

## CREATIVE PEOPLE AND GENTRIFICATION: "SOWING THE SEEDS OF DEMISE?" EVIDENCE FROM NEWTOWN, SYDNEY

With 3 figures

MELANIE FASCHE

*Zusammenfassung:* Kreative und Gentrifizierung: „Säen sie die Saat für ihren eigenen Untergang?“ Erkenntnisse aus Newtown, Sydney

Die post-industrielle Ökonomie wird mit einem Wechsel von einem fordistischen zu einem post-fordistischen Produktionsregime assoziiert, welches sich durch die flexible Produktionsweise designorientierter und informationsreicher Unternehmen auszeichnet. Die in der Produktion kultureller Güter und Dienstleistungen tätigen Sektoren gehören zu den sich am dynamischsten entwickelnden Sektoren der heutigen Zeit. Kleine kreative Unternehmen – auch als die treibenden Kräfte für Innovationen unter den sog. Kulturindustrien angesehen – haben meist ihren Standort etwas abseits der etablierten Geschäftszentren in Gebieten, die sich durch ihr kulturelles Flair, urbane Lebensstile und Künstlerszenen auszeichnen. Die Beschäftigten der Kulturindustrien scheinen eine spezielle Beziehung zu ihrem räumlichen Wohn- und Arbeitsumfeld zu haben. Lokale Marketingkampagnen basieren auf dieser räumlichen kulturellen Codierung. Mit fortschreitender Gentrifizierung verlieren diese Areale möglicherweise ihre Attraktivität für „Kreative“. Der Fokus der hier zugrunde liegenden Untersuchung liegt auf einem sich im Gentrifizierungsprozess befindlichen Gebiet, auf „Kreativen“, die in diesem Gebiet leben und arbeiten sowie auf dem Einfluss lokaler Politik. Es erfolgt eine Analyse der Beziehung zwischen dem konkreten Ort und der dortigen Kulturproduktion. Darüber hinaus werden einerseits der Einfluss des fortschreitenden Gentrifizierungsprozesses auf die Vitalität des kulturellen Feldes und andererseits der der Lokalpolitik auf die Vermittlung zwischen kulturellen und ökonomischen Interessen untersucht. Basierend auf den Ergebnissen der vorliegenden Fallstudie aus Newtown, eines innerstädtischen Gebietes in Sydney, wird versucht zu zeigen, dass die komplexe Beziehung zwischen Raum und Gesellschaft mit Hilfe von BOURDIEUS Habitus-Konzept begrifflich gefasst werden kann.

*Summary:* The post-industrial economy is associated with the shift from the Fordist to the Post-Fordist economy where design-orientated, information-rich companies work within a new flexible mode of production. The sectors engaged in producing cultural goods and services constitute some of the most dynamic economic frontiers today. Small creative businesses, also imagined to be the major driver for innovation within the cultural industries, tend to locate away from established business centres but close to areas known for their cultural amenities, urban lifestyles and artistic scene. People employed in cultural industries seem to have a special relationship to their working and living environment. Local marketing campaigns are based on this cultural claim to space. With proceeding gentrification areas might lose their attractiveness for creative people. The focus of this study is on a neighbourhood undergoing gentrification, creative people living and working within this neighbourhood and the influence of local government policies. The relationship between the specific place and cultural production gets analysed more closely before it is examined if the process of gentrification is damaging the viability of the cultural realm and to which extent the influence of local politics can mediate between cultural and economic interest. By drawing on case-study evidence from Newtown, one of Sydney's inner city areas, it is aimed at demonstrating that the complex relationship between space and society can be conceptualized in terms of BOURDIEU's habitus concept.

### 1 *The cultural economy and its workforce*

#### 1.1 *The emergence of cultural industries*

The shift from the industrial to the post-industrial economy is dominated by the rise of financial and business services and cultural industries – the latter also referred to as creative industries. It is the shift from an industrial economy based on mass production of standardized commodities to an increasingly globalized service-led economy characterised by more flexible forms of production, a dramatic increase in the production

and consumption of symbolic goods and the centrality of innovation, design and knowledge as determinants of competitive success (SCOTT 1997). The cultural industries today constitute some of the most dynamic economic sectors, reflecting a process of growing interconnectedness or even convergence of cultural and economic development or, in LASH and URRY's words (1994, 109), "an increasing culturalization of the flexible economy".

Cultural entrepreneurs are directly involved in stylistic innovation as they embody, interpret, reinterpret and generate cultural attributes and expressions through

the production of distinctive goods and services which, in turn, function as carriers of meaning in images, symbols, signs and sounds. It is the cultural component of many consumer goods that stands at the forefront of their economic value. Cultural products are extremely heterogeneous in their substance, appearance and sector of origin. According to THROSBY (2001) cultural products may first originate from *core art industries* comprising all traditional artforms such as music, theatre, dance, the visual arts, the crafts, literature and newer forms of practice such as video art, computer and multimedia art. Secondly, they may also emanate from *other cultural industries* producing hybrid forms of cultural and non-cultural components such as in film, television, radio, newspaper, book and magazine publishing. And thirdly cultural products may derive from *related industries* essentially operating outside the cultural sphere but whose products could be regarded as having some creative or cultural content including advertising, tourism and architectural services.

