



CREATIVE ECONOMY REPORT 2013 SPECIAL EDITION

› WIDENING LOCAL DEVELOPMENT PATHWAYS



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Cover photo: Vincenta “Nina” Silva was an audiovisual trainee of the IFCD-supported project, “Aula Increa” (2011). She originates from the Garifuna community and now works in the audiovisual sector in Livingston, Guatemala.

Back cover photos: Top: Video nas Aldeias, Brazil (Ernesto de Carvalho); left: Teatro Argentino de la Plata, Argentina (Leandro Jasa); middle: Mokoomba group, Zimbabwe (Lars Hung); and right: Perkumpulan Hijau Sibertu, Indonesia (DA).

.... There is an urgent need to find

new development pathways

that encourage creativity and innovation in the pursuit of inclusive, equitable and sustainable growth and development.

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Culture ...

is who we are

shapes our identity

is a means of fostering respect and tolerance among people

is a way to create jobs and improve people's lives

is a way to include others and understand them

helps preserve our heritage and make sense of our future

empowers people

... works for development.”¹

At a time when countries are striving to reach the Millennium Development Goals and the world is shaping a new post-2015 global development agenda, the United Nations system and its leaders are working to ensure that the importance of culture is reflected as both a driver and enabler of sustainable human development in future development goals and targets.

Culture is a *driver* of development, led by the growth of the creative economy in general and the creative and cultural industries in particular, recognized not only for their economic value, but also increasingly for the role in producing new creative ideas or technologies, and their non-monetized social benefits.

Culture also *enables* development. It empowers people with capacities to take ownership of their own development processes. When a people-centred and place-based approach is integrated into development

programmes and peacebuilding initiatives, when interventions in fields ranging from health to education, gender empowerment to youth engagement, take the cultural context into account, including diverse local values, conditions, resources, skills and limitations, transformative and sustainable change can occur.

The United Nations Secretary-General Ban Ki-moon recognized in his opening remarks at the General Assembly thematic debate on culture and development held in New York in June 2013, that “too many well-intended development programmes have failed because they did not take cultural settings into account...development has not always focused enough on people. To mobilize people, we need to understand and embrace their culture. This means encouraging dialogue, listening to individual voices, and ensuring that culture and human rights inform the new course for sustainable development.”

However, 15 years ago, when the Millennium Development Goals were adopted in 2000 by the General Assembly resolution 55/2, the importance of culture for development was not explicitly recognized.

Since then, the potential of culture as a *driver* of development has been proven through concerted effort by experts and practitioners around the world with evidence that there exists a sizeable, strong and valuable productive sector comprised of creative and cultural resources and activities. One key contribution is the publication of the 2008 and 2010 editions of the *Creative Economy Report*, which was prepared by the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Development Programme (UNDP) through the United Nations Office for South-South Cooperation (UNOSSC) in cooperation with United Nations Educational, Scientific and Cultural Organization (UNESCO), World Intellectual Property Organization (WIPO) and International Trade Centre (ITC). These two editions demonstrated that the creative economy is not only one of the most rapidly growing sectors of the world economy, but also a highly transformative one in terms of income-generation, job creation and export earnings.

Three years later, evidence shows that the creative economy is an ever stronger driver of development. Figures published by UNCTAD in May 2013 show that world trade of creative goods and services totalled a record US\$ 624 billion in 2011 and that it more than doubled from 2002 to 2011; the average annual growth rate during that period was 8.8 per cent. Growth in developing-country exports of creative goods was even stronger, averaging 12.1 per cent annually over the same period.

Moreover, UNESCO's work over the years has demonstrated that when the creative sector becomes part of an overall development and growth strategy, it can contribute to the revitalization of the national economy where hybrid and dynamic economic and cultural exchanges occur and innovation is nurtured. But that is not all. Investing in culture and the creative sector as a driver of social development can also lead to results that contribute to the overall wellbeing of communities, individual

self-esteem and quality of life, dialogue and cohesion. These results generated from fostering the creative and cultural industries may be harder to quantify, but are no less important.

These messages have been reflected in the outcome document of the United Nations Conference on Sustainable Development (Rio+20) entitled *The future we want*, and the 2013 ECOSOC Annual Ministerial Review acknowledging the importance of culture and cultural diversity for sustainable development and arguing that investments in identity, innovation and creativity can help to build new development pathways for individuals, local communities and countries. These new pathways are constructed when they are nurtured within an *enabling* environment based on the fundamental values of respect for human rights, equality and sustainability. The contribution of culture in this capacity results in inclusive social development, inclusive economic development, environmental sustainability and peace and security.

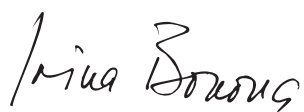
This is the context within which this special 2013 edition of the *Creative Economy Report* is being presented. It explores diverse pathways to development through the culture and creative industries and analyses the ways in which they can be strengthened and widened to achieve the expected results of inclusive social and economic development. It recognizes that many of these pathways are to be found at the subnational level in cities and regions.

Notwithstanding the importance of national-scale policy interventions, the next frontier of knowledge generation rests on understanding interactions, specificities and policies at local levels and how the creative economy might be practically promoted in communities, cities and regions. This edition is 'special' as it provides a rich body of evidence demonstrating local creative economy decision makers and stakeholders in action that did not exist before. The evidence and analysis is presented in two formats: in this printed report and in a new web-based documentary that accompanies this publication, capturing the dynamism of the creative economy in developing countries.

¹ Extract from the joint video message of Irina Bokova, UNESCO Director-General, and Helen Clark, UNDP Administrator, "Let's put culture on the agenda now".

Case studies are provided across the Global South from the Asia and the Pacific region to the Arab world, from Africa to Latin America and the Caribbean. This is strengthened by the first portfolio analysis of the impact of initiatives funded through the UNDP-Spain Millennium Development Goals Achievement Fund Thematic Window on Culture and Development and the UNESCO International Fund for Cultural Diversity demonstrating that local decisions makers are shaping their own creative economy development pathways. They are prioritizing support for *economic development* by strengthening the business and managerial skills of cultural actors and for *inclusive social development* with a focus on women, youth and indigenous peoples. The analysis shows that the implementation of participatory approaches and an active involvement of civil society in policy-making processes result in better informed and locally owned creative economy policies.

Critical factors of success have been identified, ranging from local capacity development, management of local assets by locals, as well as facilitating transnational connections and flows. This success is, however, constrained by weak governance of these sectors.



Irina Bokova

Director-General

*United Nations Educational,
Scientific and Cultural Organization*

In response, a range of indicators of effectiveness and success directed to policymakers at the local level are proposed to enable them to assess, monitor and make the most of their communities' strengths and creative talents.

This edition paints, for the first time, a portrait of local economies in developing countries that are vibrant, often informal and very different from one another, demonstrating that there is no single creative economy, but a multitude of creative economies that are independent yet interconnected. It also reveals that creative economy initiatives that are designed to widen people's choices and build their capacities are instrumental in making development not only sustainable but also transformative.

At a time when countries are striving to reach the Millennium Development Goals and the world is shaping a new post-2015 global development agenda, we must recognize the importance and power of the cultural and creative sectors as engines of sustainable human development.

Culture...it works for development. Let's put it on the agenda now!



Helen Clark

Administrator

*United Nations Development
Programme*

creative economy is not a
single superhighway, but a

multitude of different local trajectories

found in cities and regions
in developing countries

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This third and special edition of the United Nations *Creative Economy Report* is the fruit of a partnership between UNESCO and UNDP through its United Nations Office for South-South Cooperation (UNOSSC). It has benefited from written contributions from the World Intellectual Property Organization (WIPO) and the United Nations Conference on Trade and Development (UNCTAD) and builds upon the 2008 and 2010 editions of the Report.

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Museums); H.E. Mr. Shashi Tharoor (Minister of State for Human Resources Development, Government of India); and Mr. Edwin Thumboo (Emeritus Professor, National University of Singapore).

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Introduction

The creative economy has become a powerful transformative force in the world today. Its potential for development is vast and waiting to be unlocked. It is one of the most rapidly growing sectors of the world economy, not just in terms of income generation but also for job creation and export earnings. But this is not all there is to it. A much greater proportion of the world's intellectual and creative resources is now being invested in the culture-based industries, whose largely intangible outputs are as 'real' and considerable as those of other industries. Human creativity and innovation, at both the individual and group level, are the key drivers of these industries, and have become the true wealth of nations in the 21st century. Indirectly, culture increasingly underpins the ways in which people everywhere understand the world, see their place in it, affirm their human rights, and forge productive relationships with others.

