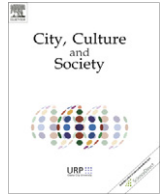


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The viability of cultural districts in Seoul

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ABSTRACT

This paper discusses the strategy of cultural district development in Seoul, where a developmentalist tradition is still strong. Two specific cases of Insadong and Daehagno are taken to examine several issues concerning inherent conflicts between culture and commerce, the way culture and tradition is perceived and interpreted by different groups, and the focus of cultural strategy. The viability of cultural districts is discussed in terms of governance, policy goals and measures, and programming needs. In particular, the paper argues that, although a collaborative form of governance is desired in general, its sustainability is questionable unless there exists critical discourses reformulating the meaning of culture and tradition and searching the best means to balance between culture and commerce.

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Introduction

Seoul was the center of South Korea's (Korea, hereafter) modernization drive and it acquired an enormous momentum for growth and structural transformation. What transpires from the remarkable growth of Seoul in a short period of time is an explosive dynamism. This dynamism, however, breeds contradictions in many fronts including one between the traditional and the modern and consequently generates many challenges, some of which cannot be appropriately managed by even the strong state. Most troublesome is the inertia and unfathomable logic accompanied by such dynamism. As seen in the feverish escalation of housing and land prices during the 1980s and even the recovery phase of the 1997 financial crisis, the dynamism is hard to put a lid on it and consequently creates conflicts and contradictions in the urban landscape of Seoul – sometimes severely damaging the underlying social and moral order of the city.

In short, Seoul is still a developmental city, wherein economic growth and material expansion are the foremost goals (Cho, 2001; Kim, 1998, 1999). Tradition is often perceived to be a factor inhibiting modern development and culture is treated as an appendix. Seoul's cultural heritage and traditional elements of landscape have been neglected

for the sake of 'modern development.' Similar to Hong Kong's culture of a bazaar (Ng, 2001), where the purpose of life is centered upon making money, the dominance of economic concerns in Seoul has shaped the city's cultural development. The belated recognition of the value of culture and tradition came about in the 1990s when the Korean society passed the stage of economic survival. The democratization of the Korean society and the emergence of the civil society in the 1990s was another factor behind the appreciation of culture and tradition. Increasing concerns with culture and tradition among some Korean intellectuals and citizens were also a reaction to the one-way street of modernization without cultural identity. The intensified globalization processes in recent years forced the adoption of global (often American) standards and norms and in turn raised people's awareness about their own culture and tradition.

Like many other countries, Korea promotes cultural industries. Many cities in Korea also engage in culture and tradition-based place marketing (Kim, 2002). Although place identity and cultural promotion are listed as goals of place marketing, the main emphasis of these efforts seems to aim at acquiring economic values rather than cultural values per se. This bias toward economic concerns still governs the urban development process in Seoul. Two cases dealt with in this paper reveal this fundamental contradiction embedded in the culture-economy relationship in the market-driven process of urban development in Seoul.

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The focus of this paper is to examine the interplay between commerce and culture in the specific context of the two cultural districts in Seoul. The paper begins with a brief literature review of cultural districts. Secondly, the history and internal dynamics of two cultural districts are examined in detail. Thirdly, the viability of cultural district strategy in Seoul is discussed in terms of governance, policy goals and measures, and programming needs specific to a cultural district. The paper concludes with an observation that public-private partnership is necessary to manage cultural districts but it should be complemented by critical cultural discourses among local citizens.

Cultural districts

The notion of ‘cultural district’ or ‘cultural quarter’ is nothing new. Cities have always had spaces for entertainment, arts and cultural consumption, whether as scattered venues across the city or in clusters of entrepreneurial activity. Wynne (1992) defines a cultural district as ‘that geographical area which contains the highest concentration of cultural and entertainment facilities in a city or town’. This is similar to one of the four types identified by Santagata (2002)¹ – a metropolitan cultural district, characterized by physical concentration of performing arts facilities, leisure industries, communication and e-commerce firms. Cultural districts for Brooks and Kushner (2001) are demarcated, named mixed-use precincts anchored by cultural facilities.

The cultural district, however, is not uniform. As an economic phenomenon, the local cluster model has been the focus of most interest (Scott, 2000). Creative industries have historically displayed a tendency to agglomerate in particular parts of the cities, underpinned by particular relations of production. Other cultural districts weight the culture more than the economic. Many of those in inner urban areas commence life as spaces ‘co-opted by marginal groups’ with a counter-cultural flavor (Hannigan, 1998). Revitalized heritage quarters and commercially gentrified old towns targeted at cultural tourism are another type of cultural districts (Le Blanc, 2010). Concentrations of cultural arts spaces can sometimes be conspicuous, based on performing arts venues, theaters and museums.

As such, cultural districts are increasingly common in European and American cities, where the detrimental impacts of economic restructuring necessitated the seizure of culture as a primary tool for urban regeneration. Cultural districts have thus become a spatial economic development model enjoying favor within local and regional government. Different planning instruments from regulation to development bonuses tuned to particular place needs and opportunities facilitate implementation. Pervasive in the cultural district strategy is the notion that cities can invent cultural districts through mixed-use planning initiatives and a mix of public and private investment (Landry, 2000). Furthermore, it is assumed that all aspects of city life and urban space can be used as a resource capable of trans-

formation into economic value for exploitation. In short, cultural districts can translate creativity into culture, and culture into valuable economic goods and services. Sometimes the cultural products of a region are afforded rights in intellectual property through location-specific brand names and terms in order to finance and support local creative arts endeavors (Santagata, 2006).

