FROM MULTIMEDIA TO DIGITAL CONTENT & APPLICATIONS: Transitions in Governmental Policy towards the (Digital) Content Industries

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ABSTRACT
This article analyses two different but connected policy moments of multimedia and digital content policy development of the Keating (1992-1996) and later Howard governments (2001-2004). We identify the broader frameworks and policy contexts of these digital content strategies and elaborate on their differences. The Keating government connected culture and services to embed content and service delivery to harness new technologies as vehicles for cultural expression and new economically viable growth industries in a convergent information age. The Howard moment articulates an industry development agenda for the digital content industries as inputs and enablers for both the ICT and broader industries in the information economy.

Stream for Consideration: Communications Policy
Introduction
Recently considerable research analysis and policy development activity has occurred in digital content production in Australia with the launch of the multifaceted three-stage Creative Industries Cluster Study (CICS, 2002-2003), the Broadband Production Fund and the related launch of new policy frameworks for broadband (NOIE 2003) and the ICT industries (DCITA, 2003a). There has not been a time since the ‘heyday’ of the Keating Labor Government in the early 1990s where content industries and broadband have been so foregrounded in policy development. While the earlier Creative Nation (CoA, 1994) period received attention particularly at the time of its release, the current intense digital content and application moment of analysis, research and policy development has received little public attention and its connections with the previous moment have gone unremarked. In bringing these two moments into dialogue we will illuminate the broader policy frameworks, political and policy contexts and global conversations that these different creative content and digital content strategies are inherently a part. We also establish the relations between the contemporary re-emergence of digital content and applications in the 2000s and the early 1990s policy attention.

In brief the Keating government was preoccupied by the conjunction of “culture and services” in an attempt to bring together culture and services into a single, overarching and connected policy framework (Spurgeon 1998: 23). By contrast the Howard government articulates an industry development agenda for the digital content industries as inputs and enablers for both the ICT and broader industries. In doing so it partially disconnects digital content from the culture sector to better develop its potential to contribute to broader information economy.

While both policy moments were driven by different political philosophies, policy priorities and objectives that capture and treat content differently they are both part of a bigger-picture to develop an information-dominant society. Both, for instance, are concerned with managing societal and industrial transition to a society shaped by the “information revolution”, in the first, and information and communications technology (ICT), in the second. This new circumstance is variously designated as respectively the “coming information age” and the “information” and “knowledge-based economy”. In the first, the development of a viable content production industry able to compete in the international content market was viewed as an essential part of a broader strategy to develop an information society and economy. In the second, the Australian information economy will be largely determined by the development, diffusion and exploitation of a dynamic ICT sector (DCITA 2003a). Content is viewed as an innovating and enabling contributory component to this underpinning driver of the broader economy. These differences ensure that in the Keating period the multimedia industry was developed within a combined cultural policy and services policy framework; while in the later Howard period the digital content and applications (hereafter DC&A) industry is handled within an ICT policy framework emphasising industry development.

Each policy moment spells out in considerable detail particular ways of looking, conceiving and analysing the multimedia and digital content industries under investigation and for which policy is being developed. In the first this leads to attention being paid to projecting likely multimedia, broadband and superhighway
futures while in the second it leads to describing and mapping existing creative industries developments to better inform the development of policy for the future centering its ICT-, R&D-, and innovation-character. This formulating their object character should make these policy moments of especial interest to policy makers, analysts, activist and critics alike. The article examines and evaluates these policy moments.

**Centering the Creative Infrastructure for the Information Age**

*Australia has the opportunity to become a world leader in the new services environment through the production of content - the essential element in the broadband and multimedia environment. (Creative Nation, CoA, 1994: 56)*

*These services will enable people and organisations to send almost any communication, information or entertainment from anywhere to anywhere. In simple terms, a home or work computer could also be a television set and video, a telephone, and a connection to every on-line databank. A wide range of information and entertainment services will be more readily available and easier and cheaper to find and access. There is no doubt that multimedia products will be the drivers of these vast new services. (Creative Nation, CoA, 1994: 57)*

**Connecting Culture and Services**

The Keating Government’s digital content strategy was a policy to take Australia into a new services environment created by the convergence of communication, information and entertainment and the previously separate ‘broadcasting, telecommunications, computing and creative (i.e. film and content production) industries and technologies’ (CoA, 1994: 56). This new services environment was characterised by the conjunction of a *creative infrastructure* and a *communications infrastructure*—‘broadband’ and interim platforms such as CD-Rom. What was unusual about this policy moment was its foregrounding of the creative infrastructure consisting of both the creative producers and user environments at the expense of the communications infrastructure.

Even the Broadband Services Expert Group (1994)—the group most charged with care for the emerging telecommunications infrastructure—nominated ‘content as the critical issue for Australia’ (CoA, 1994: 56) because ‘we need content to develop services as well as to reinforce our cultural values’ (BSEG, 1994: viii). It did so because it recognised that in ‘the epoch’ of the “information superhighway”’ (CoA, 1994: 56) content would be ‘absolutely critical’—it was ‘what we put onto the highway that really matters’ (CoA, 1994: 55). Paying attention to the creative infrastructure—the creative talent pools and user environments of *Commerce in Content* (Cutler & Co, 1994)—made sense because ‘multimedia products’ will drive the development of ‘these vast new services’. The goal of developing sophisticated communications infrastructure was seen to depend on the availability of product, services and demand for these. So Australia’s opportunity in this environment was identified as lying in Australia becoming a ‘world leader’ in the *production* and *usage* of content. The focus would therefore need to be on creating product and nurturing the talent pools necessary for its creation *and* developing the demand for
this product in the new ‘era of computer and communications-based interactive multimedia services’ (Cutler & Co, 1994: 4).

In this formulation the information superhighway was conceived as an instrument of carriage for the new (cultural) products and services of the impending convergence of telecommunications, computing, broadcasting and creative industries. The superhighway was therefore a conduit for content—variously programming, applications, and interactive multimedia. As a conduit it was subject to ‘constraints’ and ‘distribution bottlenecks’ (Cutler & Co, 1994: 4) which needed to be overcome so that the ‘content developing and publishing industries in Australia’ could produce—and consumers access—the ‘knowledge banks’, ‘databases’ and interactive services of ‘Australian servers and publishing nodes’ (Cutler & Co, 1994: 3-4). The preferred version of the information superhighway would be characterised by speed and mobility, accessibility and openness, seemingly effortless multiple and simultaneous carriage and multiple and varied use of content. Content, it seemed, would be the crucial element in an environment where there would be the transmission of many broadcasts; the carriage of huge amounts of data, entertainment and information programming; the development of large-scale interactive networks placed anywhere on a continuum between the dial-up possibilities of pay-per-view to the routine realities of the ordinary telephone call; and the development of unprecedented kinds of multimedia product for these networks. It was as if the very existence of so much communications capacity gave content providers new centrality.