Unlocking the potential of the creative economy therefore involves promoting the overall creativity of societies, affirming the distinctive identity of the places where it flourishes and clusters, improving the quality of life where it exists, enhancing local image and prestige and strengthening the resources for imagining diverse new futures. In other words, the creative economy is the fount, metaphorically speaking, of a new "economy of creativity", whose benefits go far beyond the economic realm alone.

Based upon the creativity of individuals and groups, this sector also embodies in full measure the spirit and vision of the 2012 United Nations Conference on Sustainable Development, which recognized "that people are at the centre of sustainable development and, in this regard, we strive for a world that is just, equitable and inclusive, and we commit to work together to promote sustained and inclusive economic growth, social development and environmental protection."

The cultural and creative industries, while not providing a quick fix for the achievement of sustainable development, are nevertheless among the most powerful sources for "new development pathways that encourage creativity and innovation in the pursuit of inclusive, equitable and sustainable growth and development" that the United Nations System Task Team on the Post-2015 United Nations Development Agenda has exhorted the international community to take.

The creative economy is not a single superhighway, however, but a multitude of different local trajectories. Many of these pathways are to be found at the subnational level – in cities and regions in developing countries. Notwithstanding the importance of national-scale policy interventions, it is clear that *the next frontier of knowledge generation rests on understanding interactions, specificities and policies at local levels, and how the creative economy might be practically promoted in communities, cities and regions across the developing world.*

In uncovering the relationships between the economic and the non-economic benefits, this special edition of the *Creative Economy Report* will focus on local settings in developing countries, while also drawing on contexts of socio-economic disadvantage in the developed world. *In doing so, it will seek to grasp the realities of the creative economy not as a unified logic, to be imported wholesale, but rather as an invitation to rethink – creatively – what its flourishing might mean, tangibly, in the everyday lives of people in diverse circumstances.*

The Creative Economy Reports of 2008 and 2010 ...

Prepared by the United Nations Conference on Trade and Development (UNCTAD) and the United Nations

Development Programme (UNDP), the 2008 and 2010 editions of the *Creative Economy Report* provided a robust framework for identifying and understanding the functioning of the creative economy as a cross-cutting economic sector, particularly with respect to its growing significance in international trade.

The two Reports made important contributions to the concerted, ongoing effort of experts around the world who argue that there exists a sizeable, strong and valuable productive sector.¹ These experts have provided a base of evidence demonstrating the ways in which “the leading edges of growth and innovation in the contemporary economy are made up of sectors, such as high-technology industry, neo-artisanal manufacturing, business and financial services, cultural-products industries (including the media) and so on”.² They also showed that investment in the creative and cultural sectors can be a powerful development option providing evidence that, despite the recent severe recession in the developed world, the creative economy continued to grow everywhere, and generally more rapidly than other sectors, notably in the global South.

The primary analytic focus on economic indicators that characterized the two previous Reports remains relevant and is bound to continue to be so. In fact, countries are beginning to incorporate categories of creative economy investment into their calculations of gross domestic product (GDP), notably with respect to intellectual property products, such as research and development (R&D), entertainment, literary and artistic originals, and software.³ Available knowledge and economic studies of externalities are only now beginning to be applied to the complex relationships between economic growth, diversity, creativity and cultural expression.⁴ While advancements have been

made in this field, particularly in the developed world, this market-driven approach provides only a partial view of the impact of creativity and culture on sustainable development. It does not address the many ethical and political questions that go beyond economic analysis. As the world discusses the post-2015 sustainable development agenda, it is important to broaden this discussion and explore various opportunities to widen the debate and refocus attention on the multiple intended contributions that creativity and culture can make to development.

... and beyond

The first two editions of the *Creative Economy Report* touched, albeit lightly, on evidence that the creative economy is an important fountainhead of creativity and component of growth, and that it impacts non-economic human development goods. Notably, the 2010 Report found that “adequately nurtured, creativity fuels culture, infuses a human-centred development and constitutes the key ingredient for job creation, innovation and trade while contributing to social inclusion, cultural diversity and environmental sustainability”.

This special edition of the *Creative Economy Report* argues that creativity and culture are processes or attributes that are intimately bound up in the imagining and generation of new ideas, products or ways of interpreting the world. All these have monetary and non-monetary benefits that can be recognized as instrumental to human development. Transformational change is thus understood within a broader framework of human development and is recognized as a process that enhances the effective freedom of the people to pursue whatever they have reason to value.⁵

¹ The 2008 and 2010 editions defined the “creative economy” as comprising activities involving cultural creativity and innovation found at the core of what are commonly referred to as the “cultural industries”, the “creative industries” or, indeed, the “cultural and creative industries”. Some of the most relevant models used to define the scope of the creative economy are summarized in table 1.1 of chapter 1 of the present Report.

² Scott (2006: 3).

³ The Economist, *Free Exchange: Boundary problems*. (3 August 2013).

⁴ For example, in assessing the economic value of cultural diversity, a recent study demonstrated that citizens living in metropolitan areas (in a particular context) where the share of foreign-born increased over the period of 20 years have experienced a significant average increase in their wages and in the rental prices. See also, Gianmarco et al, 2004.

⁵ This was the paradigm affirmed almost two decades ago by the UN World Commission on Culture and Development, when it reminded the international community that “development divorced from its human or cultural context is growth without a soul” and that “culture is the fountain of our progress and creativity.” (UN World Commission on Culture and Development 1996:15). In this view, development cannot be limited to growth of gross domestic product (GDP), but must also embrace the opportunity to choose a full, satisfying, valuable and valued way of living together, the flourishing of human existence in all its forms and as a whole. The expressive life of culture is one of these forms. As it takes economic form, creativity and culture become drivers of development, and help to renew the flourishing of human existence in ways that are meaningful at all levels and generally more sustainable in the long term.

In this context, the Report acknowledges that the creative and cultural industries depart in several ways from generic economic and industrial models in the way that they operate and are organized. Their outputs are symbolically and ideologically charged in ways that most other products are not and raise specific social and political questions that other industries do not. They tend to be environmentally friendly and concentrated in large metropolitan areas, frequently employ highly skilled workers, and rely deeply on informal cultural systems, processes and institutions. These industries also generate benefits that are not measurable by market prices alone, but rather affirm the distinctive cultural identity of the places where they are developed and where they cluster, thereby improving conditions of life and enhancing local image and prestige.

The key question is how to capture the vibrancy and scale of creative economies beyond economic indicators. To meet this challenge, the analytic framework for this Report advances the understanding of “creativity” and “culture” as both drivers and enablers of development.⁶

As a *driver* of development, creativity and culture are recognized for the economic value that creative and cultural industries generate in terms of job creation, and for the ways in which they stimulate the emergence of new creative ideas or technologies. Importantly, the non-monetized benefits of culture also drive development and can lead to transformative change when individuals and communities are empowered to take ownership of their own development processes, including the use of local resources, skills and knowledge and diverse cultural and creative expressions. Taking ownership contributes to strengthening the social capital of a community and fosters trust in public institutions, which in turn can result in inclusive social and economic development, environmental sustainability and peace and security. For example, the use of local and indigenous knowledge systems and environmental management practices can provide valuable insight and tools for tackling ecological challenges, such as preventing biodiversity loss, reducing land degradation and mitigating the effects of climate change.

Taking the cultural context into account also *enables* more effective development interventions in fields ranging from health to education, gender empowerment and youth engagement. Culturally sensitive approaches have tangibly demonstrated how it is possible to address the economic and human rights dimensions of poverty while, at the same time, pointing to innovative solutions to complex development issues. Indeed, culture helps broaden the terms of the current development debate by advancing a human-centred approach that effectively yields sustainable, inclusive and equitable outcomes.

This holistic view of human development, in other words a kind of development that widens people’s choices and builds their capabilities to lead the lives they have reason to value, makes it both possible and necessary to transform the terms of engagement and analysis. In this broader perspective, creativity and culture are recognized for the multiple contributions they make to development, including generating social energy, confidence and engagement, enabling both individuals and groups to aspire to and imagine alternative futures.

Organization of the Report

This special edition of the *Creative Economy Report* is organized in eight chapters. The chapters that follow contain a body of evidence reflecting the experiences, actions and resources of local actors and communities around the world that are being deployed to forge new pathways that are both human and sustainable. It introduces indicators of success and effectiveness in the creative economy and a fresh analytical approach to help local policymakers bridge the existing evidence gap and to rethink how a flourishing local creative economy could help improve the everyday lives of people.