Yet, as Santagata (2002) admits, the crucial requirements and necessary conditions for building an industrial cultural district are hard to be found anywhere. Most cultural districts have established traditions of industrial production and consumption and have developed over relatively long periods in places with high levels of accessibility, on-going public funding of the arts, and appropriate built environments. The designation of cultural districts as such reflects the build-up of webs of connections between players in creative industries and the public sector. Many attempts at fostering the growth of cultural districts have failed to generate tangible benefits or have been supplanted by market-led tourist-oriented property redevelopment, as on London’s South Bank (Newman & Smith, 2000).

A successful cultural district, according to Montgomery (2003, p. 302), encompasses three types of design features; activity, form and meaning.

A place which has good activity but an inappropriate Urban Form will not be a cultural quarter in the sense of being a good place which attracts everyday users and visitors, but rather a place (most likely) of cultural production removed from the arena of consumption. This means that cultural quarters, and indeed the wider notion of city creative economies, cannot be considered in isolation from the geography and characteristics of urban places. Places matter; place matters. Similarly, a cultural quarter without meaning, *inter alia*, will not be much of a place. . . Culture, after all, is meaning. More than this, a cultural quarter which produces no new meaning – in the form of new work, ideas and concepts – is all the more likely to be a pastiche of other places in other times, or perhaps of itself in an earlier life. A good cultural quarter, then, will be authentic, but also innovative and changing.

The cultural district, in order to remain successful, will need to maintain what it is good at but also to be flexible, highly adaptive and embrace change, new ideas, new ways of doing things and new work. If not, the cultural quarter will disappear entirely, or become simply a collection of publicly funded venues and facilities, or else and emblem of former culture – ‘heritage’.

Cultural districts in Seoul

Since it is difficult to precisely define what constitutes cultural streets and districts, I adopt here a generic definition. A cultural district refers to a place wherein we find a noticeable agglomeration of cultural consumption and production activities in a limited geographical area (usually within walking distance) with distinct identity (KCPI, 1999). Agglomeration and identity are two major qualities, which define a cultural district. It is still ambiguous, however, what cultural properties constitute cultural districts.

¹ Santagata in his another article (2006) reduces the four types into two: the industrial cultural district (mainly based on positive externalities, localized culture, and traditions in ‘arts and crafts’) and the institutional cultural district (mainly based on property rights assignment, symbolic values and cooperative behavior).



Source: Jongno-Gu (2009)

Map 1. Street layout and shops in Insadong.

If we focus on the agglomeration of cultural activities or facilities, we may classify cultural districts into three broad types. The first type is a place where a substantial agglomeration of activities and facilities containing traditional cultural heritage is found. The second type is a place where cultural facilities such as museums, galleries, exhibition halls, and performance centers are concentrated. The third type is a place where cultural and culture-related industries are concentrated.²

Using the generic definition of cultural district, one may find such agglomerations in several places of Seoul including Insadong, Daehagno, Gwanghwamoon, Hongdae, Chungmuro, Cheongdamdong, Apgujeongdong, and so forth. There are other smaller scale cultural places such as Sagandong (where galleries are concentrated) and the Seoul Arts Center. These cultural streets and districts have different origins in time and place but the process governing the formation of them is fundamentally the same. Market demand and supply determine the formation and transformation of cultural districts and streets. Consumers' taste and preferences, which determine market demand, shape the form and function of those districts and streets.

² Adopting different criteria, Santagata (2002) proposed four types of cultural districts: the industrial cultural district; the institutional cultural district; the museum cultural district; and the metropolitan cultural district.

Producers, by their cultural competence, play a certain role in shaping the cultural contents and activities of those cultural districts. The public sector is not a leader in the cultural arena but it can facilitate the formation and transformation of such districts. Citizens and NGOs are another actor that can affect the contour of cultural landscape in the city. Thus, cultural districts should be understood within a larger context of social and economic development of the city. With these points in mind, I will focus on the two cases of Insadong and Daehagno for an in-depth analysis.

Insadong: place marketing in trouble

Insadong is a small, square-shape area composed of one main street stretched about 690 m from Angookdong Rotary to Tapgol Park and the east–west section running from the Gongpyeong Building to Nakwon Shopping Street (about 375 m). The area is classified as a commercial zone according to the city plan. The northern part of the area is designated as Insadong Planned Unit Development District, while the southern part as Gongpyeong Urban Renewal District. The number of people who work in the area is estimated to be about 3,000 persons, while the number of visitors runs about 85,000 a day (Map 1).

Insadong is well known to tourists from abroad. It is a place where Koreans and foreigners alike experience traditional Korean cultures including food, clothing, paintings, and antiques. There exists a concentration of shops related to visual arts like galleries, picture mounting shops, and writing-brush shops. The history of the area goes back to the Joseon dynasty when the area was a residential quarter for the middle-class people.³ The area occupied the location between the administrative quarter and the commercial quarter. It was an integral part of a traditional urban layout of the dynasty. As such, it has a traditional street layout typical for residential quarters – with a main street and many small alleys branching out from it (KCPI, 1999).