A large proportion of the cultural industries is made of micro and small enterprises imagined to be the major driver for innovation and creativity within the sector (O'CONNOR 1998). In order to keep pace with ever changing consumer tastes and to be able to detect and respond to increasingly niched and volatile markets, these micro and small enterprises are more innovative, dynamic, creatively based, flexible, information-rich and less hierarchical than their Fordist counterparts (LASH a. URRY 1994). In comparison to other businesses of the globalized service economy associated with locations in the Central Business District (CBD) these micro and small cultural enterprises tend to locate away from established business centres but close to areas known for their cultural amenities, urban lifestyles and artistic scenes (HUTTON 2000; LESLIE 1997). These "lifestyle areas" are often old working class quarters adjacent to the CBD, which are undergoing gentrification visible through residential rehabilitations and distinct consumption and lifestyle patterns of the new middle class.<sup>1)</sup> The process of gentrification can be seen as a facet – a spatial articulation – of a more complex process linked to profound transformations in capitalist societies: the restructured industrial base with the shift to a service economy and the associated transformation of the class structure (LEY 1996; SMITH 1996).

<sup>1)</sup> Gentrification can be defined as reinvestment in physical housing stocking and a class-based colonisation of cheaper residential areas – this is where agreement among researchers usually ends.

## 1.2 Creative people are "space people"

BOURDIEU's research in France in the late 1960s, early 1970 revealed a *new middle class* breaking with the established field of the petty bourgeoisie and attempting a radical change of the existing hierarchies of cultural distinction "whose most refined expression is a propensity towards aesthetics and aestheticism" (BOURDIEU 1984, 55). This aesthetic reflexivity finds its expression in the desire to create the self as work of art and in individualized consumption by transforming ordinary materials into valued objects whose value derive from the claim of difference and authenticity. Taste differences are at the heart of what BOURDIEU identifies as cultural strategies to maintain distinction. A new social aesthetic has emerged in everyday living: the importance of not just food but cuisine, not just clothes but designer labels, not just decoration but objets d'art, the residence is no longer a suburban home but a renovated former working-class house in urban downtown. Urban downtown or the inner city areas are the places where this aesthetic lifestyle finds its spatial articulation. These areas are places of representation and identity formation and as such increasingly involved in transformations and recombinations of meanings.

Creative people such as design, creative and cultural professionals and artisans are not only part of the *new middle class* – more recently also labelled as *creative class* (FLORIDA 2002) – they seem to be its precursors. As cultural producers they are directly involved in constructing and transmitting messages about the meaning of consumption predisposing and defining lifestyles and identities of broad fractions of the middle class. They are specialists in producing, consuming and promoting cultural products as they are linked to the market not only exclusively through research but through individual intuition and market identification. Creative people are cultural intermediaries expanding the new concern with aesthetics and self-exploration to a wider sphere. And their realm seems to be the urban, where the intricate relationship between identity construction, material design and cultural production gets played out, in short, creative people have a special relationship to their environment, they are "space people" (HELBRECHT 1998, 7). According to ZUKIN (1991) creative people are the key agents of gentrification, not only by moving into an area but by their ability to transform its symbolic and spatial practices. Although the pursuit of difference, diversity and distinction is not without contradiction, the concern with culture merely opens new fields of consumption, which exposed to forces of capital slowly but surely commodify the object of their desire – the otherness gets mass-produced.

Places initially frequented by artistic workers become attractive for cultural entrepreneurs. The population and entrepreneurs that follow do not enter the field haphazardly but in a succession that is shaped by their proximity to aesthetic disposition and cultural competency, from a position of high in cultural and low in economic capital to a position of lower in cultural but higher in economic capital (BOURDIEU 1984). Professionals, particularly those who share something of an antipathy towards commerce and convention, such as social and cultural professionals and cultural producers like intellectuals, students, journalists, media-workers, educators etc. are followed by professionals with greater economic capital, such as lawyers and medical practitioners who, in turn, are followed by business people. All the while disposable incomes, rents and property prices rise and investment capital flows into the area.

