
Urban Restructuring in Rio de Janeiro: Creative Economy and New Perspectives of Development

João Luiz De Figueiredo

joao.silva@espm.br

João Grand Junior

joaograndjr@gmail.br

Silvia Borges Corrêa

sborges@espm.br

(Escola Superior de Propaganda e Marketing, Brazil)

The focus of this article is the urban restructuring of Rio de Janeiro's central area. The key argument is that this process relates to a new phase of capitalism centred on the creative economy and the continuous search of the city for a new development model since 1960, when it ceased to be the capital of Brazil. Thus, the main objective of the paper is to analyse the urban restructuring of Rio de Janeiro's central area, identifying its potential, limitations and risks in view of the valuing perspective of cultural assets as core elements of a new territorial development model. Through the interpretation of socioeconomic data and mapping of cultural facilities located in the area under discussion, we identify the enormous potential of the culture in playing a central role in the development of the city and the central area, but we recognize that merely the construction of new cultural facilities and infrastructure will not be enough to re-dynamise the local economy. Moreover, we point out the need to increase the residential occupation of the area without incurring in a gentrification process, as seen in many other cases of urban restructuring in cities around the world.

Keywords: Urban restructuring, development, creative economy, city centre.

Introduction

Many authors devoted to the analysis of the evolution of cities agree that their forms and functions vary according to the phases of capitalism and, in this perspective, recognize that cities are both a product of capitalism and a condition for its reproduction (Harvey 1990, Scott 2008, Ferreira 2011). In other words, this literature highlights the historical relationship of interdependence between the development of capitalist relations of production and urban processes responsible for forging the different types of cities. Thus, each stage of capitalism is associated with specific types of cities and vice-versa. In addition to this idea, the anthropological literature, especially that referring to urban studies, sees the city as an essential environment to be analyzed, where citizenship, the democratic process and identity are constantly renegotiated, and where economic, political and cultural aspects interact (Prato and Pardo 2013).

The productive restructuring process triggered since the 1970s and 1980s has given rise to new forms of economic organization. We highlight three aspects relating to changes in the relations between cities and the contemporary dynamics of production: the intensive use of new information and communication technologies (Castells 1996), the process of production territorialisation (Benko and Lipietz eds 1992, Storper 1997) and the increasing convergence between culture and economy (Throsby 2001, Florida 2002, Landry 2008, Scott 2008). In this context, the differentiated insertion of cities in the global economy is increasingly related to the capacity of productive mobilization of territorial specificities; in particular, those listed in the non-material sphere (Storper 1994, Sassen 1994, Veltz 1999, Scott 2008).

Since the late 2000s, Rio de Janeiro has experienced an extensive process of reconfiguration of the urban space, with interventions in several areas of the city. More than the adequacy of physical space for holding major international events such as the 2014 FIFA World Cup and the 2016 Olympic Games, this ongoing process reflects the construction of a new city

project and opens the debate on the limits and potential of this unborn model of development in Rio de Janeiro, which has in the creative economy one of its axes. This transformation process takes place within a social, cultural, political and economic context that includes and combines processes of deindustrialization (Harvey 1990, 2014), of aestheticization of everyday life (Featherstone 1995) and urban intervention and gentrification (Leite 2002, 2006; Frúgoli Jr and Sklair 2009), which, especially in the last three decades, have transformed regions, cities and neighbourhoods around the globe.

We acknowledge that the central area of the city takes on a strategic role in this process both for housing one of the most ambitious urban restructuring projects — the Porto Maravilha — and for the concentration of cultural tangible and intangible assets that can be employed productively for development. Therefore, in this article we discuss the urban restructuring of Rio de Janeiro's central area in view of the debate on the role of cultural and creative activities for development. The main objective is to analyse the process of urban restructuring, identifying its potential, limitations and risks in view of the value attached to cultural assets as core elements of a new territorial development model. It is not our intention to evaluate the success or failure of ongoing urban interventions. Our interest is solely to discuss how creativity and the appreciation of existing cultural assets can be mobilized to build the competitive advantages of a territory on the premise that the convergence of culture, economy and territory are increasingly determining the development trajectories in the current phase of capitalism.

The article is structured in three parts, alongside the introduction and the concluding remarks. Firstly, we discuss the meaning of the search for a new development model for Rio de Janeiro. We understand that the city has been going through a productive restructuring process since the 1960s, when it ceased to be the capital of Brazil. Subsequently, we present the debate on the interdependence between culture, territory and development in contemporary capitalism, looking to defend the existence of new development possibilities for Rio de Janeiro through the productive mobilization of its territorial specificities, as a way to reposition itself in the global economy. Lastly, we explore the changes that are taking place in the central area of the city, showing through maps and socioeconomic data the possibility of productive mobilization of cultural and creative assets in favour of a new perspective of development for Rio de Janeiro. Thus, the article goes through a general analysis of the new development possibilities that open up with the changes in contemporary capitalism, gradually moving towards an analysis of the urban restructuring, in this context, of Rio de Janeiro's central area.