In the early 20th century when Japanese and Korean collectors and specialists looked for Korean antiques, Insadong became a place for selling antiques. In the 1950s, factories, storages, and religious facilities came into the place. Small merchants were congregated in the area and formed the Nakwon market. The mixed-use of the area was a characteristic of the time. Since the 1970s, galleries began to move into the area and strengthened the image of a fine art street. In addition, large and medium-sized office buildings were constructed in the periphery of the area. The current image as a street of traditional culture was fortified in the 1980s when stores selling antique paintings and furniture, and traditional craft works were agglomerated into the area. The area began to take a more commercial look when restaurants, teahouses, and cafes grew rapidly in the 1990s. Perhaps such a change was not unrelated to the changed profile of visitors and customers from the middle-aged and high-taste specialists to the younger-aged and ordinary people.

³ The Joseon dynasty (1392–1897) was a Korean sovereign state governed by Confucian ideals and doctrines. The Joseon society was made of several classes of people: *yangban* (Confucian scholars), *Joongin* (merchants, government clerks, craftsmen, etc.), *Sangin* (commons), and *Cheomin* (slaves). The *Joongin* class was located between *Yangban* and *Sangin* and they resided in the middle part of Seoul.

Table 1
Change in space uses in Insadong between 1998 and 2009.

Use	Number of shops			Changes in number of shops	
	1998	2002	2009	2002–1998	2009–2002
Antiques	172	72	48	–100	–24
Traditional mounting	87	57	47	–30	–10
Rice paper	85	42	33	–43	–9
Handcrafts	32	96	195	64	99
Galleries	108	105	180	–3	75
Subtotal	484	372	503	–112	131
Korean cuisine	–	39	20	–	–19
Traditional tea shop	–	47	28	–	–19
Korean dress	–	15	29	–	14
Picture frame	–	12	14	–	2
Subtotal	–	113	91	–	–22
Others	–	1434	1182	–	–252

Source: SMG (2001) and Jongno-gu (2009).

Currently, there are 180 galleries, 48 antique shops, 47 traditional picture mounting shops, 33 painting brush and rice paper shops, and 19 traditional hand-craft shops. These shops and stores are mostly small in size and rental-based operations and they are regarded as core activities of Insadong. In addition, there are a sizable number of restaurants and shops serving traditional Korean cuisine and tea. In particular, those shops engaged in traditional culture-related activities occupy the ground floor of low-rise buildings with strong traditional architectural characteristics. As a result, the concentration of antique shops, brush stores, and traditional mounting shops in this small area provide Insadong with an image of traditional culture and arts.

Table 1 indicates the decline of traditional culture-related shops and stores. Between 1998 and 2009, the number of antique shops, traditional art mounting and brush stores declined sharply from 344 to 128, while the number of galleries and handcraft shops increased greatly. It is notable that the decline of more traditional shops was not abated in spite of the designation of Insadong as a cultural district in 2002. The decline of these traditional culture-related shops was compensated by a remarkable increase in the number of galleries and kitsch handcraft shops. This change in the use of space in Insadong reflects basically the shift in consumers' demand. As Insadong became firmly established as a major tourist attraction, there was a shift in visitors' profile from the middle-aged, high-taste customers of traditional arts to the younger-aged, ordinary-taste consumers and foreign tourists. Accordingly, shops and stores serving the taste of these new consumers mushroomed through the rebuilding of old stores and shops. This process of rebuilding and expansion of average size of stores and shops not only changed the form – small alleys with traditional Korean houses (*Hanok*) – but also drove up rents, which resulted in crowding out some of traditional culture and arts shops and stores from the area.

The success of Insadong as a tourist attraction brought problems.⁴ The culture and tradition of Insadong drew more tourists and visitors but they in turn drove out culture and tradition. Street vendors sold cheap kitsch items with no connection to the Korean culture and tradition. Small tenant

shops faced a problem of high rents resulting in a latent conflict of interests between landowners and tenant shops, and between main street and back alley shopkeepers (Kang, 1998). It is a dilemma facing Insadong.

The governance structure of Insadong has also changed. In the late 1990s, there have been rising concerns and activities to preserve the identity of Insadong and revitalize 'cultural' activities. The main actors involved in the efforts were the Insadong Society for the Conservation of Traditional Culture, which was organized by shop owners, Urban Coalition, the Insamo group (people who love Insadong), and a committee composed of city officials, representatives of residents, and experts (chaired by the vice chief of the Jongno Ward Office). Even though the Society had a representation problem (the membership includes only 200, which is far short of representing about 500 establishments there), it together with Urban Coalition carried out diverse programs and events. The most important was 'no-car street event on Sunday.' Other important project by the association and Urban Coalition included 'saving the twelve small stores' in 1999 (Seong, 2000). This project was intended to save twelve small traditional stores at the center of Insadong, which were about to be evicted by the new owner who purchased the land on which those stores were located.