Creative people get annexed by urban developers "building upon foundations of gentrification" (BADCOCK 1995). The state's substantive legitimating of the cultural claim to urban space marked cultural producers as a symbol of growth (ZUKIN 1991). Some cities even label themselves as "creative cities". And as places become more and more important and competition between places grows, gentrification seems to be a blueprint for policy strategies of rehabilitating and revitalizing urban areas. A spatial transformation initially emerging as a spontaneous and loosely institutionalised trend becomes planned. According to O'CONNOR (1998, 231) "culture-based urban regeneration strategies by a quasi-political body dominated by a free enterprise ethos with an anti-cultural bias, working with development capital to form cultural landscapes are very limited" – and often even damaging. Areas may lose their allure even if heritage preservation, historical, and cultural theming is part of the development policy, these areas become too planned, too sterile. Developments based on images, aethetisation and cultural consumption are often with limited resonance, especially among creative people regarded to be crucial to the transformations of areas into cultural landscapes. This is what BOURDIEU (1993, 40) describes as the failure of "economism, which seeks to grasp this anti-economic in economic terms, to understand this upside-down economic world".

## 2 Aims and conceptual approach

The central thesis arising from the preceding remarks is that there is a special relationship between creative people and their environment as creative people seem to be extraordinarily sensitive towards the char-

acter and appearance of their physical environment. Moreover, creative people and their enterprises seem to be highly dependent on negotiations and articulations of their surrounding local place-based cultural milieu. On the other hand cultural industries are regarded as dynamos of economic progress in the new service economy. Not surprisingly, that in times of rising levels of structural unemployment political interest has focussed on the cultural sectors for employment creation. Furthermore the cultural claim to space has found its implementation in urban regeneration policies to transform abandoned former working class residential quarters, industrial sites and waterfronts into areas of lifestyle, leisure and consumption.

What is the relationship between cultural production and its location about? *Why* is cultural production occurring in a particular area? Is the gradual economic colonisation of the cultural realm involuntarily damaging the area's viability and sustainability? Which role plays the influence of local politics? Are local politics able to mediate between cultural and economic interests – or even govern them towards a sustainable neighbourhood? First it will be demonstrated that this complex relationship between space and society can be conceptualized in terms of the *habitus* before paying attention to case study evidence from Newtown, one of Sydney's inner city suburbs.

### 2.1 Reinventing the concept of the habitus

The sociological concept of the habitus consists of a system of incorporated thinking, perception and activity patterns that regulate individual habits and activities which, in turn, are embedded in one's biography, the specific social situation and the surrounding cultural milieu. The habitus is the generative principle of lifestyles and their representations. According to BOURDIEU (1980) the habitus can be defined as both 'being structured and structuring structure'. The habitus is under ongoing negotiation by being static and dynamic, reproducing and generating – all at the same time. On the one hand the habitus itself is structured by its surrounding contexts; on the other hand the habitus structures its environment through (the sum of) individual habits and activities. The concept of the habitus conceptualizes the relationship between individual and society as mutual, between structure and agency as process and between standardization and change as dialectical. In this sense the theoretical concept of the habitus is contrary to common more clear-cut concepts of sociological analysis.

Related to an anthropology of the city (LINDNER 2003) is the anthropomorphic concept of comparing a

specific place to a person with its own biography. It follows the idea, that places, too, have their own habitus, in the sense of PIERRE BOURDIEU. The habitus of place can be conceptualized as the present perception of the place's ensemble of economic, social, cultural, and political features and its physical structure. In this sense the place becomes a metaphor for its space which is socially constructed and marked with attitudes.

## 2.2 Gentrification and the habitus of place

Central to the following consideration is that individual relationships to history and place form individuals and groups and in reciprocal ways they form them. In the process of gentrification creative people seem to play an important role as intermediaries between society and space. The creative peoples' subjective, imagined and emotional response to a particular place may

affect how they use their social, cultural and economic environment for aesthetic inspiration and stimulation and that response, in turn, may shape both, individual identities, perceptions and beliefs and collective imaginations and emotions within the local area. Gentrification can be interpreted as a process of identity construction through the construction of a place but whose identity is permanently under negotiation as meanings shift and blur over time and between places. It is a process of social differentiation transformed into spatial practice – in other words, a spatial strategy through which social differences are turned into social distinction. In this sense residential choices, the new stylisation of life and the amenities that shape the emerging cultural urban landscapes are structured and, in turn, expressed by a habitus informing and formed by aesthetic views and practices including the occupation and valorisation of space (LEY 2003).

