

Creativity and Space. Labour and the Restructuring of the German Advertising Industry

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A book about the German advertising industry. What is it that makes the German advertising industry more interesting than, say, hair dressing in France or tax consultancy in Mexico? Here is why this book is potentially of interest to economic geographers and regional and urban economists:

1. Advertising is an industry with strong economies of agglomeration (whereas hair dressing is simply distributed in space more or less like the general population). Advertising agencies have good reasons to locate where other agencies already are. Most importantly, this industry relies on short-term freelancers. On the one hand, firms in the advertising industry will find many experienced freelancers in places where many other agencies and freelancers are located. On the other hand, the latter surely feel more comfortable in a city with more than a handful of potential employers.¹
2. We would then expect to observe the industry to remain where it is (mirroring for instance the stability

of large parts of the motion pictures industry in Los Angeles), with everybody being there because everybody else is there. Or we might even witness an agglomeration process, leading to above-average growth rates in the already dominant cities.

3. But what if something else happened in Germany? Scientists love to study exceptional cases. For instance, the basilisk lizard is the only non-insect that runs larger distances on the surface of water (Hsieh and Lauder, 2004). How does it do that? Similarly Berlin was a location almost completely lacking national advertising agencies in 1990. It then rose to considerable importance within the next decade—with an annual average growth rate in employment of 11% between 1998 and 2003. How did Berlin overcome the agglomeration forces of the established locations?

However, this book is not about Berlin, the surprising winner of spatial restructuring, but about Hamburg, another, but much less surprising, winner of spatial restructuring. The annual growth of advertising employment in Hamburg—6%—was not as large as in Berlin, but Hamburg started from a higher level and still gained: among all German cities with over 500,000 inhabitants, Hamburg's share of employees in the advertising industry rose from 21.5% in 1980 to 26.1% in 2001 (p.68). 'Restructuring' (as the book is advertised in its subtitle) might be a too strong and catchy term for this increase by five percentage points. Does it make sense to devote a book-length study to explain it? The answer is yes if we learn something which we could also use for studying other regions

¹ Or, as Marshall has put it, 'Employers are apt to resort to any place where they are likely to find a good choice of workers with the special skill which they require; while men seeking employment naturally go to places where there are many employers who need such skill as theirs and where therefore it is likely to find a good market'. Marshall (1890 book IV, Chapter X).

(such as Berlin) and other creative industries. To some degree, this is indeed the case.

The diversity of terminology used in the first—theoretical—part of this book might be confusing for economists, but this is quite typical for writings in economic geography by geographers. As a possible explanation for this phenomenon, I can only offer the following speculation: while many economists use a small set of terminology, especially for presenting formal models and regression analysis, geographers' research culminates into 'concepts', each with a distinct name. As a result, the terminology increases with every major publication.

Among the many concepts reviewed by Thiel are the following:

- Flexible specialization (Californian School: Storper, Scott; indispensable, of course, in this context).
- The 'creative class' (Richard Florida).
- Reflexive subjects (Lash and Urry, Giddens).

The latter concept refers to individuals making key decisions about their career using independent reflexion, rather than based on habit and tradition. As an aside, one might say they become more rational—it becomes easier to reconstruct their behaviour as maximizing. Reflexivity according to the author leads to higher mobility (or, more precisely, a higher elasticity of mobility with respect to changing labour conditions and perspectives in the industry). This is reinforced by a growing interdependence of work and life (p. 39).

The 'concepts' are set forth with some generality, abstracting from the book's subject area. In the empirical part, the author then tries to demonstrate how much the theories can contribute to understanding what happened in the German advertising industry. In this section, two maps that show the distribution of two major agencies' offices over Germany as well as the relationship

between these offices, and the division of work amongst them, are extremely insightful. I would have liked to see more of these maps, even at the price of having less of the 'concepts'. Also highly inspiring are snippets from interviews conducted by the author with staff from Hamburg-based advertising agencies.

This kind of evidence does not, in a narrow sense, allow to test hypotheses. This would be hard in any case because the theoretical part of the book never precisely articulates a set of explicit hypotheses as would be typical within economics. Even though the author interprets his evidence in the light of the aforementioned theoretical concepts, different readers will have different impressions about the most important things to be learned from the book. Here are mine:

- To get a feeling for ongoing 'spatial restructuring', it is helpful to investigate the micromotives of the labour force.
- Firms in this industry, and that might be typical of service industries in general, often do not relocate like frogs, jumping from stone to stone. Rather, they crawl like spiders in slow motion, one leg still here, one leg just arriving there, and then a big pause for the spider to decide on the next move. Shall the main office become a branch office or vice versa?
- And finally, knowing much more about the advertising industry in Berlin than about its counterpart in Hamburg, I now feel that the choice of one city for a case study like this does have a huge impact on the results. Specifically, the author's emphasis is on personal interactions and resulting processes *within* the advertising industry. Interviews conducted in Berlin would have revealed the importance of interactions with other cultural and creative industries.

To sum up, how much other readers will like the book depends on their disciplinary background and their specific research interests. In any case, the importance of creativity and creative industries is likely to increase, and this book is a good starting source of information and inspiration for future research in this area.

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