

# Enhancing creativity

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CREATIVE imagination is humanity's greatest resource, the foundation of all art, science and knowledge. It is the means by which we learn about ourselves and about others. Without it we cannot imagine our full potential, let alone achieve it. All this is well-known. At this level, creativity is a private and personal activity. But it is increasingly becoming our favoured route to economic status.

A significant number of people increasingly spend their time on, and earn income from their creative imagination. For them, creativity is not only a spiritual matter but something explicit and public. It is not only a matter of personal expression but a lever of social and business success.

In order to understand this we have to know what creativity is and how it differs from art, discovery, invention and innovation. I define creativity simply as 'having a new idea' and the 'creative economy' as an economy where ideas, not land or capital, are the most important input and output.

My definitions are broader than the normal ones. Creativity is usually more narrowly tied to the arts and culture: to art, architecture, craft, design, fashion, music, performing arts, publishing and so on. It is true these activities are highly creative and very important. Artists create beauty. They play around with beauty. They *share* beauty. And, in economic terms, in a network economy, they are economically important. By my own reckoning these activities add up to about 4-5% of global GDP.

But to say artists and performers are the only creative people in the world seems to me to be short-sighted and wrong. It ignores other people, in many fields, who also use their creative imagination. It shuts off huge opportunities, both spiritual and economic.

Surely creativity is found in many places in society. Planting, harvesting and reusing seeds; carrying out a scientific investigation; designing a school curriculum – these can be just as creative as painting a picture and designing a bracelet. They all use the creative imagination.

They all certainly count as culture. Culture has always had two meanings; the narrow meaning of culture as art and aesthetic, and the wider meaning of culture as a collection of values and beliefs. Among the most acute analysts

of these twin themes were T.S. Eliot, the poet and critic, and Richard Hoggart, the writer and administrator, who differentiated between both, culture as aesthetic and culture as anthropology.

We need to recapture this wider sense. Certainly in the West we have become too focused on the artist as hero, the Romantic genius, the artist as an outsider. We need to accept that this notion is not the norm and is too restrictive.

**W**hat does it mean to say that all people can be creative? First, all creativity, whether in the arts or sciences, develops through the same physiological processes. The brain's synapses fizz and splutter and make connections – or not – in the same way. Modern electronic scanning techniques show that the brain forms a new concept in the same way regardless of whether we, or observers, categorise them as art or science or business innovation. We need to integrate our ideas about creativity with recent discoveries of modern neuroscience.

All creativity also depends on the individual's capacity to dream, wander, think, challenge, disagree and invent. Creativity expresses diversity, which is the source of culture. Without diversity, there is no culture. All kinds of creativity generate the same buzz of excitement, whether by artist, scientist or business executive. It's fun. It's seductive, entertaining, intriguing. This is something that many people, including many government officials, find hard to understand.

Another common factor linking all kinds of creativity is that all thinking is free and therefore creativity is open to all. Of course, in totalitarian, bureaucratic, or hierarchical societies, people are not free and creativity is crushed or shackled. But, because creativity requires so few external resources, it is open to everyone. In an open, classless society, it is meritocratic. Not everyone can be a farmer (you need land), or a manufacturer (you need money and factories) or a government official (you need to pass exams). But everyone can be creative. Of course, the quality will vary but the ambition, the ways of working, the inputs and outputs, are available to all.

This kind of creative thinking is now prevalent in a dozen cities round the world, such as Los Angeles, London, Milan, Tokyo and Paris. Even Shanghai, which is tightly controlled politically, exhibits great freedom in creative, intellectual and economic affairs. The great economist Joseph Schumpeter, who defined our modern ideas about the entrepreneurial function, said in the 1940s that 'Entrepreneurship in America is now routinized.' It is the same with creativity. Creativity in these places is now routine.

**L**ook at young people in these cities today. They claim the right to be different: a mix of free speech and free expression. They claim a right to learn, to 'always-on' education. They claim the right to change their mind. Creative people are always learning. When we stop learning we stop being creative.

They claim the right to use their ideas in their work. I'm not saying their ideas are right or wrong, or better or worse than the already existing ideas. I am merely saying that they want to assert that their ideas are worth a look, worth testing, worth supporting simply because they are personal and novel.

These people enjoy creativity's subjectivity and ambiguity. They are not afraid of ignorance. They relish personal conflict and passion. For them, ideas are a source of style, status and power. Their ideas are the chief wellspring of their personal identity. These people also know the difference between creativity and innovation. Creativity is personal and subjective, whereas innovation is group-led and objective. Creativity can lead to innovation. Innovation seldom leads to creativity. Few governments seem to realise this. Government policies on creativity often reflect an old-fashioned and muddled view of innovation, in which creativity is seen as another word for innovation, perhaps with a slightly arty connotation. This is fundamentally mistaken.

**G**overnments make the same kind of mistake when they say the creative economy is part of the knowledge economy. Music, theatre and other kinds of entertainment are experiences, not information or knowledge. Governments must understand this, or their policies will fail. A government that applies its policies on innovation to the creative economy will fail its responsibilities to the public.

India is well-placed to succeed in the creative economy. It is a country of great intellectual and spiritual fervour, and it has deep-rooted entrepreneurial tendencies. Looking at India from Europe or the USA, one can only marvel at its opportunities. I have explored business ventures in India on several occasions, most recently with NIIT when we were testing the idea for setting up the World Learning Network (WLN), an ambitious plan for a global network of on-line learning that we wanted to start in India and Japan. In each case, I was hugely impressed by people's vision, skills, and determination.