The Meaning of a New Development Model for Rio De Janeiro in the 21st Century

Since the 1970s, the productive and urban restructuring triggered by the transformation of global capitalism has affected cities worldwide in different ways. Rio de Janeiro is no exception. However, the contours of the Rio restructuring had been previously determined by the loss of its position as the federal capital; as a consequence, an important dimension to be faced by the city in its restructuring process was added to the transition from the Fordist regime of accumulation to one of flexible accumulation. The challenge was to develop new economic

functions in an uncertain context of transformation of capitalism in the 1970s and of crisis of 'Brazilian developmentalism' in the 1980s and 1990s.

The transfer of the capital to Brasilia was a hard blow to Rio de Janeiro's productive dynamics (Lessa 2000), since it implied the loss of its central function in the national urban network. This loss evidenced many problems that had been engendered during the years when Rio as the Federal District had structured itself according to a model oriented towards the development of the country instead of its own space (Moreira 2001). This perspective had restricted the development of industrial activities in the city and isolated it from its immediate hinterland.

Although the genesis of Brazilian industrialization has close links with Rio de Janeiro, which until the 1920s was hegemonic in this productive field, the years that followed progressively marked the transfer of this hegemony to the Metropolitan Region of São Paulo, where the installation of the industrial complex of the Brazilian 'peripheral Fordism' was concentrated. On the other hand, the growth of Rio de Janeiro was related to the concentration of public services and to the fact that it was the consumption space of the élite. As a result, the city has developed as a highly urbanized space, but without a corresponding industrialization (Lessa 2000). The intense urbanization of the city of Rio de Janeiro dissociated from an equivalent industrialization transformed the city into a mainly consumerist space and without the presence of an industrial labour market, which was a key condition of the urbanization processes during the years of the Fordist accumulation regime in the world's largest cities.

Since Rio de Janeiro lost its federal capital status in 1960, many economic development plans were carried out in order to boost new roles for the city to play in the Brazilian urban network. Invariably, with a few exceptions, the economic solutions proposed were focused on the traditional discourse of industrialization. However, these initiatives achieved poor results in revitalizing Rio's urban economy, whose crisis expanded during the decades of 1980s and 1990s due to the structural collapse of the Brazilian economic development model adopted since 1930.¹

If, on the one hand, the disintegration of the Brazilian developmentalism produced negative impacts on Rio's economy and its urban dynamics, on the other hand, it opened the possibility for building a model of development for the city directed by local interests and based on the identification of historically constructed territorial competences. In this perspective, a new organization of the economic space has become gradually consolidated in the state of Rio

¹ Because it was the capital of Brazil, Rio's economic dynamism became dependent on federal investments, thus, the crisis in the Brazilian economy of the 1980s and 1990s produced significant negative effects for the economy of Rio de Janeiro. Old factories responsible for the growth of Rio's suburbs closed their doors definitively or were transferred to other localities; several economic development projects managed by the federal government were discontinued; the privatization of many state-owned companies in the city negatively impacted the generation of jobs and income in the short term. In addition, these decades also marked a continuation of the transfer of the bureaucratic functions to Brasilia, and of the services sector activities to São Paulo, especially the financial sector, marked by the closing of the Rio Stock Exchange and other activities such as advertising.

de Janeiro with the allocation of heavy industrialization in the countryside and the enhancement of the cultural and cognitive capabilities of the city of Rio de Janeiro.

This process has been decisively expanded since the 1990s with the formulation of strategic plans that have become the main guide for the government's actions aimed at increasing the economic competitiveness of the city. That decade marked the beginning of a series of actions that, with mistakes and successes, aimed for a new round of restructuring processes of the city in the light of the new production paradigms. In general, what we saw in the city's economic planning was the redirection of an industrialization perspective in the Fordist moulds for a targeted strengthening of intensive economic activities in cultural and cognitive competencies. In this sense, analysing the urban restructuring of Rio de Janeiro's central area allows to reflect on the scope of the ongoing actions in the implementation of a possible new territorial development model.

Culture, Territory and Development

Since the late twentieth century, the reflections on the role of culture and territorial specificities have been gaining prominence in debates about development in the context of criticism of the centrality of technological modernization and economic growth, which is associated with the crisis of the Fordist industrial paradigm. Beyond recognizing the lack of culture and territory and its specificities in development debates throughout the twentieth century, contemporary reflections began to consider these elements to be strategic for development in the twenty-first century. They reflections were stimulated internationally by the studies and actions of UNESCO such as the publication of the 'World Culture Report' and the 'Universal Declaration on Cultural Diversity', advocating a development perspective centred on humanity rather than on the economy (UNESCO 1998, 2000, 2002). However, we can identify the roots of this debate in the research and political actions of economists such as Amartya Sen and Celso Furtado, who along with other social scientists contributed to the questioning of the centrality of the economy in the development debate. The expansion of freedom is the fundamental end and means of development, relating development to the expansion of human capabilities (Sen 1999). In turn, when analysing Brazilian development, Furtado (2012) argues that the Brazilian diversity (what we are) should be productively mobilized as the centrepiece of a new development model specific to Brazil, whereby culture is recognized as an end and the economy as a means to an end.