Urban Coalition, the Society for the Conservation of Traditional Culture, and other concerned culture and arts professionals together took a campaign for saving the twelve stores. This effort resulted in a success, in which the new owner agreed to accommodate the operation of the twelve stores in the new building. Moreover, citizens' voice was heard by the city government. In December 1999, the city of Seoul announced a moratorium on new construction in the northern part of Insadong for the next two years until a new detailed plan for the district was established. Also, the city introduced some restrictions on the use of space in the new buildings in the southern part of Insadong, where urban renewal was taking place.⁵ Following up these actions restricting building uses, the city also designated Insadong as a planned unit development area in April 2000. In addition to these actions regarding zoning and building regulations, the city government made efforts to improve the streetscape of Insadong including pavement, sewer and water pipes, toilets, tourist information booth and street furniture in the two consecutive years of 2000 and 2001 (SMG, 2001).

The Society for the Conservation of Traditional Culture and citizen organizations has pushed the idea of designating the area as a cultural district. The main purpose of the idea is to preserve the identity of the area where traditional cultures can thrive without the threat of commercial development. Obviously, the idea included some incentive measures for those 'cultural' activities and facilities, while discouraging the establishment of 'non-cultural' activities and facilities in the area. However, what activities constitute traditional cultures and serve best for Insadong vary by one's perspective. The views of local merchants on thriving cultural activities with commercial profitability are different from that of citizen groups, who emphasize the

⁴ Montgomery (2003) in his exposition of successful cultural quarters warns the dangers of success, where low-value uses are driven out of successful places.

⁵ Those new buildings facing Insadong should accommodate culture-related activities in their ground floors (possible up to the third floor).

preservation of the area for pleasant walking. Even not all local merchants agree with the above definition of traditional cultures. A more fundamental issue is whose interests are served by defining cultural and non-cultural activities in such a manner. A conflict is evident between the owners of buildings and tenants. In April 2002, the Seoul Metropolitan Government adopted the proposal and designated Insadong as a cultural district. Tax incentives were provided to the shops engaged in culture-related activities. Construction of large buildings was prohibited, whereas low-interest loans were made to repair and operate old buildings. Those culture-related shops and stores, if they were evicted, would be purchased and re-rented by the city government. Similar to American cities, the city administration decided to establish a joint private and public fund to support preservation efforts (see examples in Stern & Seifert, 2007). The city government initially contributed a 500 million won to the fund (Jongno-Gu 2009; SMG, 2002). Unfortunately, the role of the Society for the Conservation of Traditional Culture has been dwindled to running mundane events and managing public facilities after the designation. Furthermore, the Jongno-Gu (ward) Office has cut financial subsidies to the Society. There is a clear need to reinvent the Society as a genuine community organization to lead the Insadong community.

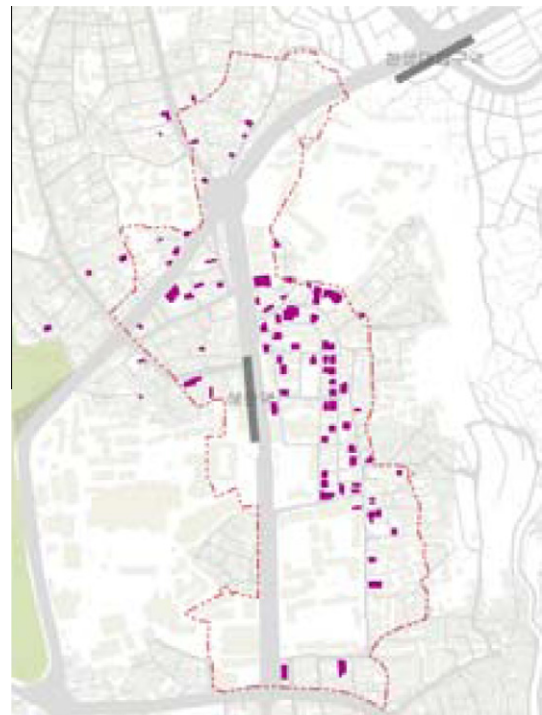
The case of Insadong raises two important questions regarding place-making. One is how culture and tradition are used in place-making and the other is how a place maintains its identity in the capitalist and bureaucratic development processes. The latter obviously is related to the larger processes of socio-political development and dominant value system in society in general (Kim, 1999). In particular, managing conflict between commercial interest, which is direct and tangible, and cultural interest, which is often dispersed and intangible is indeed difficult in private-led urban development processes in Seoul, where revalorization frequently occurs in the form of urban renewal and redevelopment. It remains to be seen whether the designation as a cultural district is an effective way to guarantee the survival of the Insadong area.

Daehagno: commercialization of youth culture and performing arts

Daehagno (literally University Street) is perhaps the first cultural street built by the city government. When Seoul National University moved to another site in 1975, the area stretching for 1.1 km from the Hye-hwa Rotary to the Ehwa crossroads gradually became a street of cultural and artistic activities. As the name symbolizes, it represents the culture of youth. Currently, there are three major cultural institutions (the Korea Arts Council – the former Korean Culture and Arts Foundation, Seoul Foundation for Arts and Culture, and Korea Arts Management Service), 10 galleries, 44 theatres, and two cinemas as of 2008. However, non-cultural commercial activities such as restaurants and cafes overwhelm those cultural activities in numbers. From the institutional perspective, a big progress has been made by newly establishing Seoul Foundation for Arts and Culture in 2007 and hosting the Korea Arts Management Service in 2006 after the designation of Daehagno cultural district in 2004 (Map 2).