Policy makers attempted to integrate the information, computing, telephony and broadcasting industries with the culture industries. This involved taking these industries out of a ‘purely industry or service policy context’ where the ‘emphasis’ was almost ‘exclusively on efficiency and productivity’ (CoA, 1994: 55) and instead bringing them under the aegis of a cultural policy framework supporting the development of a sound ‘creative infrastructure’. In doing so policy makers sought to bridge the public policy gaps between content and carriage, the hardware and software, of communications (Spurgeon, 1998: 23). This reflected the view ‘that the content of communications services cannot be considered separately from the delivery of that content’ (CoA, 1994: 56). The new policy framework would shift service industry focus from being ‘on hardware and its application to the means of production and distribution’ towards content and service provision (CoA, 1994: 55). This shift of focus represented a ‘new realism’ which understood that Australia’s opportunity lay not in the ‘hardware games’ of telecommunications and information technology but instead in ‘the growth options of the twenty-first century in service and “knowledge based” industries’ (Cutler & Co, 1994: 1). Information Technology (IT), it seemed, was now a part of the cultural domain: ‘IT, and all that it now offers, has crossed the technical rubicon into … the realm of culture’ (CoA, 1994: 55). As Spurgeon (1998: 23) put it the ‘information economy was here being discursively mobilised at the intersection of communications and cultural policy’. The Keating Government’s digital content framework was thus firmly embedded within a combined cultural and services policy framework. It connected the services based policy making of much broadcasting and all of telecommunications with a revised and updated cultural policy program that recognised the economic dimensions of culture.

The task of bringing together culture and services into a single, overarching and connected policy framework required the establishment of effective linkages between
the content and cultural domain and the communications including broadcasting and telecommunication services. Through its close association with the content and cultural industries, content creation is thought of as an end in itself to be achieved through the creation of both a multimedia industry and the transformation of film, television, radio and newspapers industries so that they deliver whole libraries of programs and applications which will find audiences in Australia and overseas (CoA, 1994: 41). With the multimedia industry having the potential to become ‘the biggest information business in the world’ (CoA, 1994: 55), the Keating government policy priority was to create a content production principally for consumer markets. To do so it would need to secure the cooperation of ‘all existing players in the industry’ to ‘identify and pursue common ends’ (CoA, 1994: 41). Specifically this was an ambitious agenda to draw together the ‘creators of film, television and multimedia software’, the ‘broadcasters with [their] experience of mass marketing and distribution of content’ and the ‘newspaper and publishing industries to provide content and entrepreneurial skills’ (CoA, 1994: 42).

The window of opportunity multimedia presented required the Australian government to quickly ‘re-assess traditional policy settings across government’. Its consultations confirmed the wisdom of adjusting in advance of ‘impending developments in multimedia and broadband services’ by ensuring that ‘future developments’ in content provision were ‘in lock step with service providers’. The three major reports of the first policy moment—Creative Nation, Commerce in Content and Networking Australia’s Future (BSEG 1994)—all took cognisance of each other in a whole of government approach representing a coherent multi-departmental analysis, projection and prescription for what were seen as the major challenges and opportunities facing Australia in making ‘the transition to the information economy’ (CoA 1994: 62).

An Industry Development Strategy

Industry development priorities were central to both Commerce in Content and Creative Nation. This strategy to create a new multimedia industry was a departure in terms of conceptualising both the “content industries” and “multimedia” as an object of policy for the Commonwealth. While existing industries like broadcasting and telecommunications would assist in the development of this multimedia industry the task was one of developing an industry from scratch.

The Keating government’s multimedia agenda was focused on “kickstarting” even bludgeoning an industry into existence. It did this through its massive injections of funds, its propaganda and information offensive through its multimedia forums and ministerial statements, its targeted educational agenda in the creation of Co-operative Multimedia Centres (CMCs), its creation of a new funding agency—the Australian Multimedia Enterprise (AME)—to finance digital content production, its support for film agencies and the Australia Council to encourage the production of multimedia, and its seeking to establish a ‘“world’s best” copyright administration environment’ (Cutler & Co, 1994: 21).

In addition it positioned government as a primary user and consumer of multimedia services and content through ‘direct initiatives by governments and their agencies, leveraging off their position as significant, users, custodians and producers of content’ (Cutler & Co, 1994: 39). In this way governmental best-practice in multimedia would act as a ‘catalyst to accelerate the process of building up capability’ (Cutler & Co,
1994: 39). Online government would lead the transition to the new service environment through both example and best-practice with its commissioning activities helping establish and nurture multimedia companies. By encouraging multimedia uptake and production in its public service broadcasters, ABC and SBS, and cultural organisations such as the Australia Council the Commonwealth was ensuring that cultural institutions were significantly contributing to the development of multimedia capacity and infrastructure. Its ambitious digital archive agenda for both the National Library and National Gallery was designed to both set the national agenda for the digitisation of content and to ensure that these central national collecting and heritage institutions—the “content repositories”—were being yoked to online and multimedia platforms. By commissioning CD-ROMs ‘involving material from our major cultural institutions for Australian schools’ both the capacity of local multimedia producers would be enhanced and youth audiences for product developed.2

In this mix private-public partnerships were writ large. Through its outsourcing and its funding programs administered by AME government was facilitating ‘a platform for small Australian multimedia companies to gain a worldwide reputation’. And through attracting ‘international publishers’ to set up Australian offices it would be further plugging Australia into global networks. In this context securing Fox film studios for Sydney on the site of the former Sydney Showgrounds site was both a bold private-public partnership and a model instance of this move to attract international “publishers” of film, broadcasting and multimedia titles to take Australia’s international film, television and multimedia to the world.

This content development strategy was comprised of three phases: a CD-Rom product focus for three to five years, followed by online PC services and finally broadband interactive services (CoA, 1994: 56; Cutler & Co 1994: 21). The focus of Creative Nation and Commerce in Content was primarily on creating a publishing hub by stimulating the development of CD-Rom titles for the cultural, informational and educational markets. There was a widely held belief internationally at the time, which has since failed to materialise, that these markets particularly the educational and information sectors would see high economic growth (see Soloway 1998). The Australian multimedia industry was seen as being able to capitalize in this domain whilst simultaneously promoting an Australian cultural identity. In addition, Creative Nation sought to position the multimedia industry as an information publishing hub for the Asia pacific region (CoA, 1994: 55-56). This “big picture” policy objective aimed (as did its Malaysian Multimedia Super Corridor counterpart) to entice ‘US and European book publishers, record companies … film studios and newspaper and magazine publishers’ to locate in Australia. In doing so the idea was to stimulate partnerships between these globally established firms with local firms to grow both multimedia content development capacity and infrastructure and ‘levels of investment in the existing content industries during the period of their restructuring’ (Cutler & Co, 1994: 35,40).