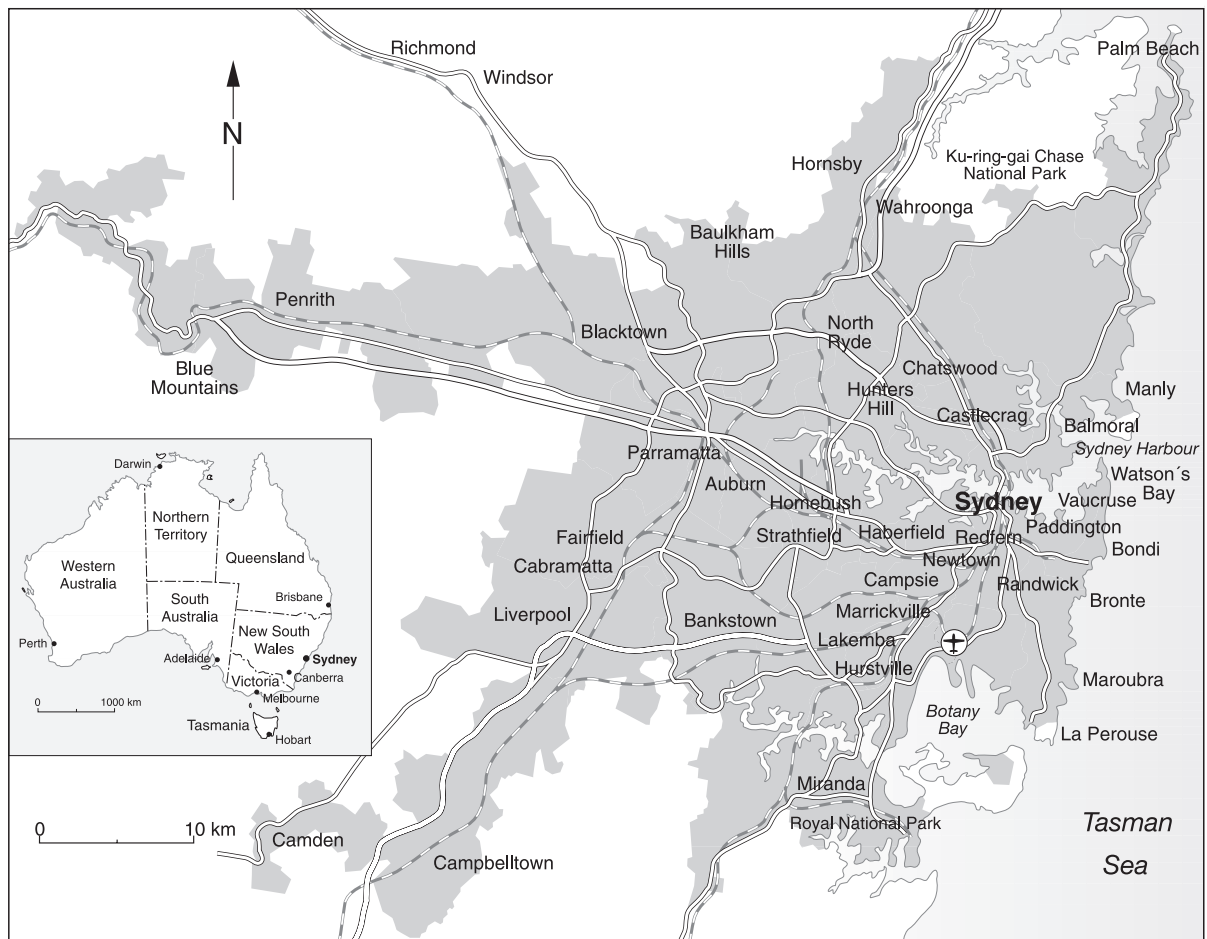


Fig. 1: Sydney

Source: CONNELL 2000

Thus, the process of gentrification can be conceptualized as an example of structuring space finding its articulation in a specific place habitus which, in turn, reinforces a distinct spatial identity. The trajectories and signs of gentrification are to a large degree determined by the local context in which society and space form a conspiracy constructing each other but which is also deeply embedded in national and even global social and economic trends, in other words: gentrification itself gets structured.

3 A glimpse of Sydney’s cultural economy

Sydney (Fig. 1) seems to be well established on the way to a post-industrial city. Figure 2 shows the changes in the number of jobs in different industry sectors between the census years 1991 and 2001. An ongoing process of economic restructuring can be recognised both Australia-wide and within Sydney – with shrinking sectors such as “mining” and “public services”, more or less stagnating sectors such as “manufacturing” and “transport”, but also “finance and insur-

ance” – one of the main growth sectors in the 1980s and early 1990s – and booming sectors such as “cultural and recreational services” and above all “property and business services”.

Additional census data (ABS 2001) reveal that Sydney is Australia’s centre of the dominant growth sectors of “property and business services” both in absolute numbers of jobs and with the highest share of 28.5 per cent of employment in Australia’s entire “property and business services sector”. In 2001, Sydney’s property and business services sector became the largest sector of the city’s economy, comprising 14.5 per cent of the city’s workforce – or 1 in 7 jobs.