In the late 2000s, this debate entered the United Nations Conference on Trade and Development (UNCTAD), which, through the publications of the 'Creative Economy Report' (2010), defended the idea that the traditional knowledge and cultural basis of a given locality are central resources for the productive sectors of the creative economy. In this perspective, cultural resources are increasingly becoming the raw material of cities and are forming their value basis, replacing coal, iron and gold (Landry 2008). Landry highlights the new development possibilities that arise for cities worldwide, since there is no urban place in the world that does not have any historical, social or cultural characteristic that could not be mobilized productively.

In this context, the territorial approach in an economic perspective² — which emphasizes the spatial dimension of economic relations, where the territory is seen as a source of resources and is incorporated in the clash between social classes and the capital-labour relationship — helps us to think of the relation of interdependencies between the various productive activities; in particular, the cultural and creative activities. Thus, we understand that the territory, through its technical (objective competences), social (subjective competences) and institutional networks, plays an active role as the locational factor of economic activity; specifically, in the level of competitiveness between firms. In this view, we can say that an activity is territorialized when its execution is conditioned by its location and by the existing territorial resources, which often cannot be easily re-created or moved elsewhere (Storper 1994). Therefore, the competitiveness of firms depends increasingly on their geographical inclusion in territories where the most important resources are public goods: the labour force (know-how), learning and innovation capabilities, and the relations among the local productive players structured by the institutional environment.

The increasing recognition of relationship between culture, territory and development engendered a proliferation of studies and actions questioning the traditional urban/regional development policies. This movement points to new horizons and practices that emphasize the role of knowledge, culture and creativity as important territorial resources capable of enhancing the construction of competences through differentiation (Veltz 1999).

If, on the one hand, it is right to say that the big cities have no other option but to compete with each other for economic attractiveness (Harvey 1990), on the other hand, we believe that besides the production of creative goods and services the appreciation of the local culture in favour of a creative specificity allows the attraction of investments seeking something ‘different’ — something ‘distinctive’, thus allowing cities to enter the globalization process through the productive mobilization of their subjective competences.

Currently, one of the most important physical evidences of this interdependence between culture, territory and development is the tendency of cultural and creative activities to materialize in the landscape of the metropolis in the form of clusters of specialized firms and skilled labour. In our previous works, the focus was to identify the territorial dynamics of the creative economy in the city of Rio de Janeiro, as shown by the data and maps below (Medeiros et al. 2011a, 2011b)³.

² The concept of territory has tradition in several areas of study such as geography, political science, sociology, biology, economics, anthropology and psychology. Therefore, just as there are several areas of knowledge that are interested in the study of the territory, there are several existing conceptions of this concept. Haesbaert (2004) groups these conceptions into four basic aspects: 1) political or legal-political; 2) cultural or symbolic-cultural; 3) economic; and 4) natural.

³ According to the study made by the Federação da Indústria do Estado do Rio de Janeiro (FIRJAN 2008), three major areas of the ‘creative industry’ chain are recognized: i) the core, which is basically an adaptation of the British study proposed by DCMS, comprising the segments: cultural expressions, performing arts, visual arts, music, film and video, TV and radio, publishing, software and computing, architecture, design, fashion and advertising; ii) the related areas, which involve segments of the direct supply of goods and services to the core activities, composed of industries and service providers that

Category	Jobs		Salary bulk		Average Salary R\$
	Absolute N°	Participation %	Absolute N° R\$	Participation %	
Total	2.338.581	100,0%	4.992.189.194,42	100,0%	2.134,71
Core	73.219	3,1%	248.374.583,60	5,0%	3.392,21
Related	174.990	7,5%	229.965.501,60	4,6%	1.314,16

Table 1. *Economic activities in the municipality of Rio de Janeiro in 2010*. Formal jobs, salary bulk and average salary, according to the core categories and related to the creative economy — Municipality of Rio de Janeiro 2010. Developed by the authors using data published by the Ministry of Labor and Employment/MTE, Annual Social Information RAIS.

