**Daugavpils in comparison to other cities**

To understand better path of city development and learn on problem-solving situations, were chosen three post-industrial cities - one city in Europe, one in Russia and one in Latvia.

**Similarities of Manchester and Daugavpils**

1. Both cities are in the shadow of capitals, but have very strong influence in their geographic region.

2. Both cities faced the problems of transition from an industrial to a post-industrial model of functioning.

3. The creative industries of Manchester and Daugavpils, in their development, rely on the available cultural resources.

4. Important factor of development, relevant for both cities, is the large number of students.

**Problems**

- The problem of shortage of professionals is the most important for Daugavpils. In the city's universities there is not enough educational programs for young people interested in building a career in the field of creative industries.

- Dialogue between municipality and society. Lack of interaction between the local government and sector of creative industries.

- Lack of self-esteem. Due to incorrect assessment of their abilities, many refuse to implement bold ideas and innovative practices.

- The lack of a strategy for the development of creative industries.

- External communications. The city should take an open position in search of new ideas outside the region.

- Internal communications. The urban communities are divided and isolated from each other.

- Quality of the cultural offer.

- Urban Infrastructure.

**What should be done?**

- Effective political leadership.

The absence of a conflict between the executive and legislative branches of power contributes to the active development of the city's economy.

- Restructuring on the basis of culture.

Favourable creative environment created the conditions for the emergence of representatives of other creative industries.

- Slogan “We can”.

Undertake various activities or events, that can leave positive mark on the city.

- Developed infrastructure.

There should be very understandable and developed infrastructure in the city, so it would be easy to reach every part of the city.

- Low-cost platform for creative projects.

Cheap prices for rent are very attractive for young entrepreneurs, renting studios and workshops.

- Higher educational institutions

One of the competitive advantages is location of universities, which attract students and young professionals.

**Similarities of Voronezh and Daugavpils**

There is the large number of students in Voronezh and Daugavpils.

Both cities are in the shadow of capitals, but have very strong influence in their geographic region.

Both cities faced the problems of transition from an industrial to a post-industrial model of functioning.

Thanks to its location and transport links, Voronezh and Daugavpils, in comparison with capitals, are more accessible to residents of neighboring regions

Despite the prevailing view that both cities are experiencing an outflow of intellectual resources due to its proximity to the capitals, Moscow and Riga has had a positive influence on both cities, including in the sphere of art, culture and education.

Serious influence on the formation of the cultural landscape was provided by such young projects, like the Voronezh Center for Contemporary Art, creative Agency "Manufaktura", information portal Downtown.com and many others. In case of Daugavpils it would be Daugavpils Mark Rothko Art Centre, café Imbir and Luna, etc.

**Problems/ What should be done?**

- It is necessary to put on commercial lines, begin to benefit on creative industries business. How? The incubator for different companies, for example, IT, would allow the application of the industry's achievements in practice. Serious projects with long-term prospects make it clear that the city sees the prospects of the influence of creative industries on the economic situation, the urban environment and its attractiveness at the federal level.

- Small creative entrepreneurship plays a special role in the economic stagnation. It forms the urban environment, attracts not only local residents, but also tourists, which becomes a new source of income and allows to fill the reduction of regional production.

- Voronezh has recently positioned itself as one of the cultural capitals. The development of creative industries realizes this potential and will form a city brand. As a result, the city's investment rating will grow and, as a consequence, the economic potential of the adjacent territories will increase and the flow of tourists will increase.

- Creative industries in Voronezh and Daugavpils are experiencing difficulties in involving the public in their projects. Despite the fact that young people show an active interest in many initiatives, the city's population as a whole is indifferent to the creative sphere.

- Small companies, as well big brand companies, are located in Voronezh (Siemens, Mail.ru), in Daugavpils there’s no such experience.

- Stimulating the creative economy is especially important for cities with a budget deficit, such as Voronezh and Daugavpils. The municipality does not have enough funds to develop infrastructure, including cultural and social, and creative industries themselves create creative spaces beyond their borders, attracting people and investments.

- Creative production can become a powerful tool for import substitution and will help keep the youngest, most promising specialists from moving to Riga, Moscow or abroad.

- What we are now witnessing is an intensive migration of creative people abroad, the notorious "brain drain". Programmers and designers, managers of the creative industry from Russia or Latvia are very much in demand both in Riga, Moscow and abroad. For European and American companies it is cheaper to help a talented person to migrate than to hire such a person. Many of the countries with non-primary economies rely on creative industries.

The creative environment can and should contribute to the development of human capital. Therefore, it is important to attract attention to successful companies in this industry, to inspire them, to share their experience with beginning entrepreneurs, to create a creative environment - so that they show by example that a creative business can be stable and successful.

**Similarities of Liepāja and Daugavpils**

Daugavpils and Liepāja are two biggest cities in Latvia

Liepāja is more oriented on “port” trading, Daugavpils “rail” trading. Both cities are very important for communication and trading with “another” world

Both cities are in the shadow of capitals, but have very strong influence in their geographic region.

Daugavpils fortress and Karosta Liepāja - the two largest and best-preserved 19th century and beginning of the 20th century fortresses, each in Latvian end.

The creative industries of Liepāja and Daugavpils, in their development, rely on the available cultural resources.

Big historical influence (Soviet Union times)

**Problems/ What should be done?**

- Liepāja recognized creative industries as a promotion for cities growth, by using it as modern economy resource. Based on skills, knowledge and creativity, more than 400 companies and 4000 jobs are created in this sector.

- Liepāja municipality has established creative cluster, which brings together creative entrepreneurs, educational and research institutions, non-governmental organizations and freelancers.

- Has been organized creative events, published creative industries magazine, organized experimental co-working space (D10 pop up).

- Increased amount of students and level of education, assisting with environmental development.

- To bring new people to the city and provide employment possibilities, Liepāja municipality has working on creating new centre of creative industries – new meeting point for business ideas and citizen initiatives.

- New scientific amusement park in Liepāja will be opened for educating younger generation in interactive way.

*By comparing three cities with Daugavpils city, it is clear, that problems are similar and there are various ways of problem-solving, which could be taken from the compared cities’ best practice examples.*

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