Table 2 shows a trend in the use of space between 2005 and 2008, cultural uses increased significantly after the designation. This change proves to be significant considering the declining trend of cultural, educational, and office uses in the late 1990s (Shim, 1999). Furthermore, public infrastructure such as ‘Daehagno cultural complex’ by the Korea Arts Council and ‘Seoul Theatrical Center’ by the Seoul Foundation for Arts and Culture has been expanded substantially. In contrast, video and game rooms have been decreased. In sum, the dynamics of Daehagno appears positive since the designation as a cultural district. However, there are some structural problems developing despite quantitative growth of cultural (theaters) activities and facilities. Before discussing the meaning of these structural problems, one needs to understand the history of the Daehagno.

The beginning of the cultural street was closely linked with the construction of the Munye Theater in 1981. This facility was built near the Korean Culture and Arts Foundation (now Korea Arts Council) as part of the central government’s cultural infrastructure expansion policy in the early 1980s. In particular, the location of the Munye Theater in Daehagno drew many theatrical groups and activities into the area. The concentration of small theaters was also encouraged by changes in performance related acts in 1982, by which small theaters could be built without government permission. Place-making efforts of Daehagno began in earnest in 1985 when the Seoul city administration paid an attention to the potential of the street as an arts and culture street. The core of public intervention in place-making of Daehagno was ‘no car on weekends’. However, this no car policy did not last for long and was abandoned in 1989 due to the complaints from the residents



Source: Jongno-Gu (2008)

Map 2. Distribution of theaters in Daehagno, 2008.

Table 2
Building uses in the Daehagno area.

Uses	2005	2008	Change
Restaurants	-	537	
Café, coffee shop, etc	-	259	
Video, PC, game room	39	22	Decrease
Salon & bar	2	2	
Karaoke	25	17	Decrease
Billiards	6	8	Increase
Theaters	55	109	Increase
Museum, gallery, etc	8	10	Increase
Cinema	4	2	Decrease
Schools	-	9	
Offices for cultural affairs	-	79	

Source: Jongno-Gu (2008).

and the student associations of universities located in the area. Another factor contributing to the abolition of no car policy was the frequent use of the street by students and citizens for protests and demonstrations against the government during 1987 when the democracy movement was at the peak in Korea (Shim, 1999).

After the designation as a cultural district in 2004, Daehagno experienced a significant growth in the number of theaters. Many theaters were newly opened and some moved in from other parts of Seoul. There is a tendency, however, that these theaters are more oriented towards commercial and large-scale. Small-scale, experimental theaters are losing ground, whereas profit-oriented performances managed by professional management companies are gaining upper hand. This is closely related to the rise of land price and rental fees (Fig. 1). Daehagno experienced higher rate of increase than the average rate of Seoul in land price.

During the same period after the designation, the number of visitors, especially young students, increased drastically. As a consequence, commercial facilities and street vendors expanded greatly and in turn drove up the prices of land and building rents. Obviously, small theatres running on the rental basis in the Daehagno area could not afford to pay high rents. In result, most of them moved to cheap storage buildings in back alleys, underground floors, or even outside of the district. As a matter of fact, 70 theatres in the area currently occupy the underground floors with poor conditions (Jongno-Gu, 2008). Moreover, these small theatres have been facing problems of profitability in their operation.

Given the experimental nature of small theatrical performances, it is impossible to expect them to stand alone without subsidies. The central government has been providing indirect assistance to the performing arts community through enabling viewers to buy tickets at discounted prices.⁶ These subsidies, however, are not sufficient enough to continue performances of small theatrical companies. In fact, the National Theater Association of Korea expects more direct and indirect support for performing arts from the government at both central and local level.

In addition to government subsidies, however, meager they are to the theatrical community, other indirect sup-

⁶ Consumers can purchase tickets by discounted prices, which are called Sarang ticket, and theatres can reclaim the discounted portion from the Korea Culture and Arts Foundation. Small theatres can redeem 1,000 won per ticket since April 2000.

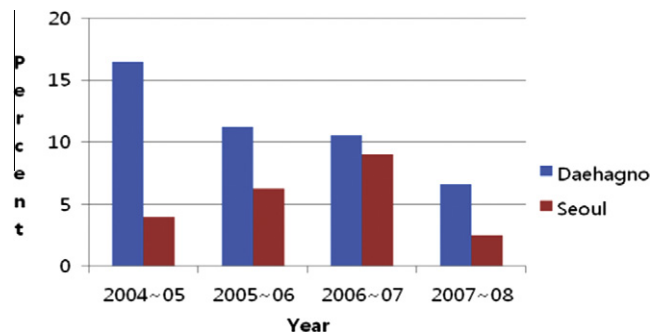


Fig. 1. Increase in land price: Daehagno vs. Seoul.

ports include lump sum subsidies earmarked for particular cultural events in the Daehagno area. The Daehagno Culture Festival is typical, in which the semi-government organization, the Korea Arts Council, supports the event. Another one is the Seoul International Theater Festival, for which the National Theater Association of Korea, a non-profit professional organization, obtains support. The Seoul Foundation for Arts and Culture also involves in place-making through organizing the Seoul Theater Festival and providing spaces for actors and theatrical troupes. Holding cultural events are therefore the most often adopted strategy by these organizations. One needs to be reminded that cultural events, if they are not closely associated with local arts and cultural activities, tend to become short-lived.