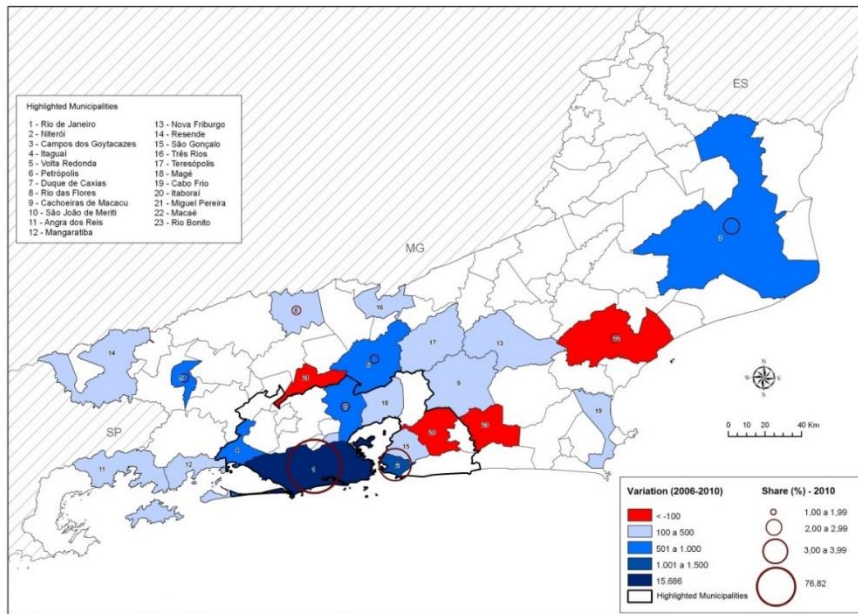
In maps 1⁴ and 2⁵, we observe on two different scales the pattern of spatial concentration of activities defined as creative according to the criteria used in the cited study. In the first case, the polarizing role of the city of Rio de Janeiro at state level is clear. In the following case, on the intra-metropolitan scale, we emphasize the differential character of the central area.

In agreement with Scott's analytical perspective (2000, 2005) on productive agglomeration, we recognize that the geographical concentration of skilled labour and specialized firms linked to the creative economy expands the possibilities of combinations and inter arrangements stimulating local creativity for the development of various products. Thus, territories of learning and innovation truly begin to emerge where culture, imagination and originality are forged into the territorialized productive system. Gains in know-how and benefits in work settings do not refer only to concrete and practical techniques, but also to the symbolic content of products.

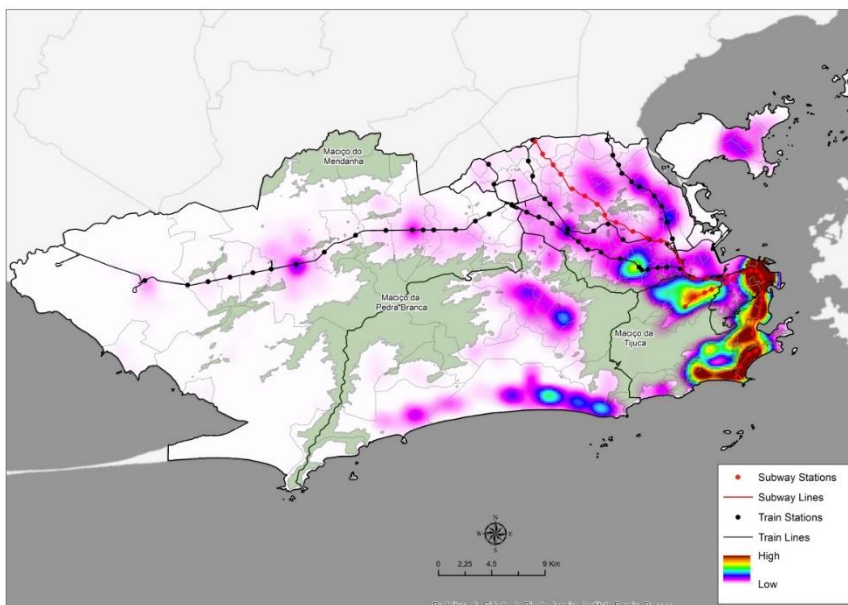
provide materials and elements crucial to the operation of the core; iii) more indirect support activities. We opted not to address this category, 'support activities', in the surveys and statistical analysis of the data, since our main interest is to analyze the dynamics of the segments and economic activities most directly linked to the core area of the creative economy. Thus, the data and information presented in the study refer exclusively to the core and related categories.

⁴ We selected only those cities with: i) positive variation generating more than 100 jobs, and ii) negative variation with a loss of more than 100 jobs. We selected only the municipalities in which the participation percentage was equal to or higher than 1.00%. The RAIS covers the total of the formal labor market on 31 December of each year. 'The Creative Industry Chain in Brazil' (FIRJAN 2008) was used in the study as a reference for the identification of the economic activities mapped.

⁵ Data on the number of establishments (licenses) include the period up to January 2011. The study 'The Creative Industry Chain in Brazil' (FIRJAN 2008) was used as a reference for the identification of the economic activities mapped.



Map 1: Absolute variation in the number of formal jobs (2006-2010) and percentage of participation in the total of jobs in the state of Rio de Janeiro in 2010 of the ‘core activities’ of the chain of the creative economy, according to highlighted municipalities - State of Rio de Janeiro. Developed by João Grand Júnior and published first in Medeiros Jr et al. 2011b.



Map 2: Spatial distribution of the ‘core’ establishments of the creative economy chain - Municipality of Rio de Janeiro - 2011. Developed by João Grand Júnior and published first in Medeiros Jr et al. 2011b.

The theoretical debate on the links between culture, territory and development associated with the physical evidence of the existence of productive agglomerations of cultural and creative activities in the city of Rio de Janeiro opens possibilities for new development policies. New territorial management proposals can be thought out as tools for the valorisation and enhancement of cultural and creative competences historically constructed in the city, which

would become core assets for development. It is in the face of this debate that we analyse the urban restructuring of Rio de Janeiro's central area.