Chapter 1 of this Report outlines the evolving concepts and context of the creative economy, as well as the definitions and terminology that are used. **Chapter 2** examines the unique and central role of the local level in fostering inclusive and sustainable creative economies.

⁶ United Nations System Task Team on the Post-2015 United Nations Development Agenda, “Culture: a driver and an enabler of sustainable development”, Thematic Think Piece (UNESCO, May 2012). Available at: http://www.unesco.org/new/fileadmin/MULTIMEDIA/HQ/post2015/pdf/Think_Piece_Culture.pdf.

Chapter 3 explores three non-economic ways in which creativity and culture contribute to development: (a) how *cultural expression (or artistic practice)*, both individual and collective, energizes and empowers social groups, particularly the marginal and the disenfranchised, and provides platforms for their social and political capacity; (b) how *cultural heritage, both tangible and intangible*, in addition to the income that it affords, provides people with the cultural memories, knowledge and skills vital for the forging of sustainable relationships with natural resources and ecosystems; and (c) how *urban planning and architecture* create built environments that enhance individual and group well-being and nurture creativity. The capacity to generate and access these pathways – which complement the opportunities that people are given to produce, distribute and consume cultural goods and services – must be counted among the instrumental freedoms that are integral to sustainable human development.

Chapter 4 sketches the diverse forms of the creative economy in many different local settings in Africa, the Arab States, Asia and the Pacific, and Latin America and the Caribbean, and offers an overview of key trends in these regions, drawn from case studies. This evidence demonstrates that cultural creativity, both marketable and non-marketable, exists in many different places and forms. In the global South, these forms are not mirror images of those in developed countries nor do they need to be, although “models” of creativity in post-industrial societies have been exported as if their logic were universally relevant. A more pluralistic view understands the contours of the creative economy as contingent and path-dependent, with structures and ways of functioning that vary considerably from one place to another. Hence, a more productive way to pursue local development policy is to optimize *the way in which policy ideas about the potential of creativity previously elaborated in the developed world can be fruitfully and critically adapted to local aspirations, assets, constraints and energies*.


In **Chapter 5**, the Report explores the critical factors to take into account when designing a policy or strategy for

local creative economy development. These are: financing; the agents, intermediaries and institutions required to make transformative policy-making work; the decision-making by local actors and communities; the specific mechanisms to be scaled up for developing and strengthening the entire value chain from creation and production to distribution, and the building of capacities to develop new skills and education at all levels. Effective intellectual property rights are also key, together with an ethic of service to people and their aspirations, including dimensions of community development and welfare. Finally, in today's highly interconnected world, transnational exchanges and flows play an indispensable role, notably in relation to access to global markets and digital connectivity.

Chapter 6 reviews the issues relating to investment in the development of the local creative economy and proposes a range of indicators of effectiveness and success for use by local policymakers. These qualitative and quantitative indicators will enable local policymakers to assess the resources and capacities available locally, as well as the nature and level of the outcomes that might be achieved through investment in the creative economy.

Chapter 7 analyses strategic and practical aspects of sustainable development initiatives focusing on creativity and culture. It does so by examining the choices made in the design and implementation of a large number of small and medium-scale initiatives carried out under the aegis of the UNESCO International Fund for Cultural Diversity (IFCD) and the UNDP-Spain Millennium Development Goals Achievement Fund (MDG-F) Thematic Window on Culture and Development. This level of analysis uncovers trends in active prioritization of strategies, with the intention of providing local decision makers with a higher level of understanding and insight for informed decision-making and strategic planning at the local level.

The eighth and concluding chapter of the Report summarizes the lessons learned, and proposes ten recommendations for action that are deemed necessary to continue to produce local knowledge to inform the post-2015 United Nations development agenda.



Evolving concepts and context

Many different terms have been developed on the topic of this Report: “creative economy”; “cultural industries”; and “creative industries”; others could also be added, including “content-based or copyright industries”, and “cultural or cognitive-cultural economy”. The different labels reflect and correspond to different analytical positions and ideological stakes, the history of which has been studied by numerous scholars of the field. Each set of terms, together with its antecedents and its interpretations, has become a terrain of lively expert debate.

It is important to note that these terms have come to be widely used in cultural policy circles. Many cultural actors and institutions also have adopted them in their self-descriptions, although by doing so they may be applying the idiom of “industry” to activities that are neither industrial in nature or scope nor profit-making (but instead require permanent subsidy). In some cases, identifying with this now fashionable category is thought to be a means of securing greater investment, political support and sometimes funding to sectors that have been historically overlooked. Yet, some people feel the terms have developed an ambiguous, buzzword quality that is hyped by politicians, seen sceptically by academics, and employed by artists and creative professionals when it suits their cause.

This chapter provides an overview of the development of the three most commonly used terms, namely the creative economy, cultural industries and creative industries, in order to establish a deeper understanding of the creative economy – what it comprises, how it functions, and its potentialities for sustainable human development. Our intention is not to reach a final

“ *The creative economy is a mysterious animal: it’s found in many land habitats around the world; it mostly frequents cities, often searching out cultural quarters and clusters; moreover it seems to have many heads and appendages, and depending on where one is located it has many tongues. Policymakers talk it up; academics are inclined to talk it down, while artists and creative practitioners are ambivalent: if it helps their work to get noticed they’re happy to ‘talk the talk.’*¹

consensus about concepts, but to understand the nuances of the creative economy in order to support its advancement as a feasible option for development at the local level. This chapter also provides an examination of the context and contours of the creative economy as it pertains to social and economic development at the local level.

>> 1.1 DEFINITIONS AND TERMINOLOGY

1.1.1 CREATIVE ECONOMY

The term “creative economy” was popularized in 2001 by the British writer and media manager John Howkins, who applied it to 15 industries extending from the arts to science and technology. According to Howkins’ estimates, this creative economy was worth

¹ Michael Keane (2013).

US\$2.2 trillion worldwide in 2000 and growing at an annual rate of 5 per cent. The notion is and remains a very broad one as it embraces not only cultural goods and services, but also toys and games and the entire domain of “research and development” (R&D). Therefore, while recognizing cultural activities and processes as the core of a powerful new economy, it is also concerned with manifestations of creativity in domains that would not be understood as “cultural”. Before exploring the implications of this broader reading of creativity, however, it is important to examine the other two terms used in this Report.

1.1.2 CULTURAL INDUSTRIES

The term *Cultural industries* traces its genealogy back to earlier work in the Frankfurt School in the 1930s and 1940s, which scathingly decried the commodification of art as providing an ideological legitimization of capitalist societies and the emergence of a popular *culture industry*. Such pessimistic views of the relation between culture and capitalist enterprise are still held by some. This is notably the case on the Left, and particularly today in the context of the debate on the threat of global cultural homogenization. These views are also based on a view of culture and the economy as mutually hostile, each driven by logics so incompatible that when the two are made to converge, the integrity of the former always suffers. By the early 1960s, however, many analysts had begun to recognize that the process of commodification does not always or necessarily result in the degeneration of cultural expression. Indeed, often the contrary may be true, for industrially (or digitally) generated goods and services clearly possess many positive qualities. Hence, by the 1980s the term *cultural industries* no longer carried pejorative connotations of the earlier term and began to be used in academia and policy-making circles as a *positive* label. This referred to forms of cultural production and consumption that have at their core a symbolic or expressive element. It was also propagated worldwide by UNESCO in the 1980s and has come to encompass a wide range of fields, such as music, art, writing, fashion and design, and media industries, e.g. radio, publishing, film and television production. Its scope is not limited to technology-intensive production as a great deal of cultural production in developing countries is crafts-intensive. Investment in the traditional rural crafts,

for example, can benefit female artisans by empowering them take charge of their lives and generate income for their families, particularly in areas where other income opportunities are limited. All of these productive domains have significant economic value, yet also are vectors of profound social and cultural meanings.