Similar to Insadong, success breeds problems in Daehagno. Increasing visitors and users drive up the rents in the area so that cultural activities with less commercial contents lose out in the space-bidding process. The growth of commercially profitable activities, however, inevitably brings changes in the image and identity of the area. Concerned with the prospect of Daehagno turning into another consumption and entertainment street, cultural workers and local associations suggested that the city and ward administration should take a serious look at future direction. Options entertained are 'Broadway' and 'off-Broadway' (Jongno-Gu, 2008). The Broadway option means a concentration of large-scale, profit-oriented theaters with high-end commercial activities such as restaurants and cafes. The off-Broadway implies retaining less-profitable but experimental, small theaters. Given the trend towards the commercialization of theatrical performances, the Broadway option appears likely. The pressure from the shop and building owners for activity deregulation suggests that, in either option, a more commercial character will prevail in the future.

The viability of cultural district strategy in Seoul

Policy goals and measures of the official cultural district strategy

The designation of a cultural district includes both incentives and regulations. For both Insadong and Daehagno, these incentives include low interest loans to building owners for new construction, remodeling, and repairing of buildings as well as to operators of 'cultural shops' and

cultural facilities for furnishing and operation, tax incentives such as local tax exemption and reduction of comprehensive land tax and urban planning tax, and the direct purchase or re-renting of cultural shops and stores by the city government. Regulations basically do not allow new openings of non-cultural shops and stores, which are defined by the city ordinances. Examples of non-cultural activities are speculative activities as defined in the law, bars and nightclubs as defined in the food and health law, and other activities that contradict with the purpose of cultural district designation.

For Insadong, the city government spells out its goal as to conserve and nurture place characteristics of traditional culture. Here the emphasis is on place rather than cultural activities. Such place-making aims at conserving a place for a major tourist attraction and yet maintaining a distinct Korean traditional cultural flavor. Obviously, tourists and visitors are the major constituency for the place. Although cultural and economic regeneration is implicit in the government policy, these goals are not translated into specific programs. On the other hand, the primary objective of Daehagno cultural district does not lie in the conservation of the place. Instead, the goal is to promote cultural development, in particular, theatrical performances. The target constituency of the Daehagno cultural district is residents in Seoul. The rationale for government involvement in place designation seemed to be the provision of cultural services to citizens. In short, the ordering of objectives in the two cultural districts is slightly different. Whereas maintaining place identity is the foremost goal for Insadong, promoting cultural activity – theatrical performances – is the primary objective for Daehagno. By designating these places as cultural districts, the government wishes to enrich cultural life in the city and to revitalize local economies.

The effects of cultural district designation

Changes brought by the government's cultural district designation in Insadong and Daehagno can be summarized as in Table 3. A rigorous analysis of the two areas is not warranted here because there exist no objective criteria to assess the success or failure of the cultural district designation. Instead, a qualitative assessment using the Mont-

gomery's three elements of cultural districts, i.e., form, activity and meaning as reference points is attempted. The key question is whether the designation of the two areas as cultural districts enhanced the three elements. Insadong appears moving into an unsustainable position since it has been losing the traditional characteristics of the place and traditional and culture activities. More importantly, with an exception of one example of Ssamzi, Insadong is not capable of creating new meanings or ideas. Moreover, local association of merchants or other community organizations are neither actively involved in the governance of the area nor engaged in the activities regenerating the place.

In contrast, Daehagno appears to be successful in terms of the growth of theatrical activities. However, more experimental and creative activities of small theaters are losing out in the space-bidding process. In result, some of them have moved to the periphery of the Daehagno cultural district. Large theaters with strong commercial contents have gained in presence. The image of Daehagno is, however, not a major concern of the actors involved in place-making. The trend seems to support the transformation of the area as a cultural street of high-end consumption. Cultural activities may grow there but it is hard to say whether they will necessarily add new meaning to Daehagno.

Different focuses and programming needs for Insadong and Daehagno

Since major activities at Insadong are selling goods and services with traditional cultural contents, producers or performers of culture and arts are not direct targets of the cultural district strategy. And yet, how those traditional cultural contents are embodied through goods and services will affect the image of Insadong.⁷ Moreover, the endogenous growth potential of the district will greatly depend on the design and use of traditional cultural motifs and materials. To the extent that the future of Insadong depends on private sector activities, government involvement is limited to setting the perimeters of private sector activities through zoning and building regulations and providing or improving infrastructure such as open spaces and street fixtures. As a matter of fact, the cultural district strategy of Seoul stops at the perimeter-setting jobs and does not go into the programming of cultural activities. Even if the city government desires to get involved in programming, it will face difficulties in defining what constitutes traditional cultural contents. Consumers' tastes and preferences and particularly their perception of traditional culture will ultimately determine the nature and composition of cultural activities in Insadong.

In this respect, the purchase of a core parcel of land by the fashion design company, Ssamzi, and the construction of a building specialized in traditional handcrafts suggests an avenue to explore for restructuring of cultural activities in Insadong. The building allocates spaces for producers of traditional handcrafts. Moreover small workshops and event spaces are provided for hands-on experience and lectures for the visitors. Such a design of cultural spaces by the

Table 3
Changes after the designation.