Urban Restructuring of the Central Area of Rio de Janeiro

Our analysis of the urban restructuring of Rio de Janeiro's central area aims to assess the extent to which the actions valuing the cultural and creative dimension of the city are defined as productive restructuring strategies that help to reposition the city in the global economy. Thus, it behoves us to question how cultural and creative activities can contribute to the process of urban restructuring and how we can evaluate this process, in which culture plays a growing role in urban restructuring.

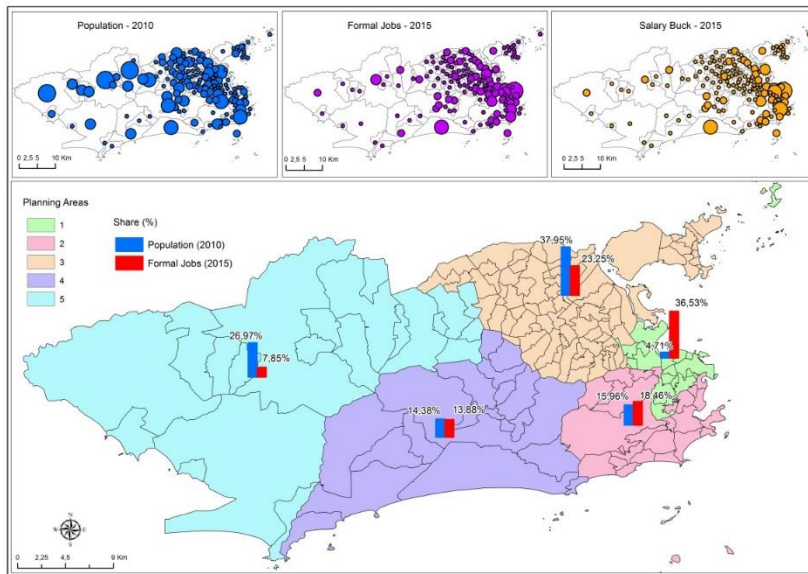
These questions have inaccurate answers. However, we should recognize that the contribution of arts and culture to urban life and to the economic development of cities is expressed in many ways (Throsby 2010): creating employment opportunities and social commitment for various social groups; attracting foreign investment through cultural facilities and a pulsating artistic life, which enhance the quality of life; contributing to the urban economy by encouraging the construction of cultural facilities that help the revival of the economy in deteriorated urban areas that become symbols for the local population and tourists; strengthening the cultural identity of the city through festivals and cultural events; stimulating economic agglomeration by encouraging the concentration of cultural and creative activities in urban environments.

Many actions were carried out in Rio de Janeiro's central area with an emphasis on the construction of important culture and leisure spaces aimed to strengthening cultural development policies such as the construction of the Museum of Tomorrow, the Rio Art Museum (MAR), the Rio Marine Aquarium (AquaRio), the Orla Mayor Luiz Paulo Conde, the regeneration of the José Bonifácio Cultural Center, the creation of the funding statutes 'Local Actions' and 'Cultural Territories', and so on. The next section briefly describes Rio de Janeiro's central area, so that we can proceed to the main purpose of this article, which is to analyse the restructuring of Rio de Janeiro's central area and identify its potential, limitations and risks in view of the value of cultural assets as core elements of a new territorial development model.

Rio de Janeiro's central area and its urban restructuring potential

The Rio de Janeiro's central area considered in this study falls in what the municipal government defines as Planning Area 1. In addition to the historical cultural value expressed in different landscapes, this area can also be analyzed from the perspective of the concentration of generic economic assets (business, jobs and wages generated in the city), specific resources and assets linked to cultural-creative segments (theatres, cinemas, museums and libraries) and various organizations producing cultural goods and services, such as cultural collectives, samba schools and audio-visual produce rs. On the other hand, this area can also be described in terms of a relatively 'empty' demographic, reflecting in part the zoning regulations

and occupancy strategies defined by the municipal government of the past (Ordinance No. 322 of 3 March 1976), which restricted the use of the land for residential purposes.