While the object was new the industry development strategies were familiar. With content centred the existing cultural product and arts industries, particularly film and publishing, provided the conceptual base for thinking about support mechanisms for a new industry and about what the content industries or multimedia industries might be in the new environment. Priority was placed on the development of product with an intermediate goal for the new multimedia industry being the creation of ‘250 world
class titles per year’ (Cutler & Co, 1994: 21). This cultural product/title focus ensured that support was conceived, like it had been in film, as funding support to assist in the development of titles. AME resembled the film funding agency, the Film Finance Corporation, with a similar emphasis upon providing finance alongside private sources of funding (indeed its first CEO was drawn from that sector). Placing funding programs for multimedia projects within the Australian Film Commission and Australia Council ensured that projects fitted existing film and cultural sector orientations.

As a cultural product industry multimedia was seen to require the skills, creativity and talent of the cultural sector. It would need to mobilise, even reskill, this sector to take advantage of the opportunities presented by this new knowledge-based industry. As Creative Nation put it ‘our current strengths in creating for film, literature, music or art audiences provide a wonderful platform from which to build’ (CoA, 1994: 57). Not only did this make the cultural sector pivotal to the very definition of the multimedia industry and the creative infrastructure being created for it but it also directed governmental attention towards the interface between this cultural sector and the emerging interactive multimedia industry. What was required was ‘greater dialogue and interaction between the traditional content producers and the software experts’ (CoA, 1994: 57). With much of the talent being identified as lying with people ‘with little experience in business’, the problem became one of ensuring ‘that good ideas can be turned into commercial product’ (CoA, 1994: 57). To remedy this situation the source for much of this talent—the cultural sector including the arts and film and television—would need to be mobilised for multimedia production. In helping this happen education and training had a significant role to play.

Multimedia capability was dependent on education, (re)training and project funding initiatives designed to build individual skills and underpin sector capacity. Consequently the ‘starting point’ was to ‘build a critical pool of talent with multimedia skills’ (CoA, 1994: 57). In education this involved, inter alia, the creation of new training institutions—the CMCs—which were designed to link ‘education and training and other public and private organisations’ around the country (CoA, 1994: 59). These CMCs were to ‘act as a resource for the multimedia industry at large while also accelerating the uptake of multimedia within the education and training centres’ (CoA, 1994: 60) —the Universities and TAFE sectors. In a context in which ‘the talent is located in young people in education or working in small companies around Australia’, the CMCs had an important place connecting education and business.

Multimedia industry development required public education to orchestrate demand. On the one hand the federal government in conjunction with industry partners could sensitise public and private sectors alike as to the possibilities of multimedia for their activities, operations and business models; on the other hand it could prepare the ground for interactive multimedia product, create a public interest in them, and generally make the public multimedia-minded and multimedia-receptive. This general public was exhorted to ‘address the information revolution and the new media not with fear and loathing, but with imagination and wit’ turning its ‘remarkable power … to a democratic and creative cultural purpose’ (CoA, 1994: 7).

This was industry policy making with avengeance. There was pump priming through new monies being made available for product development. Comprehensive
educational initiatives included the creation of new institutions to support the industry. An extensive governmentally sponsored information campaign would not only sensitise public and private sectors alike as to the possibilities of multimedia for their activities but also generate demand for multimedia product. Regulatory change through attention to copyright and its administration would be brought forward. Government procurement policies and practice would aid the development of industry capability. Government would use its considerable resources to mobilise diverse actors drawn from telecommunications, broadcasting, film, software development and the arts into a coherent, multifaceted multimedia industry.

In his seminal study of the Californian multimedia industry, Allen J. Scott (2000: 129) argues that it naturally emerged at ‘a critical point of intersection’ between the information technology industries and the cultural/media industries. By contrast, the Keating Government was attempting to fast-track this process. It wanted to create the right mix of industry ingredients through public initiatives and funding to ‘leap-frog’ a barely existent industry into a quickly developing high economic growth and global content market. At the centre of this objective was the development of markets and stimulating a critical mass in order to sustain the creation of this new industry—the multimedia content industry required the multimedia ready consumer with the requisite communications hardware, training, knowledge and desire.

Policy Innovations
This policy making was touted as a significant departure from tradition at two levels. First, its systemic connection of culture and services enabled the ‘the first national cultural policy’ statement in Australia’s history, Creative Nation. As ‘one of the most comprehensive and forward-looking statements of government policy towards culture that had been seen anywhere in the world’ (Throsby 2001: 558), it became a model of its kind internationally. It sought to create synergies among and coherence from the disparate Commonwealth activities in the performing and visual arts, heritage, broadcasting, film, new media and education. In doing so, as David Throsby has noted

Creative Nation adopted a broad view of the cultural sector in which the arts occupied a central position, not just in their own right but also as the foundation upon which the wider cultural industries, especially those dependent on new communications technologies were built. (Throsby, 2001: 558)

In this way Creative Nation critically connected culture, services, the new information economy and the existing economy placing culture and cultural policy at its centre. Apparently ‘cultural policy is also economic policy’ (CoA, 1994: 7) as culture builds wealth, employment, adds value and is essential to ‘innovation, marketing and design’.

Second its multimedia industry strategy was a departure first in conceptualising the “content industries” as an explicit object of government policy. And second in its invention of a governmentally-defined emergent industry—the multimedia industry—made up of but not limited to the existing content industries in a strategy to bring these industries together with telecommunications in an unprecedented combination.
An International Conversation
The Keating policy priorities were part of a broader international conversation about policy and policy development which ensured that its logics, priorities, rhetorics and instruments were internationally shared with reports cross-referencing each other. This conversation encompassed participation in international forums such as the Organisation for Economic Cooperation and Development (OECD) and the United Nations Education, Scientific and Cultural Organisation (UNESCO) and their interaction with Australia’s major Anglophone “policy” reference points in the USA, UK, Canada and the European Union. Australian policy makers both took their lead from and plugged their own policy strategies into this broader conversation. In conceiving the centrality of culture to so many different governmental domains Australian policy making informed and in turn was informed by UNESCO’s *Our Creative Diversity* (Perez de Cuellar et al, 1995). *Creative Nation*’s concern for the coherence and synergy of the national creative infrastructure was borrowed and extended to become *Creative Britain* (Smith, 1998).