Yet the global creative economy is a very competitive place. It is astonishing how fast it develops, how quickly cities and companies

stake out new territory and adopt new strategies, how quickly creative people move to new places, and how rapidly people, cities and organisations rise and fall. Creative people have little baggage. We are all nomads. We can be in Mumbai, Shanghai, Singapore or Sydney overnight.

Over the last 10 years it has been possible to learn a huge amount of information about what makes a creative business succeed, and how governments can help or obstruct their creative economy.

**A**t the end of 2003, ITR's Creative Group brought some of this information together into a system which we call a Creativity Audit. This is a toolkit, based on 12 factors, that enables organisations to develop strategies for creative success. It enables companies to understand, manage and exploit their assets and enables governments to review their policies to ensure they support a sustainable creative economy. It is similar to a financial audit, but instead of checking the accounts it reviews an organisation's greatest assets: its intellectual, creative assets.

I want to look at one issue in detail: intellectual property (IP). This is a critically important factor and very topical in India, as a result of the WTO/TRIPs requirement that India and other developing countries implement TRIPs rules on patents into their domestic legislation as of 1 January 2005. I do not want to recount the controversy over the patent ordinance and the new law. But I do want to suggest that this entire controversy, superficially about whether India fulfilled its WTO obligations, is actually about much more profound matters such as India's access to knowledge and the way in which India develops its creative economy.

Why do I make this claim? Intellectual property is the currency of the creative economy. IP laws regulate the way we have access to ideas, how we share ideas and how people earn rewards from their ideas. They are essentially about maintaining a balance between protecting the public domain (education and public libraries) and protecting rights-holders' interests.

Modern IP started to emerge in the 19th and 20th centuries and reached its current state in the early 1990s when the West proposed and set up the WTO and the Trade-Related Intellectual Property Rights treaty (TRIPs). The western paradigm is based on the idea that creativity is the special preserve of a small number of people (eg, professional artists and inventors) and an even smaller number of investors and distributors (eg, global entertainment and pharmaceutical

companies) who invest in and distribute their work. According to this worldview, IP law and licensing is a matter for experts.

If I'm right about the creative economy, then this model is no longer valid. The majority of people are not passive consumers but active users. I'm not talking about high art or high culture or Nobel-prize winning science, but about people's instinct to create and express their own thoughts.

**T**his means, we need a new paradigm for IP based on the public's rights to knowledge and the economic benefits that accrue from sharing. This new paradigm should be based on some fundamental public principles, such as protecting the public domain, and guaranteeing access to culture and R&D results. Simply put: don't privatise facts and ideas. In India, start with Indian, not western, views of creativity. Overall, fit the IP laws to the country, not the other way round.

This new paradigm was clearly expressed in the Brazil/Argentine proposal to the World Intellectual Property Organisation (WIPO) annual meeting in September 2004. Debrabrata Saha, India's Deputy Permanent representative in Geneva, said: 'IP rights have to be viewed not as a self-contained and distinct domain but rather as an effective policy instrument for wide-ranging socio-economic and technological development. The primary objective of this instrument is to maximise public welfare.' I agree wholeheartedly with him and emphasise strongly that the principle of public welfare should be the aim not only in developing countries, but in the West as well.

This is why I set up the IP Charter project at the Royal Society of Arts in London last year. It is based on the unanswerable but still controversial principle that IP should serve, and be seen to serve, the public interest (see [www.ipcharter.org](http://www.ipcharter.org)).

**T**rade is another important issue. According to the WTO, intellectual property, and issues like access to knowledge, are primarily matters of trade. The US and some other countries say ideas can be traded like anything else. They say all countries from the richest to the poorest must accept western rules for privatising knowledge, covering everything from indigenous plants to folklore and films.

To my mind, all countries should be able to choose and maintain their own policies on culture and the creative economy. Mahatma Gandhi

said: 'I do not want my house to be walled in or my windows blocked. I want the cultures of all lands to be blown about the house as freely as possible. But also I refuse to be blown off my feet by any.'

The West works through the global WTO and bilateral Free Trade Agreements (FTAs), mostly between the US and EU and developing countries. It's worth noting, the World Bank has recently calculated that the 109 FTAs now in existence will increase world income by \$112 trillion over 15 years but will cause a loss of \$21 trillion for developing countries. Those are astonishing figures. I wonder why so many developing countries are so keen to sign FTAs with the USA.

I would like to ask: Did India's parliamentary parties know these figures? Did the government know them? Did they calculate the costs and benefits of WTO membership and TRIPs obligations on India's knowledge base? Did they carry out a comparative analysis of the effects on 'access to knowledge' in India and its overseas competitors in Asia? Did they do any research? Is the new law based on any evidence?

Few governments have good data on the creative economy. Too many governments apply old-style thinking, using such concepts as full-time employment, 'value added', productivity and interest rates. Frankly, any government that uses these outdated concepts will not succeed in the creative economy.

It is the same with companies. Although IP can be hugely important to a business, few companies are expert in IP law and licensing. Virtually every large company depends substantially upon IP, yet few have an IP expert on the board. Even fewer have a board member who is aware of recent thinking on creativity.

I come back to the point I made at the beginning. Recognise all kinds of creativity, not only the arts, as major cultural and economic processes. Success in the creative economy will come to the organisations that recognise and reconcile the personal, the spiritual and the economic. India can rightfully boast of its entrepreneurial skills, its software skills and its unique religious, spiritual and artistic strengths. Can it combine them? The nomads that make up the creative economy are waiting.

\* John Howkins is the author of *The Creative Economy*, Penguin, London, 2001.