1.1.3 CREATIVE INDUSTRIES

The term *creative industries* is applied to a much wider productive set, including goods and services produced by the cultural industries and those that depend on innovation, including many types of research and software development. The phrase began to enter policy-making, such as the national cultural policy of Australia in the early 1990s, followed by the transition made by the influential Department for Culture, Media and Sport of the United Kingdom from cultural to *creative industries* at the end of the decade. This usage also stemmed from the linking of creativity to urban economic development and city planning. It was given a first significant boost by the important work carried out by the British consultant Charles Landry on the “creative city”. A second and highly influential force internationally was the work of Richard Florida, an American urban studies theorist, on the “creative class” that cities needed to attract in order to ensure their successful development. This “creative class” is a very capacious grouping of many different kinds of professional, managerial and technical workers (not just creative workers in the cultural and creative industries), producing innovation of various types. Together they form a “class” that Florida took to be the fountainhead of innovative energy and cultural dynamism in present-day urban societies. In this perspective, cultural activities were seen primarily as amenities in the urban infrastructure that would serve to attract a mobile, professional labour force and provide an outlet for their highly focused and purposeful leisure time. After an initial wave of great enthusiasm, notably among mayors of cities in the United States, northern Europe and East Asia, the appeal of the “creative class” paradigm declined markedly. Scholars found that Florida’s thesis was not supported by empirical evidence and did not provide sufficient guidance on to the necessary and sufficiently durable conditions under which such skilled and creative individuals would congregate and

remain in any given place to become key agents in local and regional development. In addition, Florida himself recently admitted that even in the United States the rewards of his strategy, “flow disproportionately to more highly-skilled knowledge, professional and creative workers,” and added that “on close inspection, talent clustering provides little in the way of trickle-down benefits.”²

1.1.4 CULTURAL CREATIVITY AND INNOVATION

Critics of the creative industries agenda, and *a fortiori* of creative economy thinking, find that the terms tend to blur the boundaries between “creativity” in a very general sense and the expressive qualities that characterize *cultural* goods and services. They also find that the term “creativity” is used far too broadly. It is true of course that the term “creativity” itself has always been open to multiple definitions, and there have never been as many as there are today. Even in the domain of psychology, where individual creativity has been most widely studied, there is little agreement as to its nature and precise location, or whether it is an attribute of people or a process.

In a recent variant of creative economy thinking, some argue that the cultural and creative industries not only drive growth through the creation of value, but have also become key elements of the *innovation system of the entire economy*. According to this viewpoint, their primary significance stems not only from the contribution of creative industries to economic value, but also from the ways in which they stimulate the emergence of new ideas or technologies, and the processes of transformative change.

The creative economy should be seen, therefore, “as a complex system that derives its ‘economic value’ from the facilitation of economic evolution – a system that manufactures attention, complexity, identity and adaptation through the primary resource of creativity.”³ In this view, the cultural and creative industries are trailblazers, nurturing overarching societal dispositions which stimulate creativity and innovation, working to the benefit of all. Critics point out, however, that the mechanisms enabling this creativity to radiate are never clearly identified,

although it seems entirely plausible that cultural expressions can be a source of ideas, stories and images that can be reproduced in other forms in different economic sectors. Recent analyses of input-output tables find only weak evidence that firms with supply chain links to firms in the creative industries are more innovative than those with no such links, but say nothing about what takes place in these engagements, and hence offer no clues as to causality.⁴ It may simply be that more innovative firms buy more creative industry inputs, such as design, branding or advertising.

It is difficult to argue, therefore, that all aspects of economic, social or political creativity are generated *uniquely* – or even principally – by cultural and creative industry processes themselves. For this reason, the term ‘creative economy’ will be used in this Report to privilege activities involving *cultural* creativity and/or innovation. The bulk of the case studies and examples are therefore drawn from activities that could be also classified as *cultural* industries in order to uncover the increasingly symbiotic relationships between culture, economy and place. The emancipatory social potential of the latter is implicit in their very constitution and the wellspring of expression is itself a means to forms of liberation. This potential cannot be separated from factors that underpin the success of the creative industries in purely economic terms.

» 1.2 CLASSIFICATIONS OF THE CULTURAL AND CREATIVE INDUSTRIES

A number of different models have been developed as a means of providing a systematic understanding of the structural characteristics of the cultural and creative industries. The use of the terms “creative and cultural industries” can vary significantly from one context to the next. Communities often challenge and seek to reshape prevailing models to suit the reality of their local context, culture and markets. The terms are therefore constantly evolving as new dialogues develop, and led to question, for example, whether and where to classify fashion shows, carnivals and video games in the cultural and creative industry models.

² Florida, R. (2013).

³ Cunningham, S. Banks, J. and Potts, J. (2008: 17)

⁴ Oakley, K. (2009)

In recognition of this fluid context, the previous two editions of the *Creative Economy Report* reviewed a selection of models and highlighted the different classification systems and their implication for the creative economy. An

overview of these models is presented below in Figure 1.1, which encompasses both “cultural” industry and “creative” industry usages and therefore captures the breadth and diversity presented in this Report.

Figure 1.1 Different classification systems for the cultural and creative industries⁵

1. DCMS Model

Advertising
Architecture
Art and antiques market
Crafts
Design
Fashion
Film and video
Music
Performing arts
Publishing
Software
Television and radio
Video and computer games

2. Symbolic Texts Model

Core cultural industries

Advertising
Film
Internet
Music
Publishing
Television and radio
Video and computer games

Peripheral cultural industries

Creative arts

Borderline cultural industries

Consumer electronics
Fashion
Software
Sport

3. Concentric Circles Model

Core creative arts

Literature
Music
Performing arts
Visual arts

Other core cultural industries

Film
Museums and libraries

Wider cultural industries

Heritage services
Publishing
Sound recording
Television and radio
Video and computer games

Related industries

Advertising
Architecture
Design
Fashion

4. WIPO Copyright Model

Core copyright industries

Advertising
Collecting societies
Film and video
Music
Performing arts
Publishing
Software
Television and radio
Visual and graphic art

Interdependent copyright industries

Blank recording material
Consumer electronics
Musical instruments
Paper
Photocopiers, photographic equipment

Partial copyright industries

Architecture
Clothing, footwear
Design
Fashion
Household goods
Toys

5. UNESCO Institute for Statistics Model

Industries in core cultural domains

Museums, galleries, libraries
Performing arts
Festivals
Visual arts, crafts
Design
Publishing
Television, radio
Film and video
Photography
Interactive media

Industries in expanded cultural domains

Musical instruments
Sound equipment
Architecture
Advertising
Printing equipment
Software
Audiovisual hardware

6. Americans for the Arts Model

Advertising
Architecture
Arts schools and services
Design
Film
Museums, zoos
Music
Performing arts
Publishing
Television and radio
Visual arts

⁵ CER 2008, 2010.

The cultural and creative industries have also been captured in various “concentric circles” diagrams. One of the

earliest and best known is that of David Throsby, presented below with two minor terminological adjustments.

Figure 1.2 Modelling the Cultural and Creative Industries: Concentric Circles Model⁶



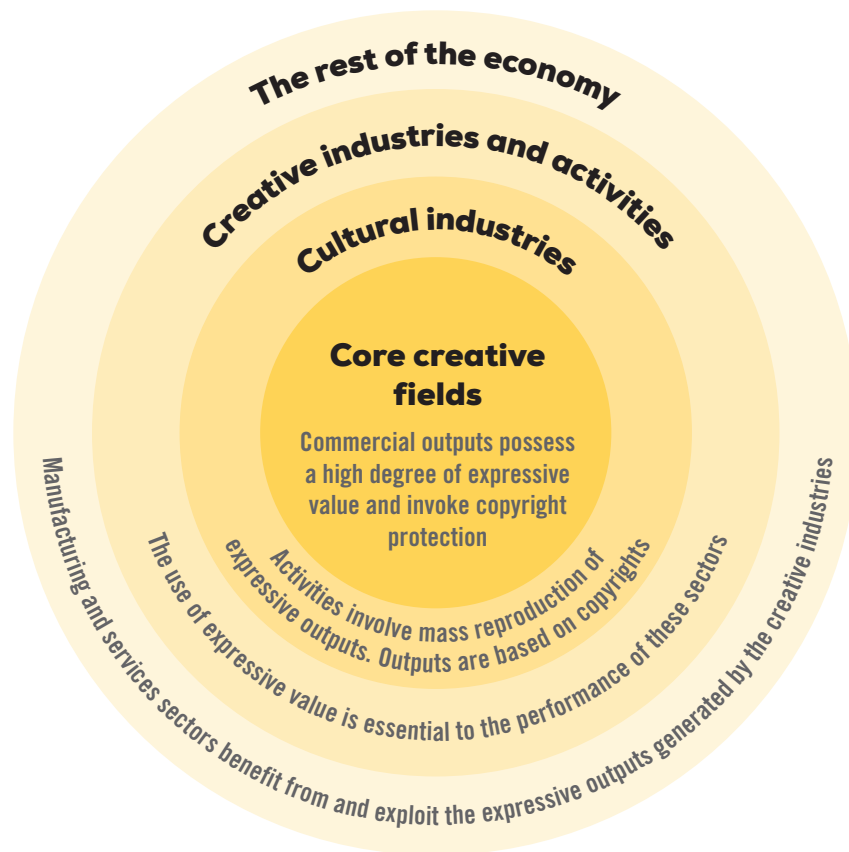
Two points need to be underlined with respect to figure 1.2. The first is that the boundaries between the circles are porous and each successive circle is increasingly shot through with aesthetic and symbolic attributes. Second, the term “core creative arts” used for the central circle should not imply that individual artists are alone at the apex of a hierarchy of creativity. At the start of the cultural value chain, individual artists and creative workers are often part of a broader enterprise whose process is initiated by managers, entrepreneurs, producers, intermediaries, etc. They depend on communities of practice. This is particularly the case in non-Western settings where the modernist notion of the individual endowed with extraordinary powers of autonomous expression often cannot be applied. Instead, cultural

expression emerges as a social process – creativity itself is social – that is elaborated in community contexts, so the central core should be recast as “core cultural expression”.