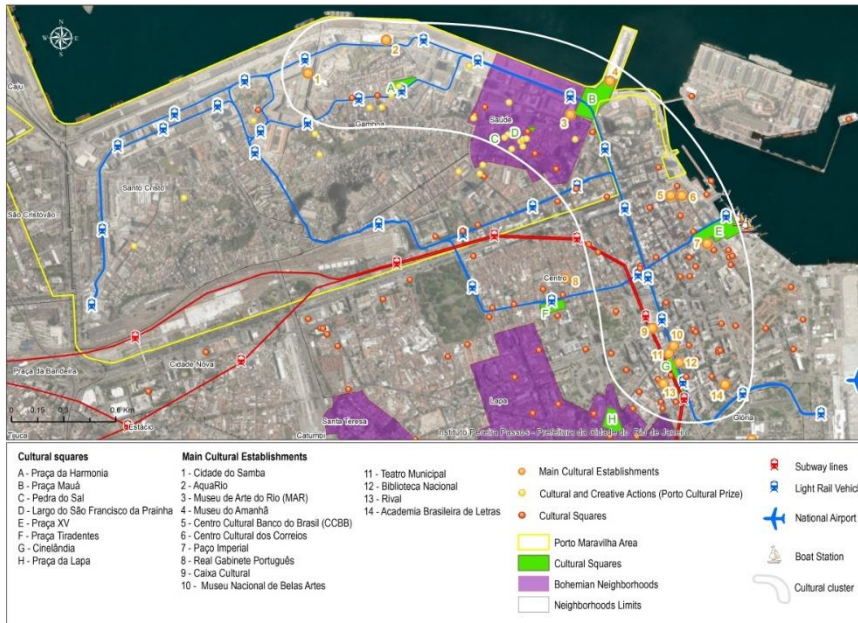


Map 3: Distribution of the formal employment and the population in the Planning Areas of the city of Rio de Janeiro - 2010. Developed by João Grand Júnior using data published by the Ministry of Labor and Employment/MTE, Annual Social Information–RAIS, and population data from the IBGE census 2010.

We accept the premise that the challenge of strengthening the creative economy in the city of Rio de Janeiro should be linked to another even greater challenge, the reduction of socio-spatial inequalities in the city. Map 3 shows the asymmetric distribution of formal jobs in respect to the population among the five planning areas (PA): PA 1 (Central Area); PA 2 (South Zone); PA 3 (North Zone); PA 4 (Baixada de Jacarepaguá); and PA 5 (West Zone). The biggest distortions are in PA 1, which includes only 4.7% of the city’s population but has 36.5% of the formal jobs; in PA 3, which includes 37.9% of the population and 23.25% of the jobs; and in PA 5 which includes 26.9% of the city’s population but only 7.8% of the jobs. While Map 3 reveals the spatial imbalance in the city in terms of distribution of the population and employment, Map 2 highlights the clustering of cultural and creative formal activities in a corridor connecting PA 1 (Central Area) and PA 2 (South Zone). In this light, the urban restructuring of the city’s central area should have as its objective the expansion of the residential use and a remodelling of the infrastructure aimed at attracting new residents to this part of town, which loses much of its vitality on weekends and at night, when the many workers that normally circulate in the area go to their homes elsewhere in the city.

In Map 4 we show the perimeter of the Porto Maravilha project and note how it fits in an area of the city that, although demographically empty, has a significant presence of cultural facilities and important historical and symbolic value. The approach of the municipal government to the region, expressed in the strategic plan for 2013-2016, is made quite clear in the following two goals: consolidate the region of the Porto Maravilha as a location for the promotion of culture, by promoting at least 15 important cultural initiatives by 2016; and enhance the urban landscape and cultural heritage of the historic centre through the recovery

and restoration of important areas such as the Tiradentes Square and Lapa. In addition, the expectation is to expand by the year 2020 the number of residents in the central area from the



current 40,000 to approximately 100,000.

Map 4: Main creative cultural facilities in the central area of the city of Rio de Janeiro. Developed by João Grand Júnior using data published by the Municipal Secretary of Culture; Instituto Pereira Passos.

We believe that the installation of the new anchor cultural facilities (MAR, Museum of Tomorrow and AquaRio), the restoration of important cultural town squares (Praça Mauá, Harmony Square, Largo do São Francisco da Prainha) and the installation of a new urban transport mode (Light Rail Vehicle), which integrates the central area with the national airport and the bus station, have great potential to strengthen the cultural-creative ecosystem of the central area of Rio, and thus contribute to an increase in residential occupation and a strengthening of the existing productive clusters of cultural and creative activities. However, we do not believe that the goal to reach 100,000 residents by the year 2020 will be achieved because the government’s emphasis on the construction of large cultural facilities and real estate initiatives on corporate buildings does not contribute directly to increasing the population density of the central area. The expectation that the restructuring of the physical infrastructure combined with new cultural facilities and urban amenities will boost the housing market has not yet materialized. To aggravate the problem, since 2015, Brazil has faced a deep political and economic crisis that has reversed much of the positive expectations for the economy of the country and of Rio de Janeiro.

Therefore, we argue that, on the one hand, the infrastructure has the potential to increase the contribution of cultural and creative activities to the urban life of Rio de Janeiro and to contribute in the development of the city. On the other hand, there is an important question that needs attention in the debate on urban restructuring aimed at promoting regional development in the context of valuing cultural and creative activities: Is the allocation of physical

infrastructure sufficient to support the development and strengthening of the cultural and creative activities in Rio de Janeiro?

The limitations and risks of the restructuring of the central area of Rio de Janeiro

To understand the limits and risks of the urban restructuring of Rio de Janeiro's central area we engaged in the analysis of the territory from an economic perspective. From this point of view, our analysis emphasizes a dimension bringing together technical (objective skills), social (subjective skills) and institutional networks that forge the territorial characteristics responsible for the local dynamics of economic activities and the level of competitiveness of firms. Hence, the insufficiency of the technical infrastructure as an element capable of redefining the territory is fairly evident, although it is a fundamental part of the process. Equally important are the upgrading of the technical networks and the actions aimed at strengthening social networks and increasing confidence in institutional networks.