The inflated rhetoric surrounding the information age and the new services environment made possible by convergence was a feature of a number of up-beat documents globally. With the information superhighway, convergence and the product and services appropriate to them being seen as the next big (global) challenge facing policy makers courtesy of US Vice President, Al Gore’s leadership, providing for these prospective developments acquired a sense of public urgency, priority and centrality as new matters for everyone (*Nature*, 1994: 213). Characteristically the boosterist policy language and pronouncements of this period fits their purpose of making actors from across the full spectrum of citizen, consumer, educator, business and government mindful in a positive, opportunity-seeking way of the imminent and disruptive prospect of the information revolution. The epoch-making nature of these developments and the challenges they represented made the new services environment matters not only for the economy, but for the whole culture and society. Australian policy makers were certainly leading international policy agendas in their formulation of content industries policy frameworks encompassing both the existing cultural and media industries and newly emerging industries. The thinking underpinning *Creative Nation* is clearly captured in the later OECD (1998) report, *Content as a New Growth Industry*:

> Networked-based delivery of content offers OECD Member countries the possibility of developing a whole range of content creating industries. This promise will only be realised, however, if governments act to promote content creating capabilities in their countries and to facilitate new forms of economic supply and demand. (OECD, 1988: 22)

Here content and the provision for the development of content for the new environment was a central problem for government in the development of their ‘interactive’, ‘multimedia’ and content industries.

Political Rhetoric
These multimedia development priorities fitted the rhetoric of the Keating government. It was an interventionist Labor government avowedly concerned with the
“big picture”—with remaking Australian institutions and forging a new beginning for Australia whether in Aboriginal reconciliation, multiculturalism, its Asian future or in the information age. Such a political agenda gave governmental initiatives an expansionist character with government an important primer and initiator of sectoral and community development. The state acted here as an architect. The result was interventionist policy making designed to create and make room for a new industrial sector (multimedia), a new communications infrastructure (broadband), a new consumer and citizen (formed at the intersection of telecommunications, broadcasting and online government) and a reshaped cultural sector (itself a consequence of both the centering of culture and the embracing of a multimedia policy turning on the synergies between cultural activities and service industries). The already normative and prescriptive character of this policy making was joined by a strong implementation side through high profile public initiatives designed to realise and bring into being the future confidently predicted in these policy reports.

Centering the ICT Infrastructure for the Knowledge Economy

The ICT industries have been viewed as comprising a spectrum of four key components—hardware, software, services and content. Considerable work has been undertaken at the infrastructure end of this spectrum. It is now timely to augment this with initiatives which focus on content and applications. (DCITA 2003b)

The wider ICT industries need the content and applications industries in order to innovate new services and new ways for people to interact with information systems’ (DCITA & NOIE, 2002: 3).

For better or worse content, Creative Nation and the initiatives of Commerce in Content were seen by the incoming conservative Howard government in 1996 as “Keating” initiatives. With Keating’s personal identification of himself and his government with culture, the content industries and new media the Howard government was concerned to step in the face of its predecessor in these areas. The word culture fell out of favour. Canberra insiders would later jokingly quip that, as a Labor Party word, it was a term best avoided. The Liberal Party argued in their pre-1996 election policy, Australia Online, ‘commerce, not culture will be the driver of new applications and revenue’ (quoted in Green, 1996: 18). Governmental attention would be focussed on what Richard Alston called, in Opposition, the ICT industries. This brought with it attention to ‘what services are useful and valuable, what limits are placed on our services environment by Australia’s current infrastructure’ and ‘what regulatory framework will advance the industry and maximise the national interest?’. In these circumstances content was subsidiary to the agenda of better utilising an abundant but underutilised infrastructure, of remedying ignorance related to the ‘demand for new services’ and of developing ‘appropriate regulatory models in a convergent communications environment’ (Alston, 1996: 35). The attention to the information revolution had become the development of “the information economy” and, in particular, a sophisticated and dynamic ICT industry and infrastructure, with the social dimension being access to participate in this economy particularly for regional Australia. With such an explicit agenda for the information economy revisiting content by the Howard government would need to wait on “content”
becoming relevant to these information economy and ICT industry development priorities.

With the content industries no longer an explicit, central object of policy, there was a substantial disinvestment in multimedia. The AME was sold off with remaining funds returned to the Treasury and the CMCs were scaled down (Jacka 2001). While support for the “content industries” continued albeit at reduced levels through more traditional agencies such as the AFC, ABC, SBS and the Australia Council, there was now a lack of high impact and systemic attention towards what later became known as the DC&A industry. The result over the three terms of the Howard government was the patchwork of interactive media initiatives noted in Cutler & Co’s study (2003: 51-52). DC&A started to find a formal place in these information economy priorities with the release of the *Strategic framework for the Information Economy* in December 1998. The sixth of ten priorities was to ‘promote the integrity and growth of Australian content and culture in the information economy’ (DCITA 1998: 8). The subsequent development of the Creative Industries Cluster Study (CICS) in 2002 (DCITA & NOIE 2002) appears to have been connected with this information economy priority and calls for a refocus on the importance of digital content production (see AIMIA 2001).

Government policy and priorities for ICTs and the information economy have their most complete statement in *Enabling our Future: A Framework for the Information and Communications Technology Industry* (DCITA 2003a). While this report does not mention the DC&A industry (although there is a paragraph in this report devoted to the games industry), it is significant for our purposes in that it provides the most comprehensive statement of how ICT is envisioned by the Howard government to serve the advancement of a future Australian knowledge-based economy. It therefore provides the overall context within which DC&A policy making needed to take its cue.

The information economy agenda of the late 1990s (DCITA, 1998) and early 2000s had the specific ends of ‘wealth [creation], international competitiveness, national security, social cohesion and cultural richness’ (DCITA, 2003a: 5). This centering of the knowledge-based information economy identified the critical issue facing Australia as the dual one of developing ‘its ability to develop and exploit intellectual capital’ and of harnessing ‘the power of ICT’. In the formulation ICT had a much more expanded role to play ‘across the economy and society’ as it was no longer just an important industry in its own right with nearly 8% of GDP but it was also, more critically, a ‘set of enabling technologies and related products and services which underpin the development of Australia as an “information” and “knowledge” economy’ (DCITA, 2003a: 5). Indeed the boundaries between ICT industry and other industries were likely to become ‘more blurred as ICT products and services become an integral part of the activities of business in areas as diverse as mining and finance’ (DCITA, 2003a: 18). In being centrally important to every sector of the economy and segment of society, ICTs were also central to the exercise of intellectual capital.