A more recent concentric circles model proposed by the Work Foundation in the United Kingdom usefully places the notion of “expressive value” at the core (figure 1.3). This includes diverse elements, including aesthetic, social, spiritual, historical, symbolic, and authenticity values. The model makes a distinction between cultural and the creative industries, placing both within the economy as a whole. It also has the advantage of capturing the close connection between creative expression and intellectual property/copyright.

⁶ Throsby, D., (2001, 2008).

Figure 1.3 The Work Foundation's Concentric Circles Model



Source: Work Foundation (2007: 103).

» 1.3 CULTURAL ECONOMY

The perspective that centres on the interplay between *culture* and economy has also been expressed in the notion of “cultural economy”. This way of seeing is important because it also encompasses the broader ways of life—understanding of culture by revealing how identities and life-worlds are intertwined with the production, distribution and consumption of goods and services. It also recognizes that what we refer to as the “economy” is bound up with processes of social and cultural relations. In this sense, it reminds us that the economy itself is a part of culture.⁷ There are several understandings of the term

“cultural economy” in academic circles. One of these bears a close resemblance to the concept of “cultural industries”: “the cultural economy comprises all those sectors in modern capitalism that cater to consumer demands for amusement, ornamentation, self-affirmation, social display and so on”,⁸ and have high symbolic value (as opposed to a purely utilitarian purpose). Today’s urban and regional economies contain a major cultural-economy component that is apparent in specific sectors that have their own logics and tendencies, such as clustering and reliance on untraded interdependencies and tacit knowledge. Other interpretations remind us that there is no such abstract “thing” as “the economy”,⁹ but rather that

⁷ See Jane Pollard et al. (2011); also UNESCO (1996).

⁸ Scott, A.J. (1999a).

⁹ *The Economist* aptly noted in August 2013, “Economics is a messy discipline: too fluid to be a science, too rigorous to be an art.” *The Economist*, “Free exchange: boundary problems”, 3 August 2013.

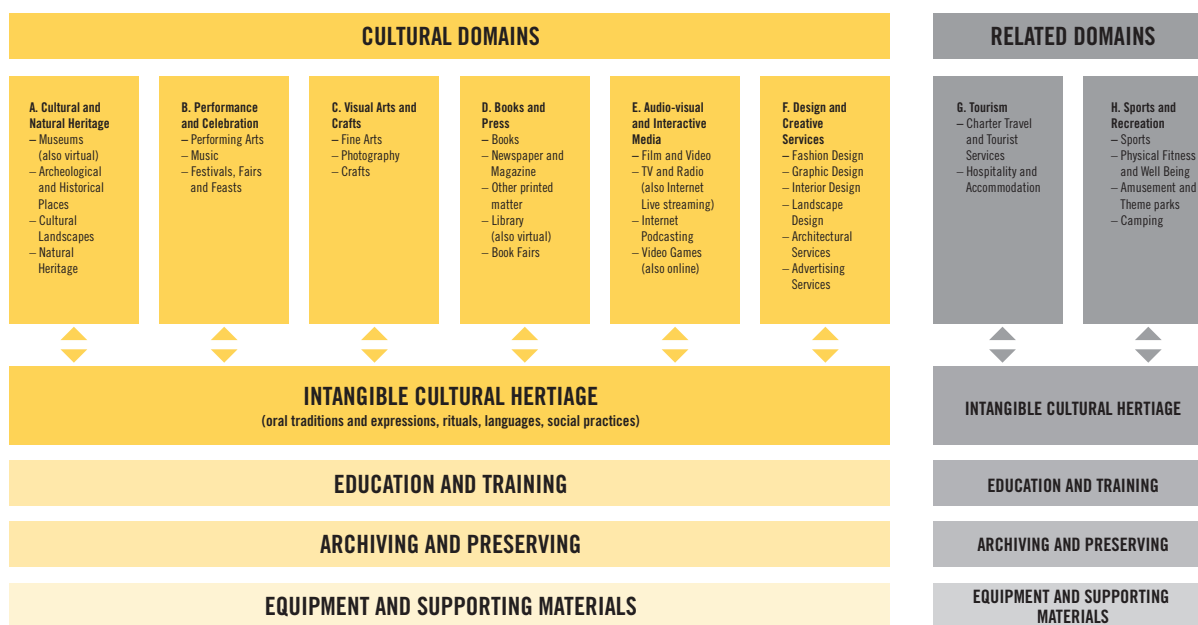
all human beings are caught up in rhythms, movements, relationships and exchanges of resources. These phenomena are grounded and lived, and guided by cultural norms and predilections. As we investigate the cultural and creative industries in diverse local settings around the

world, this perspective helps to deliver the conceptual reframing sought in this Report. The breadth and diversity of the cultural economy are captured in the 2009 UNESCO *Framework for Cultural Statistics* and illustrated in figure 1.4 below.

Figure 1.4 UNESCO Framework for Cultural Statistics Domains

The Cultural Economy

Based on UNESCO'S Framework for Cultural Statistics



Source: 2009 UNESCO Framework for Cultural Statistics, p. 24.

>> 1.4 CONTEXT AND CONTOURS OF THE CREATIVE ECONOMY

Modified policy responses are needed when addressing the creative economy as it differs from other economic sectors. Policy-making in this field has tended to follow generic industrial models, despite the fact that the creative economy functions differently. There is still too much of a cookie-cutter approach in this field, which harms regional and local specificity.¹⁰ Hence, there are few current policy

frameworks that are well positioned to encourage such an approach. The creative economy differs from other sectors through its organizational forms and the market risk associated with new products. Micro-enterprise is more common in this sector than in others, particularly in developing countries; Yet even there, three layers are to be found: small independent producers; quasi-independent subsidiaries serving larger firms; and very large companies (often multi-nationals) in fields, such as film-making and publishing.

The creative economy is simultaneously linked to the

¹⁰ Ross, A. (2009)

public, the not-for-profit and the informal sectors in ways that make it a complex hybrid. Moreover, only one aspect of the creative economy is expressed in price information and income, while other critical parameters of its success are more bound up with intrinsic values and identities. Its governance, then, requires an awareness of a kind of complexity that cuts across a range of policy concerns.

It also requires new approaches to the loosely configured, emergent networks of cultural producers and consumers that drive innovation. All of these are very different from the large-scale and highly visible institutions and interests that most cultural policies still tend to focus on, and which continue to be the source of subsidies and support.

Because the creative economy is difficult to manage and highly risky, larger organizations that can spread risk across a portfolio of products and services will find it easier to flourish. With physical goods, huge economies of scale are afforded to production and to the control of distribution systems, and are a significant barrier to entry. In most creative economy activities, real income comes from bulk selling and smaller and new entrants find it very difficult to break into established markets. Given the first-mover advantage enjoyed by the global North, this presents daunting challenges to any new entrant, especially in the global South, but it is also true that markets are created around goods and services that embody local idioms and motifs. In other words, the cultural and creative industries are naturally idiosyncratic, and benefit from the dynamics of imperfect competition. Yet, across all developing country settings, historical links, relationships and path dependencies are all crucially significant factors of success.¹¹

» 1.5 THE FORMAL AND THE INFORMAL

A key feature of the creative economy, notably in developing countries, is its deep reliance on informal cultural systems, processes and institutions. In developing coun-

tries, many creative workers, including musicians, artisans, performers, craftspeople and even professional designers and technicians, find themselves beyond the reach of official regulation and measurement. Many cultural enterprises operate “off the books”. The layer of governmental, commercial and civic institutions that is central to cultural life in advanced economies, e.g. public service broadcasters, museums, art schools, film studios, etc., is generally very thin, if not absent. Informality shapes the political economy of creative industries in developing countries, particularly as government capacity for subsidy and regulation is limited in these countries.