Focus of the strategy	Form	Activity	Meaning
Insadong: place	Slowly losing the traditional characteristics of the place	Crowding out of traditional culture and art shops by increasing rents	Insignificant creation of new meanings or innovative ideas by the actors involved
Daehagno: activity	Changing the image of the place into a 'Broadway' type of cultural district by the growth of commercially profitable activities	Increased theatrical activities on the whole but qualitatively those activities with less commercial contents losing out in the space-bidding process	Relatively strong involvement of professional associations and local organizations but no consensus on the future image of the place or meaning of cultural district

⁷ Streetscapes such as traditional street layout and architectural resources are another element of the image that Insadong projects to visitors.

private company provides not only an innovative idea but also a method of mitigating conflicts between building owners and tenants.⁸

In contrast to Insadong, Daehagno is the place where actors, play writers, and directors are directly involved in cultural activities (theatrical performances) and partly place-making efforts. Although direct subsidies from the public sector to the producers in the area are preferred by culture-related workers, it raises a question of equity by discriminating against cultural workers in other fields and areas.⁹ Government support for performing arts is justified on the ground that they enrich the cultural life of citizens. This form of support is usually not place-specific. The central government of Korea has already a cultural subsidy program for performing arts including low-interest loans to performing arts companies. Government support measures for Daehagno include essentially the same measures for Insadong. Financial privileges include low-interest loans for the repair and maintenance of small theaters to building owners and for the operation of small theaters to theatrical companies, and local tax exemption or reduction for owners of buildings, which accommodate small theaters (Jongno-Gu, 2008; SMG, 2001).

The designation of the Daehagno area as a cultural district heightened tension between cultural and non-cultural businesses. Non-cultural business owners obviously do not fully agree with the image of the area as cultural space exclusively for performing arts and naturally do want deregulation.¹⁰ In fact, the Association for the Promotion of Cultural Development in Daehagno (which is the association of major commercial business owners in the area), although sympathetic with the views of professionals working in theatrical performances, does not believe that the area can survive on classic arts alone. As revealed by the study done by the Jongno-Gu (2008), merchants and visitors' view of the Daehagno area is not particularly emphatic on theatrical arts. Instead, their perception of the area is a place of diverse cultures, classical and popular, accommodating the needs of both young and old generations. In this respect, the view of the Association that the definition and the contents of culture change as time goes by is worthwhile considering.

A more fundamental question for the Daehagno area is whether theaters and theatrical companies can survive in the age of Internet, where movies and performances are instantly available by one click. The biggest threat to theatrical companies in recent years is the decrease in the number of viewers. College students, housewives, and salary men were the major customers of the theaters in Daehagno a few years back. How to re-attract a substantial proportion of those customers lost due to the spread of personal computer and Internet facilities back to theaters is the key to the future of theatrical arts in general and small theaters in Daehagno in particular. However, recent relocation of a

few theater and movie-related departments of major universities into the area offers a hope in several respects.¹¹ First, it means an increase in the number of viewers. Second, amateur associations formed by those students will add new blood to the dwindling pool of actors and actresses in theatrical performance. Third, the area will secure an educational function that will enhance the existing cultural and arts activities in the area. By combining cultural and educational functions, the Daehagno area will have a better prospect for its long-term survival.

The activity focus in the Daehagno area provides a different story from Insadong. It is not really a place but cultural activity – theatrical performances – to be nurtured. However, the commercialization of the area by restaurants, cafes and low-taste entertainment facilities in recent years indicates the possibility of driving out culture and arts activities by simply spatial crowding out. In this sense, place manipulation has a relevance, which calls for government involvement. Conventional measures such as building regulations and urban planning employed in cultural district strategy seem partially effective. In order to address a more fundamental objective of promoting cultural activities – theatrical performances in this case, direct subsidy to the producers of cultural works and services would be most effective. In sum, the two cases clearly suggest different focuses and programming needs. The same set of tax incentives and activity regulations cannot lead to sustainable and meaningful cultural districts.

Concluding observations

The cultural district strategy of Seoul is obviously a recent addition, which has grown out of public consciousness about culture and tradition. Even though it still needs further refinements, the cultural district strategy can be considered as a significant step forward by the public authority involving in urban cultural strategy. Three issues such as the effectiveness and mode of public involvement, managing conflicts between culture and commerce, and the relationship between place and activity need to be addressed in the future. Firstly, one can question about the effectiveness of public involvement in cultural district management.¹² The involvement of the Seoul Metropolitan Government in cultural districts encompasses zoning and building regulations, financial incentives, infrastructure provision, and special funds. There is no special organization to administer cultural districts at the moment but the responsibility falls on the city government and the ward office. Recognizing the importance of citizen participation, the city government encourages local residents associations and citizen organizations to get involved in the management of the districts. Collaborative governance in one form or another is implicit in Seoul's cultural district strategy. However, public involvement in cultural district projects has inherent limitations unless the public sector controls over not only the physical layout and design of the district but also the content and

⁸ Public subsidies in the workshops deserve consideration. Public investment in instructional institutions such as the Artisan School helped not only traditional craft industries but also the development of human resources in Kanazawa (Sasaki, 2003).

⁹ The National Theater Association of Korea proposed to the mayor of Seoul to establish cultural funds to support performing arts in the city.

¹⁰ Restaurants, bars and other amusement functions replaced small theaters right after the announcement was made to designate Daehagno as a cultural district in September 2003.