*Enabling our Future* focused on this enabling aspect of ICT, seeing its successful deployment as critical to achieving national goals across government, economy and society in security, defence, managing demographic change, science and innovation, education and health. Its successful deployment would improve ‘productivity’, drive
‘business efficiencies’, support ‘innovation’ and deliver ‘a strategic information capability’ which would allow Australia to achieve these ‘broad national economic and social goals’ (DCITA, 2003a: 9). In this environment the new business opportunities turned on the capacity of firms ‘to develop new ICT-based products and services which respond to the expanding role of ICT across the economy and society’ (DCITA, 2003a: 5). ICT had gone beyond the domain of ‘the technical input’ to become ‘a key strategic resource for achieving organisational goals’. In turn ‘high value added ICT-based products and services’ were dependent on innovation with ICT as ‘a core component of Australia’s overall innovation system and the national R&D infrastructure’ (DCITA, 2003a: 6).

Rather than “branding” itself as the place with the great creative infrastructure, Australia needed to brand itself ‘as a country with world-class ICT capabilities, companies and researchers’ (DCITA, 2003a: 8). No longer Creative Australia but Technology Australia (DCITA, 2003a: 12) as ICTs underpinned ‘the broader innovation process’ (DCITA, 2003a: 19). This time the transition to the information economy had ICT as its core driver. It opened up for Australians ‘unprecedented convenience, flexibility, and choice about how Australians will live, learn, work, create, buy and sell’ (DCITA, 1998: 2). Like the earlier content industry ICT was an industry in its own right which had become central to a variety of other industries and in doing so became central to everything. If ICT policy making did not have to connect with the DC&A industries (as Enabling our Future shows), the connection between DC&A and ICT needed to be a central element of the CICS.

**The Creative Industries Cluster Study (CICS)**

Digital content comes back into consideration in the early 2000s as a subsidiary and sector specific priority of developing what the peak industry body, the Australian Interactive Multimedia Industry Association [now the Australian Interactive Media Industry Association], called a ‘viable Australian digital content industry’ (AIMIA, 2001: 2). DCITA Minister, Richard Alston, hosted a forum on digital content in Melbourne in June 2001 to gain a ‘better understanding of the development prospects and needs of content activities’. In late August of the same year he announced both a modest Broadband Production Fund to seed-fund broadband production and ‘an examination of opportunities that may emerge from the establishment of a cluster approach’ founded on the ‘creative industries engaged in the production of digital content and applications’ (DCITA & NOIE, 2002: 8). The result was a three year multi-levelled study designed to comprehensively map the nature, character, obstacles and issues facing the ‘creative industries’ or ‘digital contents and applications industries.

CICS’s first stage consisted of a preliminary analysis and mapping of the creative industries producing digital content and applications. *Creative Industries Cluster Study, Stage One Report*, tabled in May 2002 identified ‘the key enterprises, their location and productivity drivers and barriers’ (DCITA, 2003b: 1) facing the industry. The second stage report *The Production of Digital Content* (Cutler & Co, 2002: 5) ‘drilled down to an understanding of what is actually happening on the ground at a firm level’ with a focus on firms in the interactive games, interactive multimedia, advertising and education segments. The third stage involved developing comprehensive cluster intervention strategies on the basis of what was learned in the first two stages to ‘assist the creative industries to overcome barriers in the
production, distribution and marketing of DC&A’ (DCITA & NOIE, 2002: 43). This third stage entailed a range of studies from the adequacy of existing statistical indicators (Pattinson 2003) to the role of the federal government ‘as a market participant’ (Convergent Consulting, 2003a); from research and innovation systems ‘to overcome the industry’s fragmented nature’ (QUT & Cutler & Co, 2003) to an assessment of the role being played by collecting institutions in ‘building creative digital content markets’ (Xamax et al, 2003); from emerging distribution frameworks and their implications for production (Convergent Consulting 2003b) to a study of Australian access to overseas markets (Higgs and Kennedy, 2003).

In stark contrast to the multimedia optimism of a decade earlier the digital content and applications industry was found to be small scale and fragmented. It was not a distinctive domain from the content and creative industries generally. But digital content production was, as the quote beginning this overview of Howard policy indicates, one of the four key components of the ICT industries alongside hardware, software and services. Indeed the ICT industries need the content and applications industries ‘in order to innovate new services and new ways for people to interact with information systems’ (DCITA & NOIE 2002: 3). Digital content was being projected as an integral part of the broader ICT agenda. It was valued for its capacity to optimise and innovate both the ICT industries and the broader service industries. Developing a digital contents industry—in variously ‘the creative digital industries’, the ‘digital content and applications industry’, the ‘digital media industries’ and the ‘interactive media industries’ to name a few terms used—had become a means to augment both the creative industries more generally and ICT industry and policy frameworks.

This ICT focus transformed how the creative industries using DC&A were understood. While ‘levels of industry concentration, the geographical size of markets, and the nature of demand vary a great deal’ among the various creative industries there is common ground in that ‘these industries increasingly share common infrastructure such as digital telecommunications network and other digital distribution channels, and some common inputs such as skills and digital equipment’ (DCITA & NOIE, 2002: 15). Their common attribute of a ‘digitised value chain’ ensured that DC&A were generically similar to the ICT sector as well as ICT being a constitutive feature of DC&A.

DC&A is valued here for its intermediate functions. QUT and Cutler & Co (2003: 31) found that there was an increasing use of ‘DCA intermediate inputs’ by both the traditional content industries and creative industries and ‘especially … the wider service sector industries’. They argued that intermediate industry use of creative industry outputs outweighs final consumption across printing, publishing, motion picture, radio, libraries and other sectors (QUT & Cutler & Co 2003: 31). Here DC&A’s functionality, applications and interoperability are central and valued features. By playing this role demand for DC&A was ‘growing steeply’ (DCITA & NOIE 2002: 6).

In foregrounding the content industries connection with ICT, content was being redescribed. Rather than focusing on finished cultural products (movies, television programs, CD titles and other entertainment and educational commodities) for consumer mass markets, the focus shifts to both the inputs to these traditional
‘content’ forms and to software programs, applications and other content produced in the context of firm inputs, business to business and intra-firm transactions, distribution and logistics. The concern shifts to services firms provide to other firms and how these might shape the final product. The importance of content is not as ‘king’. It is for its potential to enhance, enable and innovate not only the creative industries but also the broader service sectors including health and education. Digital content producers are therefore service providers who provide valued inputs—content and applications—for industry generally. The Howard Government strategy for the DC&A industry is therefore to optimise an existing industry to enhance its contribution to both the creative industries and the wider economy. While it is still the case that the creative industries that produce DC&A ‘exhibit characteristics of the ICT sectors as well as qualities of the creative industries’ (DCITA 2002: 1), governmental priority for this ‘in-between’ industry is now to partially disconnect it from the cultural sector so as to focus upon both its connection to the ICT domain and its business and industry development.

Cluster Development as Industry Development

The CICS is a mapping study. It is one of a number of similar studies being undertaken in Australia and internationally at the time and is focused on the character and nature of existing firms, their capabilities and their linkages. It identifies the barriers and outlines the opportunities for the development of the existing DC&A industry. It wants to know these businesses and the problems they face both to help these businesses to better know themselves and to formulate and facilitate cluster formation.