A survey of “Designers-graphic” – a sub-sector of the category “property and business services” – listed in Sydney Yellow Pages reveals a dramatic increase of the numbers of firms: from 498 firms in 1991 to 1,138 firms in 2001. Even if this listing does not give any information about the businesses’ sizes, there is little doubt that creative business services such as graphic designers play an important role for the sector’s entire growth. Australia’s second booming sector, the sector of “cultural and recreational services”, grew by 60.5 per

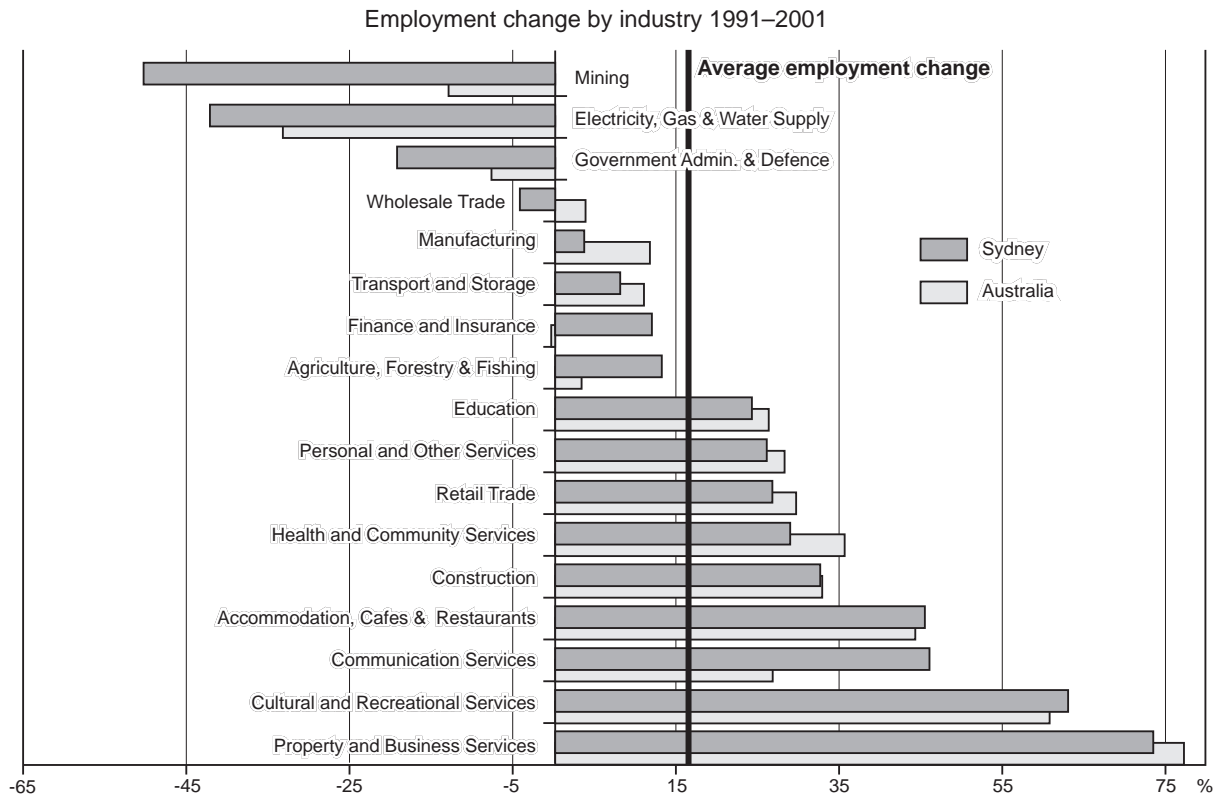


Fig. 2: Employment change by industry 1991–2001  
Source: Adapted by author from ABS 2001

Wandel der Beschäftigungsstruktur 1991–2001

cent between 1991 and 2001. Although this sector does not seem to have a significant weight in absolute numbers of jobs Australia-wide, most of its jobs, 25 per cent, are located in Sydney. Despite the absence of more specific data, it can be assumed that Sydney is Australia's primary city of cultural industry employment (cf. GIBSON et al. 2002).

The cultural industries are not just growing in the number of jobs, the organisation of creative practice within the cultural industries is undergoing changes as well. The business-to-business title *Australian Creative*, whose self-conception is to report about creative services feeding into advertising and marketing, observed a remarkable trend within Sydney's creative industries: a trend from big to small firms (GOWER 2002, 2003). The market wants alternatives, better choices and a greater sense of flexibility. Most of these new "boutiques" appear to be either owned by well-regarded agencies or run by highly experienced creatives who say they were unsatisfied by working in larger firms as they are aiming for more flexibility and creative satisfaction – as one interviewee stated: "The big shops will continue playing the commodity game, while the smaller shops will focus on creativity and talent" (quoted in id. 2002, 37). Most of these "boutiques" are housed in comfortable and homely environments. One cultural entrepreneur opening his post-production facility in a "lovely renovated old warehouse" on King

Street, Newtown, says that this opening reminds him "of why I got into this business in the first place. It was because it was creative, the people were passionate, and it was a hell of a lot of fun" (id., 42). According to senior industry figures the decentralization of the creative industries has been long overdue and goes hand in hand with the creation of businesses that have personality and a comfortable atmosphere, "but before you even get that, you have to prove yourself. Again, it comes back to skill, talent and trust" (id., 37).