In terms of strengthening of social networks and enhancement of the subjective characteristics of the city and its central area, there are ongoing actions, such as, the city's entry in the World Network of Creativity Districts (Flanders DC) in 2010; the creation of the Rio Heritage of Humanity Institute, of the Rio Startup programme, of the creative Port District in 2015 and of the Creative Rio Incubator by the State Secretary of Culture of Rio de Janeiro; the expansion of the direct and indirect municipal promotion of culture (Notices of the Culture Points, the Local Actions and the ISS Act). This combination of ongoing actions has potential to transform the creative economy into a development axis of the city, impacting the urban restructuring of the central area through a relationship with the physical infrastructure. Yet, it should be noted that the real challenge 'is not to value the local culture, but a cultural production made up by local players (capable of dialogue, therefore, with the cultural production of the metropolis)' (Silva 2012: 187).

We have identified in the territorial institutional networks the greatest limits to the urban restructuring of the central area, due to their growing importance in the process of economic development; especially in a model centred on cultural and creative activities. In an institutionalist perspective, as North (1990) suggests, defining the rules of the game in society determines the pattern of economic, social and political interactions. In this sense, they are vital for the economic performance of cities and countries, and for the productive agglomerations characterized by a dense interplay among the players. Thus, it is important that the institutional environment produces a structure of interaction between companies and workers in the various industrial agglomerations of the creative economy which encourages the formation of networks and promotes the generation of externalities.

In this line, when analysing the organization of creative industries, the 'Contract Theory' emphasizes the importance of agreements that point to a certain conduct in economic transactions (Caves 2002). For Caves, de-verticalised production systems require a contractual pattern that encourages interaction among the productive agents, and the challenge is amplified in the extent that it increases the variety of professionals involved and requires different contractual terms. Such is the case of the creative economy. Consequently, it is expected that

the increased confidence and incentives for interactions and entrepreneurship promoted by the institutional environment, should strengthen the territorialisation process of knowledge and skills, turning them into public goods. This process is central to developing the competitiveness of a city guided by the creative economy, since the links of the production process are no longer found within the enterprises, but are contained in the territorial base and are supported by the institutional environment.

The process that we have just outlined emphasizes the need for new policies aimed at promoting economic development because the traditional provision of physical infrastructure and technology are insufficient in the face of the new relational paradigm of the modern economy, where the system of norms, rules and conventions and the condition of public goods is of utmost importance (Storper 1997), which increases the importance of social cohesion (Veltz 1999). Broadening this concern, we should consider that the spread of great optimism about the possibilities of urban restructuring through culture could reinforce the existing inequalities in the city, or could not help to minimize this problem inherent to the capitalist system. When looking to strengthening the creative economy, the implementation of basic principles of equality, justice and democratic participation are necessary conditions (Scott 2008).

If the evolution of the urban restructuring project of Rio de Janeiro's central area does not consider the limits presented above and does not strengthen or develop tools targeting these issues, there is a great risk that the project will not achieve its goals. Thus the project would not promote the creative economy as a new development model for the city, which would involve turning the central area into a privileged area, with a positive impact on the number of residents, on the use of public space and cultural facilities and on the centrality of cultural and creative activities in the urban economy. Instead, the project could become a gentrification force of the central area, transforming it into a tourist consumption space.

The word 'gentrification', coined in the 1960s (Glass 1964), has been used in several studies according to Frúgoli Jr and Sklair to refer to the 'development of housing areas for middle and upper classes in neighbourhoods of central urban areas, articulated to processes of control or expulsion of sectors of working classes, in a process also conspicuous due to the performance of certain lifestyles and consumption [...]'⁶ (2009: 120, our translation).

Concerning the possibility of gentrification in regions that undergo urban restructuring, authors such as Featherstone (1995) have already pointed out the development of new urban spaces and the return of a middle class linked to cultural industries to restored central and harbour areas. Subsequently, these areas are then reoccupied by members of this middle class and developed as tourist attractions and cultural consumption, while lower-income working class, which had previously dwelt in these areas, is expelled or relocated to other regions of the city. The Brooklyn district, as DeSena and Krase (2015) demonstrate, with its radical shift from a place regarded as urban blight in the last decades of the 20th century to a privileged and

⁶ In the original: 'criação de áreas residenciais para classes médias e altas em bairros de áreas urbanas centrais, articulados a processos de controle ou expulsão de setores das classes populares, num processo também assinalado pelo desempenho de determinados estilos de vida e consumo'.

popular tourist destination in New York City at the beginning of the 21st century, portrays this process, strongly perceived by its former dwellers that underwent the effects of gentrification. Regardless of its peculiarities, gentrification has reached urban spaces around the world. Frúgoli Jr and Sklair (2009) draw attention to the fact that the ongoing gentrification processes in Latin American cities have specificities, as these cities are notably different from each other and show different cultural, social and economic realities from those of European cities, where the concept of gentrification was originally employed, and from North American cities.