Clusters are defined in the CICS as ‘groupings of firms with established links based on networks of activity’. Cluster can either be based on ‘geographical proximity’ or may be ‘virtual’ (DCITA & NOIE, 18). In the DC&A domain clustering involves ‘collaboration between small-to-medium sized firms [SMEs] in investment, production and distribution of content’ (DCITA & NOIE, 2002: 3). It is directed towards securing high levels of ‘innovation’ and ‘competitiveness’ (DCITA & NOIE, 2002: 18). This happens as:

Firms working in close proximity, or with strong collaborative networks, are able to achieve cost advantages and innovations that increase productivity, creativity and competitiveness relative to firms outside the cluster. (DCITA & NOIE, 2002: 19)

Clustering provides the means not only to analyse existing capability and competitiveness but also to conceptualise and develop policy measures to foster industry development and remedy barriers. It is both an ‘analytical framework’ to measure the health, depth and potential of these industries and a ‘policy tool’ (DCITA & NOIE, 2002: 19) Australia’s DC&A industry is mapped with a view to identifying existing and potential clusters and addressing ‘barriers and market failures’ (DCITA & NOIE, 2002:3).

The ‘embryonic and patchy’ character of Australian DC&A industries is seen to be the result of ‘industry fragmentation and a small domestic market’ which ‘discourages the collaboration and long-term investment that underpins cluster development’ (DCITA & NOIE, 2002: 4). This suggests that intervention should be directed
towards cluster development by ‘bolstering industry collaborative mechanisms’, ‘creating and diffusing knowledge about prospective business models’ (DCITA & NOIE, 2002: 8) and re-orienting the horizon line of DC&A industries to global markets. The advantage of clustering is that in addressing both the ‘enterprise-level’ and ‘systemic capabilities’ (DCITA & NOIE, 2002: 21) it ‘allows the innovation, creativity and flexibility displayed by smaller firms to be incorporated as part of a larger industry structure and strategy’ (DCITA & NOIE, 2002: 21). By orientating themselves to global markets DC&A firms would have the incentive to collaborate in developing clusters as their attention would be shifted from competing for limited domestic market share towards establishing linkages with competitors to access global markets. On the evidence of the games industry an export orientation focus ‘influences the “mindset” and development of firm capabilities’ (QUT & Cutler, 2003, 28). Clustering is also beneficial because it complements direct assistance and support. Because innovation and R&D in digital production ‘revolves around the intangible creative capital formed by people skills, relationships, and collaborations’ (QUT & Cutler, 2003: 62) clustering is also an obvious mechanism to strengthen the national innovation system.

The preferred Commonwealth option is not to force the development of clusters, but on OECD advice, to develop in partnership with industry the ‘building and strengthening of linkages and relationships judged to be valuable’ (DCITA & NOIE, 2002: 22). This lighter touch policy (which also has the advantage of not requiring so much up-front investment from government) has the advantage of ‘allowing the breadth of knowledge within industry, of industry needs, to determine and colour the exact shape of the growing lattice of linkages and relationships’ (DCITA & NOIE, 2002: 22). This implies a policy for the DC&A industries which rests ‘primarily on data collection, information provision, and facilitation’ (DCITA & NOIE, 2002: 22)—to better help industry to help and know itself.

Clustering was also represented as appropriate to DC&A industries given the economic and structural conditions under which content is increasingly being ‘produced, distributed and marketed’ (DCITA & NOIE, 2002: 21). With the twin pressures of globalisation and digitisation pushing both clustering and consolidation alike as firms have to either band together and collaborate or be taken over by larger increasingly multinational firms. At the same time the ‘wider and more complicated value chain for production, distribution and consumption’ accompanying digitisation (DCITA & NOIE, 2002:13) exposed Australian digital content producers more directly to global competition in their local market than before.

The Howard government’s industry development agenda for DC&A is a ‘business transformation agenda’ (DCITA 2002: 1). It looks to optimise businesses through clustering and through this optimising and clustering create the right mix to stimulate a viable digital content industry. Business optimisation through clustering, -resource pooling, skill and technology sharing when combined with government facilitation strategies will generate demand pull. (This is in stark contrast with the earlier policy moment which attempted to develop markets for multimedia product and a critical mass of consumers.) The attention does not have to be on developing consumer markets because optimising the firm, creating informal people networks and clusters will create demand pull. It was this vision which animated the CICS and informed the Industry Action Agenda flagged in the 2001 elections by the Howard Government.
Policy Innovations

International Conversation
In focusing on cluster development for industry development, the development and extension of ICTs, and attending to ‘new media’, creative industries or DC&A industries Australian policy makers were participating in a global dialogue. There is a global interest on the part of policy makers, industry analysts and academic researchers to facilitate the transition to the knowledge-based economy through the development of the capability of small-to-medium size enterprises (SMEs), the formation of clusters and networks, and through this clustering the building of creativity and innovation systems. It is an interest very much centred on synergy and capacity building delivered through attention to the inter-firm level. The goal in this policy making is to make industries work by getting (existing) business to work together better. As Phil Cooke has noted ‘clusters have come a key mode of economic coordination and focus of government policies across the world and for a variety of industries’ (Cooke, 291). Industry growth and innovation will be achieved here through industry clustering and effective business-to-business collaboration, linkages and partnerships. As CICS Stage One notes cluster-based policies have been applied to ‘digital and new media issues … in other countries’ (DCITA & NOIE, 2002: 10). Characteristically this policy dialogue centres the role of governments not as initiators and prime movers but as honest brokers and facilitators of business through the development of business circles and the facilitation of linkages, collaboration, cooperation and regional and national network and cluster development.

Capturing both the economy-wide benefits of ICT is ‘now the declared goal of many governments worldwide’ (DCITA & NOIE, 2002: 13). This attention to ICT is directly connected with advancing regional, national and international interests in effectively managing the transition to the knowledge and information economy and society. The Australian stress on the DC&A connection with ICT is a variant of a larger ICT focus. The Australian government’s most sustained input into international policy making in the field lies in its extended analysis of the DC&A industries with respect to this ICT connection and its posing of their connection with the national innovation system.