#### 4 The allure of Newtown

##### 4.1 The new middle class realm

The transformation of Sydney's industrial and employment structure is reflected by the continuous formation of a "new middle class" – usually defined as employees working in white-collar occupations<sup>2</sup>. Figure 3 shows that over the period 1991–2001, the share of persons employed in high-status, white-collar occupations rose by 50.2 per cent Sydney wide. Sydney's inner city areas<sup>3</sup> reveal an even higher growth of 62.0 per cent. In 2001, Sydney's inner city areas had a significant higher share of high-status, white-collar workers than the metropolitan average, 58.2 per cent compared to 42.0 per cent. Data of the occupational

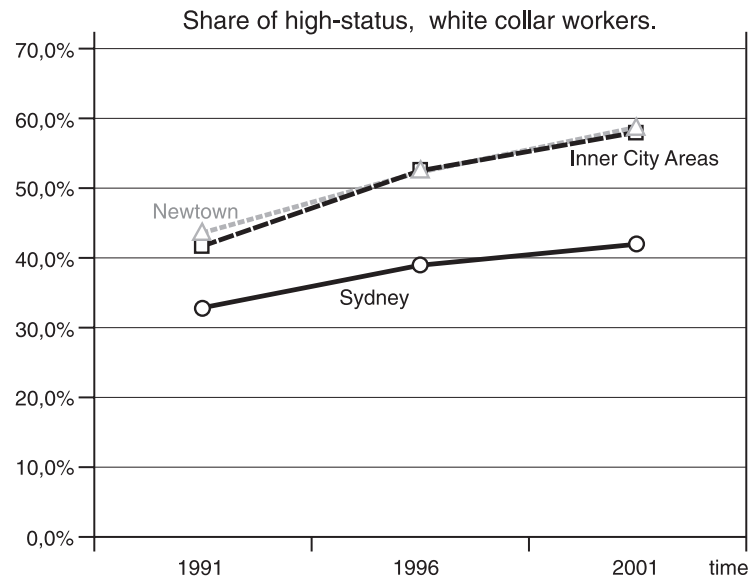


Fig. 3: Share of high-status, white collar workers in Sydney, its inner city areas and Newtown 1991–2001

Anteil der Beschäftigten in höherwertigen Dienstleistungen in Sydney, den innerstädtischen Gebieten und Newtown 1991–2001

Source: Adapted by author from ABS 2001

class structure in Newtown – an inner city suburb in the Sydney's inner west partly belonging to the Local Government Area of Marrickville and (former) South Sydney<sup>4)</sup> – are reflecting inner city area trends: over the period 1991–2001, the proportion of persons employed in high-status, white-collar occupations increased by 39.5 per cent, accounting for a share of 58.7 per cent of total occupations in Newtown in 2001 which additional data reveal (ABS 2001).

Sydney's inner city areas are areas having a long-standing reputation for gentrification, due to their physical housing stock of former working-class residences, such as terrace and row houses as well as abandoned warehouses, all dating back to the Industrial Age. During the 1930s depression these areas gained a reputation as slum areas. By the late 1960s, early 1970s large industrial enterprises based in these areas had closed or moved further afield. The decline of heavy industries coincided with a rediscovery of the inner city (SPEARITT 1978). A symbolic turn of sudden appreciation of Australian architectural history and heritage and a revived interest in Victorian and Federation housing led to new demand for inner city living and the desire to live in a terrace or row house. Renovating a former working-class cottage presented a different image from buying a home unit or a house in suburbia. The new residents made these terraces into a fashion symbol of urbane lifestyles, community diversity, architectural charm and historical significance – and a rejection of the suburban stereotype (KENDIG 1979). Since then, the gentrification process has been ongoing.

#### 4.2 *The pursuit of being different*

According to the interviewed creatives Newtown has been gentrified by slightly different people in comparison to other inner city areas such as Paddington and Balmain. People coming to Newtown are definitely middle class, but they try to be a little bit unique and tend to be more alternative by coming out of the "greenly-leftwing field". The interviewed creatives – all owners of very small, flexibly organized, graphic design businesses – described Newtown as a vibrant, lively,

unique and creative place, a melting pot where academics and the university crowd mingle with families and gays. As one of them stated: "My siblings, when they come here, they can't stand the place, it's too noisy, it's smelly, it's dirty ... I just love it ... it's the noise and the buzz and the interest and meeting people who are living really vibrant creative lives and doing things that are just exciting and keep you on the toes."

The interviewed business owners strongly identify with Newtown and its attitudes: they like the area a lot and find it an interesting working place although their businesses don't seem to be really anchored within Newtown. Being located in Newtown doesn't affect their business. With communication via email and phone being geographically convenient to clients or business partners is not a locational factor. Working in Newtown is more a living rather than a business choice. The environment of Newtown makes them feel good and relaxed, it is a comfort zone, they are happy to be here and therefore they can be creative. However, working from a location in Newtown influences people's perception of the business and type of work that people expect as one explained: "If you are looking at image, I think Newtown tells you that you might be slightly cheaper and you might be looking at things with a slightly different focus, because of that greenly-leftwing, and you might be younger, I am not saying that any of those things is true but that might be the image."