Conclusions

This discussion aims to add to other recent studies (Passos 2014, Sant'Anna and Gonçalves 2015, Pinheiro and Carneiro 2016, Freitas and Mello 2017) on the urban transformations carried out in the central region of the city of Rio de Janeiro, mainly in the harbour area. Namely, those are studies that have pointed to the complexity that involves the restructuring of an urban space with diverse social agents and shown forms of appropriation and use of this equally diverse space. Hence, the social relations interwoven in the neighbourhoods that constitute the harbour area are multiple and have been disregarded by the forces of the political-economic articulation leading this urban restructuring project.

It is too early to perceive the results of the ongoing urban restructuring process in the central area of the city of Rio de Janeiro, since the interventions initiated in 2010 and planned to be completed in 2016 are still being implemented and considering that during the period 2015-2017 Brazil has faced a deep economic and political crisis. In any case, it is possible to establish some notes in the form of initial findings.

In general, after the loss of the federal capital status in 1960 and the tough crisis during the decades of 1980/1990, the city of Rio de Janeiro was once again faced with the question of its urban restructuring, but this time under the hegemony of new productive paradigm. Thus, the creative economy has been frequently pointed out as a possibility of revitalization of the urban economy of Rio de Janeiro, based on its cultural and creative competencies. Therefore, we believe that the current phase of capitalism leverages new development possibilities for the city. In this sense, territorial development policies must take into account these new productive dynamics of the cultural-cognitive paradigm over the old practices associated with the industrial paradigm.

In other words, the territorial management looking to strengthen cultural and creative activities has specific characteristics, distinct from territorial management practice in the context of the industrial-Fordist paradigm, since the productive links in the creative economy are located in the territory and no longer inside the factories. In spite of being aware of the myriad social agents involved, the complexity of the social dynamics and the variety of perspectives on the urban intervention process under consideration, we believe, like Landry (2008), that cities need leaderships that recognize the paradigm shift regarding urban development in the 21st century, in a process that should be anchored in local culture and identity, which in turn constitutes the trait that distinguishes a city from the others.

Therefore, we admit that the new cultural facilities installed in the central area have great importance, but do not carry with them the mark of Rio's identity. It is worth mentioning that in this same area is also located the 'City of Samba', a cultural facility that serves as a production space of the carnival parade of the best samba schools and which could be elevated to a central position in this debate on new development opportunities through the enhancement of cultural and creative activities, as it synthesizes one of the most important cultural and creative features of Rio de Janeiro: the samba and the carnival. In the same spirit, we must mention the debate for the construction of the 'Museum of Slavery and Freedom', which would be a memory and appreciation space of African cultures that have contributed so much to build the Rio identity. Thus, although the speeches and actions are moving in the direction of enhancing the value of cultural and creative aspects of the city, it seems there is an emphasis on constructions of large cultural facilities, which on its own will not be able to explore all the cultural and creative productive potential of the local.

From these empirical analyses, we believe that Rio de Janeiro's central area has enormous potential to play a strategic role in transforming the local productive system, and can function as a territorial development tool in/for the city. However we must recognize that the institutional environment and know-how constitute priority fields of the territorial management to strengthen the creative economy, after all, they are the territorial sources of competitiveness of companies operating in this production field. In addition, the new urban space under development and new urban facilities should enable the manifestation of the heterogeneity of the city, for it will be through these encounters that creativity will emerge and will tend to strengthen the urban environment in the form of productive agglomerations (Scott 2005). We agree that the city planning and management that bet on the strength of their cultures and creativity should favour the emergence of the unpredictable (Vivant 2009).

Naturally there is still much to study and perform; however, the possibility of transformation of the various cultures present in Rio de Janeiro in assets for development represents opportunities that did not exist for the city before, which now more than ever should consider socio-spatial segregation as a huge obstacle for its development, because it restricts the possibilities for encounters between the different cultural players.

Thus, policies that facilitate the creative potential of various social groups that make up the city of Rio de Janeiro are a crucial condition so that cultural and creative activities will definitively enter the heart of a new development model and will not become just another speech exclusively favourable to big businesses. Moreover, this would be a huge limit to the strengthening of cultural and creative activities, since its development is a direct consequence of the interaction between large and small companies, between hegemonic and independent projects, between professionals with very different knowledge and skills.

In short, we argue that the success of the urban restructuring of Rio de Janeiro's central area and its role in building a path of development grounded in the creative economy will necessarily depend on the democratization of access to means of production, the reduction of socio-spatial inequalities and the strengthening of local diversity. Therefore, although it is essential to consider that in urban intervention processes the uses of spaces focus on the ways

of daily representation and urban ways of life, as well as on the physical and symbolic access to these spaces (Leite 2006), the building of cultural facilities and the restoration of the physical infrastructure are preconditions for this process; its results will depend to a large extent on the government's ability to create the conditions so that the diversity in society as well as the different ways of life and cultures can configure themselves effectively into a source of creative work and talent.

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