Collectives, micro-enterprises, vendor associations, clubs and guilds occupy the place of major cultural institutions and bureaucracies as creative agents tend to be smaller and less visible than their counterparts in the global North. These ground-level actors are less likely to interface with international arts/culture bodies or appear in the kind of data compiled by international agencies. Moreover, the intellectual property frameworks that have been central to creative industry policy in rich countries are not designed to protect many kinds of non-industrial creative endeavour, such as dance and textile design. In other words, there are often systemic asymmetries in the developing world.

What is more, a sizeable proportion of cultural production is impermanent by intent since it is designed for immediate consumption, e.g. rituals and ceremonies and accompanying cultural expressions that have both intrinsic value and a creative dimension. Such creativity cannot be framed in terms of intellectual property. To do so would be to reject understandings of the economy in which market mechanisms and trading practices are often mediated by the collective values of generosity or sharing. These values “complicate the neo-classical premises of economics regulating the transactions of everyday life cultures.”¹²

The link between informality, development and the creative economy is not a hard and fast rule, of course. Some developing countries are home to highly structured

¹¹ “Path dependency” is a concept much used today in evolutionary economics and in economic geography. As applied to the cultural and creative industries, the term suggests that the present state of socio-economic conditions and cultural-economic growth in any given place is highly dependent on the decisions, locations and dynamics previously affecting that place. It emphasizes that cultural and creative activities emerge organically from communities and places, and cannot be easily “invented” into industries. Assessing the potential of the creative economy in any given place therefore requires careful tracing of what has come before. In other words, the particularities of geography and history still matter enormously. For further information, see: <http://eh.net/encyclopedia/article/puffert.path.dependence>.

¹² Bharucha, R. (2010)

and extensive cultural sectors, as can be seen in the example of Bombay cinema (Bollywood) or the Latin American recording industries. Equally, developed countries are home to many creative cultures, from handicraft

to hip hop, many of which are not institutionally supported and can thus be described as informal. However, given the comparatively larger scale of informality within the developing world, a global perspective inevitably requires

1.1

**Informality, development and the creative economy:
the case of Nollywood**

The Nigerian movie industry, commonly referred to as Nollywood, operates outside the established channels of screen financing, production and distribution. Since the 1990s, low-budget movie production has boomed in Nigeria, creating a vibrant screen culture that attracts a passionate audience throughout the country and across the whole of Africa. Every year many hundreds of titles, from thrillers to supernatural horror movies, are shot and released. Nobody knows precisely how many, but their massive popularity with audiences around the continent is universally acknowledged. The model of production and distribution is informal, yet it is also becoming increasingly professionalized. Films are scripted and shot quickly, often in a matter of weeks, then distributed on videodisc (VCD) through a network of small stores, markets and itinerant traders; movies are watched at home or in makeshift video clubs, markets, bars, etc. This informality has both advantages and disadvantages. It means that Nollywood has no official institutional presence outside Nigeria, and its existence is not even acknowledged in many surveys of international cinema production. Because it is disengaged from the international festival and sales circuit, its products are difficult to acquire outside Africa (although digital streaming via YouTube and pay-per-view sites is growing). Nollywood's informal structure makes it possible for films to be made quickly, cheaply and with minimal red tape, but it also results in instability and a fly-by-night mentality among producers. Weak intellectual-property enforcement in the early years led to widespread piracy but also to deep audience penetration. Research suggests that the industry's informal financing practices – in which production capital from one film is used to finance the next one, with no bank involvement – has worked well for smaller productions, but is increasingly a problem for more ambitious producers wishing to scale up their movie-making and attract audiences among the diaspora and internationally. At the same time, elements of the industry are increasingly organized. A complex system of guilds and professional associations exists, along with a highly developed star system and reviewing infrastructure. The Government of Nigeria is keen to support Nollywood, which it sees as a driver of employment and a source of potential export earnings and tax revenues. The National Film and Video Censors Board is proactive in industry development and has expanded its role from content regulation to industry advocacy. It is attempting, with mixed results, to regularize distribution and amass data on industry activity and has experimented with a licensing system for video clubs. As the status of the industry rises, scrutiny of these films grows. While Nollywood is now widely seen as the country's flagship cultural industry, some figures in government and the cultural establishment are uneasy with the poor production quality of most of these films, as well as their sensationalist stories; they would prefer to project a different image of Nigeria to the world. Many film-makers and intellectuals elsewhere in Africa are critical of what they see as the “dumping” of these rough-and-ready videos in their national markets and the “pollution” of the African cultural space that they see resulting from it.

– Ramon Lobato

some recalibration of policy settings and orientations. A different, indeed *creative*, policy approach is required for effective engagement with this sector.¹³

The first challenge for policymakers is to obtain reliable data on cultural and creative activities. Aggregated national-level data on cultural flows, inputs and outputs do not provide the kind of information needed to understand the dynamics of cities and regions and are not always useful when mapping local creative economies. International survey data relying on responses from cultural agencies or governments are also of limited use. Cultural statistics are often patchy and unreliable as they are also designed to only measure those things that are deemed to be worth measuring, particularly to justify public funding. Hence, major creative industries in the developing world often have little visibility in international cultural-policy discussions (see case study 1.1 on Nollywood). These lacunae feed into a wider power dynamic between and within developing countries with respect to their representation in global arts and culture forums. Activities promoted at the international level, e.g. varieties of “world” music and visual art, often represent a selective sliver of the wider scene or arise as a result of brokering by connected individuals who understand the value of being captured in data and having official representation.

Given the difficulty of obtaining formal economic indicators at the local level, how can the vibrancy and scale of the creative economy be properly assessed? Unfortunately, there are no easy answers. Creative activity presents an empirical challenge as it is a universal human capacity and occurs across a very wide variety of public and private sites. Nonetheless, a few recalibrations of assessment methods can be suggested. For example, research in developing countries may benefit from contextualized, ground-level case studies, as showcased in this Report, which are often of greater use than large-scale surveys. Or, when using survey approaches, a snowballing design (the technique of using a small pool of initial informants to nominate, through their social networks, other participants who meet the eligibility criteria and could potentially contribute) may help to pick up the many unregistered creative practitioners embedded in local cultural networks.

The objectives of such work need not be comprehensive mapping.

Methods that identify the connections between the informal and formal sectors will be particularly useful for policy development and analysis. These connections already span many areas relevant to creative-industry development, including training, employment and urban planning. Creative economies typically rely on inputs from both the formal and the informal sectors of the economy. By the same token, it will be important to gauge how policy initiatives aimed at fostering creative activity in informal settings may shape the way these activities evolve and feed back into the formal cultural economy.

Positive cultural policy, whether in the form of subsidy, state-funded promotion or other kinds of official support, brings cultural activity into the realm of state oversight and bureaucracy. While such support is often actively courted by cultural producers and usually benefits the individuals and organizations involved, any such intervention will, by definition, change the way in which they currently operate. This is the “variable geometry” of informal economies: as regulatory and policy boundaries move, the dynamics of formal and informal activity shift in response. Policy attention is needed at all levels of government, from the local to the transnational. As in other sectors of the economy, strategies for formalizing labour relations and other aspects of creative work are likely to have positive outcomes in terms of encouraging investment and growth. However, the complexity of cultural infrastructures around the world means that the best policy responses are not always obvious or straightforward. Where a great deal of creative activity occurs under informal conditions, targeting specific actors for subsidy or promotion may have an unwelcome “museumization” effect, converting embedded aesthetic traditions into officially sanctioned spectacle. For all these reasons, then, informal creative activities require a different kind of policy thinking. Appropriate responses and interventions will vary widely from locality to locality. We will return to these issues in subsequent chapters as we explore specific instances of creative production.

¹³ Lobato, R. (2012b).

>> 1.6 CLUSTERING AND AGGLOMERATION

The creative economy on the ground is generally constituted in complexes or “clusters” of activity, as explored in the *Creative Economy Report 2010*. Clustering is seen as a means of equipping industries or regions to exploit their natural advantages in ways that enable them to achieve higher levels of innovation and competitiveness. As the notion was originally described for the industry as a whole, a “cluster” is a local concentration of firms producing a particular product or service. The proximity of these firms results in vigorous competition, spurs innovation, increases opportunities to share information, augments aggregate demand for particular inputs, and reduces transaction costs.

