local cultural resources.

Korea is not an exception. The Korean central and local governments are implementing a policy to introduce culture as a new urban development strategy and create cultural clusters. At the central government level, Gwangju is being promoted as an Asian cultural hub city, while Gyeongju, Buyeo, Gongju and Iksan are being promoted as historical and cultural cities. In Gunsan and Daegu, cultural and arts creation belts are being shaped. Also, areas such Insa-dong and Daehak-ro in Seoul, Hei-ri in Gyeonggi Province and the Incheon Open Port area

are designated and managed as cultural districts. In addition, traditional market activation through cultural activities is carried out nationwide. At local government levels, urban cultural strategies have become the core of urban development. There are over 100 areas hosting cultural festivals nationwide.

Despite the increase of related policies, basic studies on how artists’ communities contribute to urban revitalization are greatly insufficient. What is the core of cultural clusters and under what conditions do they grow and decline? What can cultural clusters contribute to urban revitalization and how can the effect be maximized? What are the methods for local governments to minimize the negative effects of policies and achieve their purposes?

Korea’s cultural clusters can be divided into three forms: spontaneous, privately-led and policy-supported. A spontaneous cultural cluster is an area that has been naturally shaped by artists for a long time. The spontaneous cultural clusters are generally located in the city centers, and their members are young and dynamic. Young artists tend to congregate in order to collaborate with other artists and create support facilities. They also prefer

Figure 1: Busan Totatoga



Note: Totatoga is a representative planned artists' space created in the declining city center by the support of Busan City.

Figure 2: Incheon Art Platform



Note: The Art Platform, with the support of Incheon City, is a creative space for artists by remodeling old warehouses.

city centers with better transportation, since they are likely to have supplementary jobs to make a living. The spontaneous cultural clusters offer spaces in which those young artists can live, work, learn, and develop. However, many of those clusters face the risks of commercialization and redevelopment, due to high development pressure caused by their central city locations.

The privately-led cluster is shaped by the focused efforts of artists, including utilizing vacant facilities. Most of these cultural clusters are located in the suburban areas, far from city centers, and are mainly led by more veteran, established artists. The space types of the privately-led cultural clusters can be classified as either an idle facility-use type or a complex shape type. Regarding the former type, the artists typically move into empty rural schoolhouses, empty factories or industrial facilities, and form communities. As for the latter, artists build settlements by purchasing land through concerted efforts. The privately-led cultural clusters are typically small and difficult to operate. They are inferior to the spontaneous cultural clusters in terms of the density and dynamism of the network, and in relationships with local residents, because they are formed in rural areas where there is little density.

The policy-supported cultural cluster is formed when central or local governments endow creative spaces to artists to revitalize declining areas. There are various spatial types including city centers, empty schools, traditional markets, idle industrial facilities and historical resources. Although the involved artists may be greatly diverse, they all agree generally with the policy objectives. However,

often the artists' community does not have long-term stability, because many artists mainly depend on residencies. Nonetheless, this type of cultural cluster can serve as a model for pursuing both community culture stimulation and urban revitalization by setting up artists in areas with poor cultural bases.

To sum up, Korea's cultural clusters are marked by privately-led or policy-supported types; the number of spontaneous type clusters is very small. The spontaneous cultural cluster types are mostly located in the city centers, e.g., the areas of Hongik University and Munrae-dong in Seoul, and Dongmun Intersection in Jeonju. There are not many nationwide despite its relatively long history. The private sector and policy-supported types have mostly emerged after 2000, and most utilize idle facilities in the city centers and rural villages (e.g. closed schools and industrial facilities). The fact that the number of spontaneous cultural clusters is small indicates a weakness of culturally spontaneous bases. Although they are very important social assets, they are on the verge of disappearing due to redevelopment and commercialization. Many spontaneous cultural clusters with a long history are mostly located in the city centers. The spaces may become redeveloped or rapidly commercialized, according to city center expansion plans and function change. The Hongik University area and Munrae-dong in Seoul are typical examples.

The following policy measures are needed for the support and nurturing of cultural clusters:

First, when forming a cultural cluster with the aim of urban revitalization, a certain number of artists in

a group (20 or more) should be committed to stay for a long-term period (more than 3 years). Many governmental policies offering creative spaces to artists are centered on the short-term residency business, and not many policies have been focused on the formation of artists' social networks. A foundation to create such a network should be laid by guaranteeing a certain size and period for forming creative and sustainable cultural clusters, since a network formation process requires time to develop.

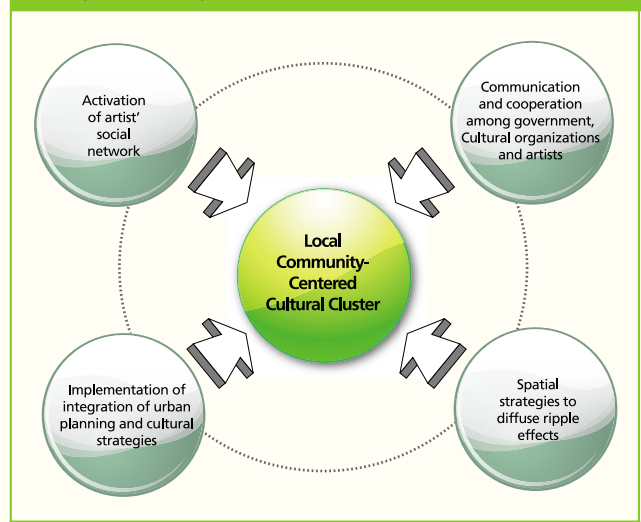
Second, if the selection of artists is possible at the policy level, there is a need to select artists from various genres and fields. Also, cultural planners who can liaison with local communities are necessary.

Third, programs serving the local community should be diversified and activated. Artists can participate in free or low-priced educational programs for local residents, and work with local communities in other ways. As local groups and artists become familiar with each other through festivals, programs and such, it is desirable to expand supporting events including exhibitions and auctions.

Fourth, governments, private organizations and local artists should participate in the shaping of cultural clusters. Collaboration is essential. The government should provide a mainly financial supporting role to ensure that artists can shape a spontaneous system. Private or public cultural organizations should be in charge of most actual policy planning and execution. They need to be guaranteed autonomy from the public administration agencies. They should liaison between artists and local communities and thus be familiar with the local community's issues and residents.

Fifth, most local government policies related to forming cultural clusters are implemented by the civic cultural department. Cooperation with city-related departments is lacking, even though the cultural clusters affect a city's spatial structure, society, economy and culture. Urban cultural strategies should be integrated with urban planning in this context. Many urban revitalization strategies will in the future no longer depend mainly on development-oriented strategies. In such a case, urban cultural strategies including cultural clusters

Figure 3: Policy Directions to Support Cultural Clusters



can be a good alternative.

Sixth, spatial strategies are required to expand the ripple effects of cultural clusters on urban revitalization, beyond merely providing support for artists. Thus it is advisable to avoid emphasizing isolated areas and focus on areas where people come and gather naturally. Meanwhile, new approach is necessary to optimize the inner spaces of a cultural cluster. Work spaces set aside for artists should be opened to local residents for education and experience. A spatial strategy to maintain the local community's special characteristics is also necessary. Nowadays, cultural spaces (music appreciation rooms, bookstores, etc.) and old industrial spaces are quickly disappearing in many cities. Such landmarks could be used as artistic spaces by a cultural cluster.

The policy directions cited above aim at the integration of the arts and local communities. Underutilized urban spaces can supplement the existing institutional artistic spaces. Local residents can actively participate in cultural activities in addition to serving as observers. Empty offices, idle industrial facilities and traditional markets can be revitalized.