¹¹ There are eight colleges related to culture, arts and design in the Daehagno.

¹² Brooks and Kushner (2001) list the management strategy of cultural districts ranging from designation to domination. The domination strategy is only possible when the public sector provides a full financing of cultural districts projects.

quality of activities in it.¹³ Given the fact that much of real execution of a cultural district lies in private hands, direct control by public authorities is impossible. In short, a cultural district cannot be sustained without voluntary and innovative efforts by the private sector like Ssamzi in the case of Insadong to adjust to changes in the cultural district.

Secondly, there exists a more fundamental issue of inherent conflict between commerce and culture or more specifically profit-motivation and cultural regeneration. This issue is more serious in Insadong than Daehagno because the very existence of Insadong depends on the market for cultural tourism. Whereas Daehagno has a rationale of enriching citizens' cultural life by cultural subsidy to performing arts (in as much as the value of performing arts is appreciated by citizens), Insadong has a somewhat different rationale for public support, i.e., to conserve a place with traditional cultural characteristics. This difference stems from the nature of cultural activities and resources that Insadong claims to have. First of all, selling handcraft items, antique arts, and serving traditional foods and teas are not cultural activities in a strict sense, even though these activities contain the cultural contents. Most production activities of these so-called 'traditional cultural' goods is done not inside but outside of the area. Furthermore, the substance of traditional culture is amorphous and fluid and therefore does not provide a firm ground to public support. As Kang (1998) aptly pointed out, the merchandizing of cultural tradition is inherently contradictory in nature and is subject to incorporation into the market logic. In the end, the cultural district of Insadong could be left with stuffed tradition and commodified culture, which satisfy commercial interests rather than genuine cultural interests.

Finally, the foregoing discussion leads to the conceptual and practical problem of cultural district strategy, i.e., the relationship between activity and place. What do we want to preserve and promote: cultural activity or place? The target taken by the city government for Insadong appears to be place (or form according to Montgomery), whereas it seems to be activity for Daehagno. Even though activity and place are intertwined in reality, it is necessary to distinguish one from the other for conceptual and practical purposes because the way that cultural activities are embedded in a place makes a substantial difference in the development of the place as well as cultural activities.¹⁴ The material and visual attributes of Insadong, for example, a curved main street with low-rise human-scale buildings and narrow back alleys with a traditional Korean house roof-line, play a big role in the place-making of Insadong. The place has been there but rediscovered by contemporary Koreans since the 1970s. Antique shops and galleries agglomerated to the place because of relatively cheap rents. It happened to be a good match with the physical environ-

ment of the place. In a sense, it was a filling in process of a place. Now, the place is growing old in a physical sense. There is a pressure for redevelopment. Even though the cultural district strategy employs strict building codes and regulations, the material and visual attributes of Insadong will gradually change. What will then constitute proper cultural activities and meanings to match the changed image of Insadong? Perhaps, all that the cultural district strategy can do is to slow down the process of change so that consumers can enjoy their nostalgia of the past in Insadong.

The two cases of Insadong and Daehagno prove that it is difficult to develop common programs for cultural districts. They also suggest that the role of the public sector is inherently limited in programming activities since most cultural activities are carried out by the private sector. Even though the public sector can set perimeters as seen in the case of Insadong and Daehagno by regulations and financial instruments, it cannot influence much on the content and quality of cultural activities within them. Instead, consumers, citizen associations, and professional organizations in the area are the real actors who can design and develop cultural activities with creativity and passion. In this respect, private initiatives from local associations and professional organizations such as the merchant association and traditional handcraft industries community in Insadong and theater associations and educational departments related to performing arts in Daehagno should be encouraged with public support. This implies that the management of cultural districts should take a collaborative form of governance incorporating local residents (merchants), professional organizations, citizen groups, and the city administration.

The private-public partnership suggested here in the management of cultural districts does not, however, mean that conflicts and contradictions between culture and commerce will be resolved by such a partnership. We have already seen the tendency of commodifying traditional culture in Insadong and smearing performing arts in Daehagno by commercial interests. These tendencies, which are unavoidable in the market-driven processes of urban development, can only be mitigated by critical cultural discourses among community organization and local citizens.¹⁵ Non-governmental and non-profit organizations can take a lead in generating such discourses as exemplified in the cases of Insadong and Daehagno. Such discourses may cover from the specific issues of each cultural district to the general issues of cultural development strategies in the city. Furthermore, in order to improve the effectiveness of cultural district strategy, the goals and programs of cultural district strategy need to be carefully developed to tailor the specific context of a cultural district and the results need to be regularly evaluated with multiple sets of criteria representing the full spectrum of views on culture and its meaning.

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¹⁵ In a similar context of cultural clusters, Mommaas (2004) calls for a need to develop a more reflexive involvement with cultural clustering developments.

¹³ In the example of the South Bank of Thames, Newman and Smith (2000) argue that the claims of cultural quarter were largely image-based with little influence on the development and location of cultural development.

¹⁴ Place embeddedness has a critical importance in certain cultural activities or industries because this embeddedness provides a source of social capital by which cultural competencies are maintained and circulated (Scott, 2000). But in a strict sense, it is not a place but a community (e.g., professional communities and associations) that sustains and nurtures cultural capital (Frith, 1991).

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