In the cultural and creative industries, clusters are vertically disintegrated networks of production units that can function flexibly when faced by high levels of instability and the risk that prevails in the production and consumption of cultural goods and services. These networks in turn foster the rise of local labour markets that are marked by a wide palette of skills and sensibilities. Both highly skilled and relatively unskilled workers may be employed in these clusters, and will tend to be involved in mainly project-

oriented forms of work, much of it part-time, temporary and freelance. These markets often become place-specific since they are marked by particular traditions, sensibilities and norms that constitute the local “atmosphere”, which in turn becomes a source of comparative advantage. At the same time, networking and labour-market processes coalesce to generate a strong “creative field”, in other words a set of local relationships that stimulate and channel individual expressions of creativity (see box 1.3). This creative field consists both of the network of firms and their interactions, as well as the facilities and social overhead, such as schools, universities, research establishments, design centres, etc., that complement or feed the innovative capacities of these networks. Each of these factors is susceptible to blockages and failures of various sorts, each one presenting challenges to policymakers.

Taken together, these factors generate the processes of large-scale agglomeration that are among the necessary conditions for the emergence of creative localities. These processes in turn generate many positive externalities. The agglomeration economies that are so important for the creative economy can also be understood in terms of *sharing* (e.g. of infrastructure facilities); *matching* (e.g. specialized input and output relations, or matching of jobs

CASE STUDY



Emerging creative localities: The case of creative-industry clusters in Montevideo

The development of a creative industries cluster was initiated in Montevideo in 2007 for the audio-visual sector, followed in 2009 for the design sector and later by initiatives for music and book publishing. These clusters have progressed in different ways. The music cluster involved a highly participative development process, with public-private partnerships, and now generates an annual turnover of about US\$ 5.6 million for sound recording and US\$ 7.2 million for live performances. In the audio-visual sector, firms have been involved in producing content or delivering services for film, television, advertising, animation and video games. They have partnered with a wide range of suppliers and have begun to interact with other sectors, such as the hospitality, transport and apparel sectors. They are estimated to provide 7 per cent of all jobs in the city. The design cluster is made up principally of small and medium-sized enterprises and has an annual turnover of US\$ 19.2 million.

– Hector Schargorodsky

and workers); and learning (e.g. inter-firm exchanges of information).

Agglomeration phenomena also include the emergence of discrete industrial districts or quarters, a domain that has been researched extensively in relation to the creative economy and that has led to many policy applications.¹⁴ Global cities such as Los Angeles or Paris are emblematic in this regard, with their specialized cultural quarters focusing on different cultural products. Smaller-scale creative agglomerations linked to particular products also exist in different parts of the world, e.g. Jingdezhen in China for porcelain or Varanasi in India as a centre for fine silk weaving. Here, place-specific characteristics are key, since particular traditions, conventions and skills give local products an exclusive aura that can be imitated elsewhere, but never fully reproduced. *Place* in such cases is both a key component of the product and a guarantee of its authenticity and symbolic quality, and has become so important that localities are increasingly seeking to protect this distinctiveness by means of trademarks or certificates of geographic origin. This is particularly important in developing-country settings where the challenge is to fully realize the potential of local agglomeration.

» 1.7 A MEANS TO OVERCOME INEQUALITY?

Shaped by a very uneven spatial, economic and organizational distribution, the creative economy is also characterized by inequality. While ideas and creativity are globally sourced, the dominant *transnational corporations*, usually those that control distribution, are still concentrated in the global North. The creative economy is also associated with large cities and/or dominant regions within countries, or even concentrated within cities where a prosperous creative industry sector may be a small enclave surrounded by poverty and social deprivation. The creative economy tends to concentrate today in great world cities that are already central places of financial capital, investment and power or have significant historical legacies of social and cultural mixing. What is more, the centripetal forces have intensified because of convergence and acqui-

sitions at the global corporate level. Emblematic in this regard are the television, media, film and publishing industries. Moreover, more dispersed organizational forms, which are also characteristic of the sector, tend to have their major value-added activities located and/or controlled in the global North. Thus, many forms of creative-economy investment and growth can amplify existing divisions between rich and poor both across and within countries. The garment industry, fashion and jewellery production may all produce poverty through a very unequal division of labour. We are also reminded that “African musicians are often poorer than their countrymen. The Africa Music Project estimates that the average income for musicians in Senegal was US\$ 600 per year – about 15 per cent lower than the country’s gross domestic product per capita ... (and that) eighty per cent of Senegalese musicians are either unemployed or underemployed.”¹⁵

Unrealistic expectations should not be placed on the creative economy. It cannot *solve issues of poverty or uneven development single-handedly*. Yet, development of a creative economy can form an integral part of any attempt to redress inequality, provided that the process also brings about broader structural changes to ensure that creative workers are themselves not disadvantaged in relation to other workers. Diverse places might provide products to world markets but are held in webs of power relations with key power brokers in the main centres of production, as illustrated by the relationship between the “runaway production” of films across the world and the industry’s financiers and brokers in Los Angeles. While exceptions exist, e.g. Bollywood or Nollywood, it is the *major world cities in the developed countries* that possess the production infrastructures, investors, gatekeepers, subcultures, lifestyle attractions and consumers that together enable powerful concentrations of creative-economy activities to emerge.

For all these reasons, then, notably in the context of sustainable human development, the creative economy raises key issues of both cultural policy and cultural politics. What is being made and consumed? By whom and for whom? What kind of culture is being produced today and for what kind of citizenry? It is by seeking the appropriate

¹⁴ See Scott, *op. cit.* For a fuller account, see Greffe (2005) or Santagata (2010).

¹⁵ Schultz and van Gelder (2008:126)

1

Message from Mr. Fernando Haddad

Mayor of São Paulo

This is an exceptional moment in the history of São Paulo. The immense social and urban challenges that the city must address require not only financial resources, but also considerable creativity and public policies in the cultural and social sectors. One of the goals of my administration is to make the city an economic hub in the fields of art and culture. For this purpose, the Municipal Secretariat of Culture will have a role to play in formulating and implementing cultural policies for the entire city. In the coming years, the city will be able to benefit from the economic and social transformations taking place in Brazil. Today, increasing numbers of Brazilians are going to the cinema and theatre and visiting bookshops. The emerging middle class in São Paulo will become full-fledged citizens when they have access to culture, programming and information, which are currently limited to only some of the city's neighbourhoods. We must extend this right and strengthen and democratize the city of São Paulo as a large egalitarian cultural space open to cultural consumption by its 11 million inhabitants, regardless of whether they live on the outskirts, or in the vast city centre. To this end, the Municipal Secretariat of Culture is currently implementing public policies to decentralize, devolve and increase the production and potential of its culture repertoire.

These policies, centred on an international agenda that has now become a priority for the administration, will enable São Paulo to step up the organization of events, such as the Art Biennial, the International Film Festival and other events in the design, fashion and architectural sectors that the city already hosts, and to introduce and organize other major cultural events, such as festivals, trade fairs and exhibitions. Culture is also essential for this post-industrial metropolis that needs to liberate its street carnival and develop its somewhat restricted tourist activities. São Paulo has hidden historical and cultural treasures that should be revealed. By integrating culture into urban projects, the city will have the means to become a tourist-friendly metropolis, providing entertainment, tourist attractions and leisure activities. São Paulo is very much appreciated by contemporary Brazilian and international film producers, thanks to the rich diversity of its architecture, natural landscape and people, which can contribute to the development of the cinema and audio-visual industry. We must therefore ensure that filming in São Paulo becomes easier and more attractive. The City Council is currently working on creating synergies between local cinema policy and federal audiovisual policy, whose progress in recent years has stimulated business in animation, electronic games and independent television production.

São Paulo cannot continue to discriminate against the majority of the population, who live on the city's outskirts. The integration and development of the suburbs, through access to cultural supply and optimization of community production, is central to the democratization of cultural flows, in order for culture to become a real source of income-generating activities for São Paulo citizens. The unexplored potential of São Paulo's music industry, especially rock, electronic music, samba and "forró" (traditional music and dance from the north-east of Brazil), could also be unlocked. This could supply a powerful and very diverse event economy of small-, medium- and large-scale shows, which are beginning to constitute a significant annual calendar of events under the impetus of the successful "Virada Cultural", São Paulo's biggest cultural street event, running for 24 hours in 26 cities, offering circus, dance, visual arts, cinema and music.