The Australian policy discussion of the digital content industries is part of a broader conversation about the gamut of creative practice sectors covered by the phrase “creative industries” (see Cunningham 2003). As both the CICS Stage One (DCITA and NOIE, 2002: 9) and Stuart Cunningham (2002: 54) note, creative industries policy making takes the conceptualisation of the cultural industries beyond the cultural product industries to include service provision in advertising, design, websites, and other services; enterprise dynamics and the economic potential of the sector. This policy making also recognizes the extent to which various service providers provide creative inputs not only into the cultural product industries of film and television production but also the broader services and manufacturing sectors. In situating the creative industries more centrally in relation to DC&A federal government policy making is arguably innovating this policy making by pursuing a more focused and manageable object. The result is an industry development agenda
quite distinct from ‘the existing cultural agenda’. With an avowedly economic agenda facilitating ‘new business forms and cooperative arrangements’ (DCITA 2002: 1), its focus was upon ‘commercial capabilities rather than purely on cultural outputs’ (CICS, 2002: 4) foregrounding connections with the ICT industries rather more than the cultural sector.

**Political Rhetorics**

The policy priorities of the second moment fitted the more cautious priorities of the Howard government. This was not a government concerned with the big picture—indeed big picture concerns were characterised as unwarranted interference in the business, social and economic spheres. Its goal was not to reshape Australian business and life for a multicultural information epoch. It was a goal of government butting out of ‘social engineering’ and letting diverse actors from businesses to cultural organisations to get on with it free from government interference. The concern was with efficiency and getting Australians to feel “comfortable” about their place in the wider global sphere. It was less concerned with Asia than with North America and less concerned with the “total makeover” than with making incremental adjustments on an industry by industry basis. It had little initial truck with the wider concerns of the earlier period to develop consumer markets and create consumer and citizens appropriate to the new global circumstance. In its stead was a business and self making priority with the emphasis firmly placed on industry development through firm development. The natural proclivity of the Liberal National Coalition government towards industry facilitation and support—helping business to help itself—found expression in ‘clustering’. Clustering provided the Government with the perfect mechanism to present itself as pro-business and even pro-SME development. It also ensured that content production occurred under the auspices of enhancing its ICT framework. This fitted a government more attracted to facilitating an industry led strategy than with injecting large sums of money into industry development mechanisms as per *Creative Nation*.

**Evaluating the Two Policy Moments**

The first policy moment turned on a set of fundamental assumptions. It was assumed that a fundamentally new set of circumstances and therefore arrangements had come into being with the advent of the information age. So while multimedia would be built from the combination of existing separate industries it would subsequently surpass these existing “media” and applications including telecommunications to create a new structural model incorporating these industries. It was assumed that “content was king” with the communications infrastructure merely a set of ‘dumb pipes’. The take-up and innovation of communications infrastructure including the information superhighway would be fundamentally driven by the demand content created. The “publishing model” which separated content from conduit was proposed as the governing metaphor for thinking about the relation between multimedia and the information superhighway instead of the broadcasting or Hollywood Major (distribution) model where conduit and content were connected. Old media was called upon to assist in the birth of a new media which would be something more than old media and eventually supercede it. And finally the exercise of various levers under governmental control such as cultural institutions, libraries, schools, funding agencies, the provision of governmental services and government’s capacity to
mobilise public opinion would be sufficient to create multimedia capacity, viable markets and sustainable demand.

There were a number of difficulties with these assumptions. Convergence was not one big coming together but a lot of little things; and the superhighway was not one grand highway but a network of roads of varying importance going in all sorts of directions and with different speed limits. Multimedia faced formidable obstacles in being projected as an industry in its own right compared to any of the previous and well-established media industries with their existing pathways, transmission patterns, financing strategies, peer recognition and marketplace dynamics etc. As the later CICS process demonstrated ‘multimedia’ had outside of the singular exception of the games industry become an ancillary or intermediate part of existing industries. Far from interactive multimedia operating as a content industry it was mostly a service industry providing applications, ancillary value-adding content to programming and other fee-for-service work for the media industries in case of Big Brother’s use of the web and SMS and for finance and other industries using ICT. With the singular exception of the games industry the prospects for the production of multimedia standalone content were decidedly bleak. Unsurprisingly the strategic focus shifted to a model of applications which positioned digital content in its provision of services—applications and solutions—to a variety of different industries. In the case of the games industry the real action turned out to be not in the predicted information/educational/cultural ends which Creative Nation banked on but in entertainment.

Content definitely was not king. There was a slower than expected uptake of broadband services and digitalisation which caused a reorientation of governmental attention towards connectivity rather than content. The partial conflation of content provision and content production encouraged by the use of the publishing metaphor failed to recognise sufficiently the important structuring role of distribution, particularly distributor/content providers in organising markets. In circumstances where hardware providers may also be distributors—think of Foxtel in the Australian context—a too hard and fast distinction between content and carriage could be counterproductive ignoring as it does the market power of larger players in determining not only what travels along the ‘dumb pipes’ but what kind of pipes come into existence in the first place.

Proposing that the old media act as the hand maiden for the new media directed attention to the building of the new rather than the incremental transformation of the old. The need to conceive new media as a new beginning had the unfortunate consequence of conceiving opportunity in blue sky terms rather than as necessary incremental adjustments to existing communications and entertainment environments.

The use of cultural levers caused problems because of it being a joint services and cultural framework led to power struggles between the Department of Communications and the Arts and the Industry departments with this causing policy uncertainty, tensions and policy fragmentation (Butler, 1997: 16). The exercise of cultural levers also overestimated the reach and capacity of government and its agencies. Industry development required a more robust, developed and resourced private sector. Finally, underpinning these assumptions, digitalisation did not happen with the predicted speed, impact or inevitability: indeed it has not fully happened.
particularly in new networked interactive services. It is now widely accepted that Australia cannot compete on the scale envisioned in *Creative Nation*, content should not be tied to a particular technology such as CD-Rom, the cultural and education content markets is not necessarily where the largest economic returns will come from.

While the second policy moment is still in transition with much formulation and implementation still to occur, we can nonetheless identify the very different set of assumptions at work and the new set of problems these create. There was the centrality of ICTs to the information economy, business productivity and national competitiveness which ensured that the DC&A industries would need to seek a relation with. This caused a partial disconnection of culture and services. The DC&A industry was valued as an enabler and an intermediate service provider not only for ICT-related industries but for the rest of the economy. The focus was placed at the level of the firm in a business transformation agenda for which cluster development was central. By centering the creativity and innovation system not only the value of clusters but just as importantly the R&D aspects of DC&A were foregrounded. And finally the government’s role was specified as a facilitator shaping in a collaborative fashion with industry partners the industry before it.

While the relationship with ICTs and the information economy was productive in casting new light on areas not previously attended to it cast the content industries into a supporting role to both the main ICT game and other sectors of the economy. Being valued not for itself but for what it could contribute to something else, the focus on DC&A industries’ enabling and intermediate characteristics turned it into a handmaiden for business transformation in other larger industries. In doing so it inhibited the development of policy for the cultural product industries. It also ensured that those creative areas which did not seem to be ICT intensive/digital content intensive were ignored. While the disconnection of culture from services helped demonstrate the significance of service provision in the cultural product industries it came at the cost of ‘bracketing off’ culture from the development of the DC&A industries. When combined with *ad hoc* support for the cultural industries over the latter half of the 1990s and limited attention to the creation of demand particularly in broadband it is not surprising that the industry was by the early 2000s still small and fragmented. The second policy moment has consequently been progressively forced to ‘double-back’ and re-connect DC&A with the cultural industries and to refocus attention on the drivers of broadband demand.