One of them described the relationship between location, business, work and external perception as follows: "One of the things in Newtown ... is, that you can kind of be who you are, they are an extremely tolerant population, and when new clients and suppliers here, there is an expectation that everything goes and so there is a freedom, which is, I guess, part of the habitus thing ... and honestly they wouldn't care if they stepped in a pat of dog poo, because that is just what Newtown is, it's a bit inconvenient."

But despite all emphasis on "being different" in the end, all interviewed creatives admitted that they do serious business to business design – from a not so serious location, as one described the dilemma: "Being creative, I think it's a very ambitious idea ... [but] you still have to meet the briefs, still have to make communication, check it with the client, who wants pink and you hate pink, that's too bad."

#### 4.3 *Eroding charm*

All interviewed creatives are aware of changes in their environment: things are getting swankier and flashier and more expensive. As one interviewee put

<sup>2)</sup> Here defined as persons classified either as "managers and administrators", "professionals" or "associate professionals" adapted from the official Australian and New Zealand Standard Industrial Classification (ANZSIC).

<sup>3)</sup> Here defined as the Local Government Areas of Leichardt, Marrickville, South Sydney and Woollahra.

<sup>4)</sup> Shortly after this research, in February 2004, South Sydney and City of Sydney Councils were merged.

it: "I think, it's image or when you saying Newtown it's definitely giving you something different of what it actually is, it does have its funky image but it is actually not as funky as kind of people think it would be, where I think, the image is probably two years behind."

The interviewees realize demographic changes: most of the Greek immigrants and Asian people seem to have left as well as the student population whereas DINKs ('double income no kids') and gays have moved in, although there is still a reasonable number of families from the days when it was affordable to buy a house.

According to the interviewees lots of turnovers in shops, cafés and restaurants can be witnessed, nothing really stays permanently, there's always something new. Although branches like McDonald's and Baker's Delight had to close down, Newtown is getting very trendy shops. The retail structure is changing; cheap cafés and restaurants upgrade or disappear and more clothes shops, boutiques, home ware shops and shoe shops are moving in. Newtown seems to become a destination shopping centre, where it used to serve the local area. With 'older people' living in Newtown, the loss of cheap restaurants and pubs and all the shops which are closed at night Newtown's time schedule is changing: from a late-night, early-morning suburb to a get-up-early, go-for-your-jog and read-the-paper-in-a-café type of suburb.

Furthermore there is a lot of building and rebuilding in Newtown. Old buildings are torn down or get renovated, new buildings are going up, old warehouses are converted into apartment buildings, and the gardens get designed. Last but not least rents and property prices are climbing as one interviewee described: "The house prices have been astronomical, something you might have bought for A\$ 50.000 in 1980, you would now pay A\$ 600.000 or more, in the same condition, you know, unrenovated."

Due to rising rents business owners are struggling for their businesses – the same factors apply for all business types. What was initially quaint becomes more and more upmarket. Newtown might be on the way to become 'yuppiedom' (FASCHE 2004). According to the interviewees Newtown is losing its funkiness; it has become less shabby, less interesting as one stated: "Newtown is no longer challenging ... you know, it has become mainstream in a way ... and the artists, I guess, the base creatives, I think, will definitely start to move out into cheaper areas ... it's kind of hard, because I am part of that gentrifying set, I don't deny that and I don't like it in some regards, but I moved here because I liked Newtown because it's so interesting and you can't really expect other people not to do the same, and

it's a bit of a shame when you've seen all little restaurants leave, and the sort of pawn shops leave, that kind of made it, kind of made it exciting in the first place, I guess that's the way of things."

#### 4.4 Saving the Newtownness?

People in Newtown and responsible local government councils are aware of the erosion of Newtown's charm. They are alarmed that Newtown might lose its key agents – the theatres, gallery owners and artists, in other words, its base of any marketing campaign. All the Newtown venues – independent theatres and live performance spaces – have been there for a long time struggling on their own. The *Newtown Entertainment Precinct Project*, an initiative of Marrickville Council in partnership with the Newtown Entertainment Precinct Association, launched in 2003, aims to preserve the arty, different feeling of the area. The Newtown Entertainment Precinct Association itself is an initiative by local theatres to work together to promote Newtown as an entertainment precinct. Part of the project is the support of artists, art workers and performers to live and work in the area and the enhancement of business opportunities for local retailers. Further subprojects include a monthly 'what's on' guide to Newtown, an information and booking kiosk, an arts employment programme in partnership with Newtown performing Arts High School, an arts market, public art etc. According to a representative of Marrickville Council the overall intention is to maintain the venues that are already there and to increase their value by strengthening Newtown's profile as an alternative entertainment precinct to the city – in the truest sense of the word. The project is supported by local retailers as well as state and national governments.