The focus on the firm and business transformation through cluster development had a number of benefits. It had the advantage of not prescribing platforms or business sectors for attention. It clearly normalised content and its production. In usefully centering the production of content and attending to its processes, it provided much needed illumination about the army of firms collaborating on short term projects. But this attention came at a cost. It left demand creation as a by product of the perfecting of the business transformation. The quality of the processes, the internal health, and the collaborative networks and linkages being formed were all assumed to take care of market creation. Perhaps *Australia’s Broadband Connectivity* (BAG, 2003) and *From Cottages to Corporations* (Higgs and Kennedy, 2003) with their focusing on demand is a move back towards market creation as central issues in their own right for government.
The global policy enthusiasm for cluster development which is now exercised at all levels of government carries a number of risks associated with government’s limited capacity to develop clusters and to encourage their coming into existence. At the same time existing R&D frameworks created problems for the DC&A industries, as the QUT CIRAC and Cutler & Co report noted (2003: 6). These frameworks are science and technology driven and this creates problems as it marginalises and neglects the contribution of the creative industries to R&D.

Playing the role of facilitator also has its limits. It can cause governments to be cautious. Governments can rely overly on acting through others who might not act in the desired fashion. It offers private industry indirect rather than direct financial benefits by way of subsidy and support. It also tends to underestimate the substantial levers at governmental disposal. Indeed the ‘benign’ neglect of the digitisation agendas of national collecting institutions is seen to have had significant ramifications for the scope and depth of Australia’s creative industries. Further difficulties that arise with Howard Government’s facilitation strategy, which is canvassed in Stage One report, is that the small fragmented Australian digital content industry increasingly faces the risk of content marginalisation in a global market dominated by multinationals and the product of increasingly strongly public supported national digital content industries (such as UK and Canada). This raises the issue of whether a facilitation strategy would be enough to ensure Australian industry can gain traction in highly competitive and monopolised markets.

While there is large gap between the different logics animating these two respective policy moments, there are also important continuities requiring further investigation. Several key people were involved in both policy moments. Another continuity lies in the Broadband agenda which now has an important focus on the DC&A industry and generating demand for broadband services. Many of the arguments in From Cottages to Corporations and Australia’s Broadband Connectivity have direct counterparts in Creative Nation. In a broadband context the issues of convergence so central to the first policy moment where the information superhighway and content were inextricably linked in a virtuous circle of supply and demand necessarily return. Will this fundamentally shift the Howard government’s strategic priorities centering ICT? Perhaps, but probably not. This government has, after all, never been as interested in joining up its various policy initiatives as was its Labor predecessors. It can tolerate the co-existence of quite different governmental agendas with quite different ends advanced even by the same department. This would suggest that a DC&A and connectivity agenda would simply co-join an ICT agenda confirming in an uneasy way the ongoing gap between Enabling the Future and the various reports of the CICS and Australia’s Broadband Connectivity.

It would be tempting to cast these two policy moments one centering a cultural policy-derived industry development strategy, and the other a creative industries development strategy centering the provision of intermediate services as in opposition. But there is some continuity between them. Connecting culture with services joined up the various cultural industries and their creative inputs. The shift to services industries models similarly joins up the creative industries enabling an industry development model focusing on the value chains, the firm and the cluster rather than cultural form and format. It would be wrong to see culture as excluded
through the attention to clustering and SME development. What is provided with this attention is a shift in thinking about cultural assets and cultural production towards clustering and the enterprise dynamics of the creative industries. This emphasis upon the creative industries may have placed the traditional arts lower down in the pecking order of attention than the DC&A industries that supply intermediate services for the ICT, health, mining, finance and education but it is also reconceptualizing them. Indeed there might be a new round of policy attention directed towards the so-called core cultural sector emphasising clustering, networks and the provision of services. After all ‘[t]his economic agenda complements cultural policy by giving attention to the capabilities that underwrite the content industries’ capacity to create and innovate (CICS, 2002: 4).

The cultural sector—cultural institutions, libraries and museums, SBS and the ABC—still play an important role in digital content strategies. But it will not be in the manner of previously. Take the CICS study on national Collecting Institutions (Xamax et al., 2003) where the emphasis is placed on the ‘economic benefits [to be derived] from cultural assets’. Culture had become an asset and the collecting institutions asset holders are so many potential partners with the creative industries firms wishing to use and exploit this asset. Collecting institutions are not here the publishers and gateways of Creative Nation, instead they are providers of ‘digitised versions of cultural objects’ for exploitation ‘by business enterprises in the creative industries’ (Xamax et al, 2003: 2). As potential creative industries partners collecting institutions need to become creative industry friendly. The challenge facing them is to ‘make available’ the ‘right kinds of objects’ under the right kinds of conditions. Culture would seem to make its return in this second policy moment as a service provider and partner for the creative industries. This is very much an agenda of culture in the service of the service industries.

So content and culture may be coming back onto the agendas of the digital contents and applications industry and the connectivity agenda of broadband, but that do not have the kind of overall centrality to the big picture—in this case ICT and information economy agenda—or to governmental strategic priorities as they did in the case of Creative Nation and Commerce in Content.

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1 The article is based on the examination of publicly available and publicly commissioned reports, general articles and published terms of reference. We carefully attend to the text of these reports—the arguments, how the terms of reference frame the publicly commissioned studies and words and phrases of each moment—reconstructing in the process the particular policy directions, inflections and assumptions animating each.
2 24,000 copies of the first two CD-Roms of the Australia on CD initiative were delivered to schools, libraries, universities and embassies across Australia (Butler 1997:16)
3 Indeed the arts in the guise of the major performing arts companies were major beneficiaries of Howard government attention in the late 1990s.
4 Most famously the British Creative Industries Task Force mapping studies of 1998 and 2001, the Creative Industries Research and Applications Centre (CIRAC) began a mapping project of the Creative Industries in Queensland in 2002, Paul Jeffcutt led a team to map creative industries in Northern Ireland.
5 Terry Cutler was centrally involved in Commerce in Content and the later Producing Digital Content and Research and Innovation Systems in the Production of Digital Content. Peter Higgs was one of the conceptual contributors to Creative Nation and Australian Multimedia Enterprises and is co-author of From Cottages to Corporations and Economic Benefits from Cultural Assets.