Whereas it has to be seen if Newtown's character – its distinct atmosphere – can be saved and preserved, its physical heart – King Street – definitely will. King Street is Newtown's aorta, a thoroughfare stretching for about two kilometres from Broadway and Sydney University at its northern to St Peters at its southern end. King Street houses almost all of Newtown's theatres, performance spaces, hotels, cafes, restaurants, shops etc. – going to Newtown means frequenting King Street. The street is listed on the Register of National Estate due to its relatively unspoiled 19<sup>th</sup> century two and three storey Victorian and Federation-style commercial buildings with continuing awnings and a regular rhythm of retail frontage width lining both side of the curving ridge. The *King Street & Enmore Road Heritage and Urban Design Development Control Plan* launched by Marrickville and South Sydney Councils in August



2002, aims to preserve and enhance this play of unity and diversity that gives the streetscape its unique and very attractive visual quality.

### 5 Conclusion

This study is embedded within the context of economic shifts towards a service economy in which cultural industries are playing a significant role by indicating a process of growing interconnectedness between economic and cultural spheres. Moreover cultural industries are regarded as dynamos of economic progress within the new service economy. A large proportion of the cultural industries is made of micro and small enterprises imagined to be the major driver for innovation and creativity within the sector. These small creative businesses tend to be located away from established business centres close to areas known for their cultural amenities and distinctive lifestyles. The Australian cultural economy reflects the shift towards services within its entire and even more clearly within Sydney's economy. Recent reports of an Australian business-to-business title reveal a trend within Sydney's cultural industries: a trend from big to small businesses. These small creative businesses are mostly located in comfortable and homely environments in Sydney's inner city areas.

Empirical evidence from Newtown, one of Sydney's inner city areas, shows that creative people running their businesses here highly identify with the area and its attitudes. They perceive Newtown as an alternative, lively and creative place, a place that tends to be unique. Being located in Newtown was a living rather than a business choice. Nevertheless being located in Newtown makes a statement about their business practice. Even if this might be a huge generalisation, creative people construct, perceive and represent themselves as trendy by doing a trendy job, driving a trendy car, having trendy clothes, etc. – and by being in a trendy place. In doing so, working and living spheres blur as they are linking their habitus in their work. However their strong emphasis on artistic practice, on "being creative" may be debunked more as "cultural dreaming" because in the end they still have to meet the client's briefs.

The same creative people are described as the precursors of the new middle class whose rise is associated with the shift to a post-industrial economy. Creative people are not only predisposing and defining lifestyles and identities they are also transforming these lifestyles and identities into spatial practice – all underlying a claim of authenticity and distinction. But the pursuit of

difference and distinction is not without contradiction as the concern with culture merely opens new fields of consumption which exposed to forces of capital slowly but surely commodifies the object of their desire. Places that are initially different, inconvenient and affordable become more convenient but less distinctive and less affordable. People in Newtown are very much aware of these types of changes within their own neighbourhood. Local initiatives aim to preserve the Newtownness, its arty feeling and its key agents. In competition with other places within Sydney, they promote Newtown as an alternative place. However, while the otherness becomes institutionalized and transformed into economic value, this "being different" slowly erodes. It has to be seen whether the creative people and their venues will stay within Newtown and whether Newtown's allure can be preserved or whether Newtown will just keep its image of being different while becoming a "hippy comedy". In the latter case, creative people would have sowed the seeds of their own demise and Newtown would have lost the base of its marketing campaign. In the end it is about constructing and promoting a place by claiming its distinctive and authentic character. Places are more and more in competition with other places within the same city and to places in other cities. In this sense the locality becomes important; a locality with specific attributes urban politics can build on to market this place – sometimes it might be just the image that is left whereas the creatives have moved further afield.

Sydney's inner city area Newtown exemplifies a process which can be observed in prior post-industrial cities such as New York, London, Vancouver, Toronto, Paris etc.: leading-edge economic sectors such as cultural industries provide the dynamic for inner urban transformations, in other words, high-status occupational growth has become increasingly linked to socio-spatial changes across cities. Insofar gentrification is a spatial articulation of a more complex process linked to profound transformations in capitalist societies – the restructured industrial base with the associated rise of a new middle class. However, the signs and trajectories of gentrification are to a large degree determined by its local context. In this perspective BOURDIEU's habitus concept appears to be highly applicable as it conceptualizes the relationship between individual and society as mutual, between structure and agency as process and between standardization and change as dialectical. The habitus of people – their lifestyles and their representations – structures their environment through the sum of individual habits and activities. In turn, the habitus itself is under ongoing negotiation as it gets structured by its surrounding contexts. The same applies to the

habitus of places. Finally, all the habitus are embedded not only in local but also in regional, national and global processes.

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