Cultural citizenship is the very foundation of co-existence, and particularly more harmonious co-existence, and not the contrary. This is the path that São Paulo is taking today, investing all its strength in culture and citizenship.

replies to these sorts of questions that policymakers now see cultural policies, as did the celebrated singer Gilberto Gil, when he was Brazil's Minister of Culture, as "an instrument of social emancipation, global articulation and human freedom in the twenty-first century" and the notion of the creative economy as "a welcome politicization of economic debate for the contemporary world."¹⁶

>> 1.8 TOWARDS NEW DEVELOPMENT PATHWAYS

In all the assessments of the creative economy, developing countries appear lacking in key institutional and/or regulatory conditions. Lack of intellectual-property protection in the developing world is frequently cited as a barrier to creative-economy growth, as is the absence of state support, sufficient investment capital and disposable income. The latter in turn limits domestic markets for cultural goods and services, although this is changing with the emergence of new middle classes and large numbers of

consumers in many countries, as already observed with regard to China. Taxation bases are also limited as a result, making creative entrepreneurship difficult to invest in or cross-subsidize. Equally constraining is the absence of key relationships with gatekeepers and intermediaries in the still "central" world cities. In a game of unrelenting international competition, those places and agents with better access to resources, networks and opportunities will always gain the upper hand.

All these factors might appear to provide grounds for pessimism. Virtuous cycles of growth (in the centres) and vicious cycles of decline (in the margins) are hard to reverse. Nevertheless, there is increasing evidence to show that such pessimistic assessments can be countered. To view the worldwide creative economy in these terms alone is to miss the diversity, plurality and vitality of cultural expressions (and industries). *Much can be done, creatively, to promote the cultural and creative industries as engines of sustainable human development.*

Human ingenuity and creativity are the primary resources that drive the creative economy and

transformative change

process.

¹⁶ Gil, G. (2008: xii)



Focus on the local level

Today, more than half of the world's population lives in cities, and up to three-quarters of all economic activity occurs in them. Indeed, the creative economy has always been located and nurtured in urban settings, generally large metropolitan areas. It is at this level that new development pathways are being sought. *This Report focuses on issues and measures that can help localities in developing countries to harness their advantages in this sector, while compensating for some systemic asymmetries.* It explores the specific policy challenges that present themselves at the urban and regional-level and seeks to propose ways of promoting the creative economy in these settings.

» 2.1 CITIES AS IMPORTANT DEVELOPMENT ACTORS

Cities and regions are a privileged terrain because of their dense networks of interacting people, markets and activities. “The city as a whole functions as a sort of creative field – albeit one that is also completely open to the rest of the world – in which multiple bits of information flow with special intensity between the diverse units of economic and social activity contained in the urban space.”¹ The integration of these local nodes is closely related to, and indeed driven by, their integration in the world economy as places of cultural creation, production, distribution dissemination and consumption. In other words, individual urban settings have increasingly constituted systems of internal transactions that are embedded in a wider system of global transactions in a grid of relationships that are at the same time complementary and competitive.

¹ Scott (2008: 28-29).

² Scott (2006: 4).

Globalized digital and other electronic technologies have largely driven out standardized forms of work and have encouraged a vast expansion in human capital resulting from the cognitive and cultural assets of the labour force. This has ushered in a distinctive new wave of urbanization, focused on large metropolitan areas or city-regions, and not just in the global North. As Scott has also pointed out, with the rise of this worldwide network or mosaic of city-regions, a re-organization of older urban hierarchies into a *more integrated global system* is steadily taking place. As this new wave builds and widens, the emerging network of city-regions begins to override the core-periphery system that has characterized the historical geography of the world so far. Cities and city-regions on every continent are now emerging as major economic and cultural motors, as reflected by developments in Bangkok, Lagos, Mexico City, Mumbai and Seoul, amongst others.

The value chains of creation, production, distribution and consumption that are today being generated locally are unfolding in diverse, uneven and context-driven ways. Some of this is happenstance – the organic development of grassroots “scenes” and the chance timing of success. However, a judicious mix of conditions has, more often than not, made it possible for critical masses of creative output to be generated in “the burgeoning craft industries of South China, the advanced electronics and software complexes of Beijing and Bangalore, or the *telenovela* production clusters in Bogotá, Caracas, Mexico City and São Paulo.”²

The emergence of cities and regions as cultural actors is also a consequence of the ongoing decentralization

of powers by national governments that is taking place in most parts of the world, as well as of increased citizens' demand for amenities of a cultural nature. At the same time, an ever-deepening mutual relationship is occurring between cities as centres of business, finance, professional services and government on the one hand, and as centres of arts, culture and entertainment on the other.

A flourishing local creative economy augments the 'buzz' factor that contributes to the attractiveness of particular

places. Culture has become not only a vital ingredient of national identity and "branding", but has also become a marker of local distinctiveness and a tool of international projection. This development is a key element of the growing affirmation of towns, cities and city-regions as autonomous actors within the globalized economy. It also plays a critical role in building relational assets. It has been observed that "the cultural presence in struggles around political, economic, technical, and legal issues centred in the realities of cities can become catalysts for

2.1

A theatre school in La Plata creates new professional opportunities for unemployed youth

The cultural and creative industries in Argentina employ some 300,000 people and represent 3.5 per cent of the country's GDP. While market demand for skilled practitioners is also on the rise, many talented young people find it hard to break into this area. Aspiring stage designer, Diana Caraballo explains, "It is very rare for artists to find affordable training and development opportunities that are practical." She was lucky enough to have recently completed a one-year course in stage design and tailoring at a new vocational school for the performing arts in La Plata, near Buenos Aires. The school was set up in 2011 by the *Fundación Teatro Argentino de La Plata*, a nongovernmental organization working to bring the performing arts to a broader audience, with support from UNESCO's International Fund for Cultural Diversity (IFCD). The school was established within the Argentine Theatre to develop the skills of unemployed youth and adults by teaching them theatre and production techniques at a minimal cost. The project involved establishing student selection criteria, procedures and designing intensive one-year courses and helping to meet market demand for creative skills and expertise. Modules include audio-visual, communication strategy, stage management, stage performance and creative writing. The Cultural Institute of Buenos Aires was brought in to jointly develop four performing arts workshops taught by internationally renowned experts, notably from the Latin American Opera organization. Courses included carpentry, sculpture and props, scenic and space design, lighting design, and hair and make-up. To date, 586 students have completed the opening-year programme. One student, Diana Caraballo, said that "the highlight of the one-year training was the request I received from an events company to create their wardrobe," adding that, "It's great because we also get help to find employment in the cultural sectors".

The school's job training and placement programme is helping students obtain internships and many graduates have already found work in performing arts institutions on leaving the course. Meanwhile, partnering with the Ministry of Labour's Independent Entrepreneurs Programme (IEP), still more graduates have set up businesses, including an art gallery and a publishing business. With private sector support, students have also held exhibitions and taken part in job fairs. The school is also reaching out to countries across Latin America. Links have been established with similar institutions in the region and students from Colombia, Chile, the Plurinational State of Bolivia, Brazil, Ecuador, Peru and Uruguay have participated in some of the trainings. A network has also been created to sell student artwork, with profits going to the artists and the school.

Source: International Fund for Cultural Diversity (2012).

changes in a whole range of institutional domains - markets, participatory governance, judicial recourse, cultures of engagement and deliberation, and rights for members of the urban community regardless of lineage and origin".³

Understanding this local creative field as a driver of development calls for an analytical perspective that is somewhat different from one based on the perspective of the nation-state. Specific factors shape challenges and foster capacities at the local level. Hence, tailor-made policies of the kind presented in case study 2.1 are required to build an enabling environment in each local setting. Yet, local-level policies are invariably nested within broader national frameworks, particularly in terms of legislation and the regulatory environment. Thus, many critical policy areas may well be beyond the remit of local authorities. It is therefore often difficult to make hard and fast distinctions between the local and the national. Successful policies will generally emerge from synergies between these two levels of government, as well as how they interact and cooperate with the private sector and civil society.

» 2.2 DYNAMICS OF CITIES: THE NEED FOR A NEW UNDERSTANDING

In recent years, analysts across the world have come to realize that much of the vocabulary and analytical methodology pertaining to the creative economy is based on the experience of post-industrial societies in the global North. The paradigm that extols the dynamism of the sector tends in some cases to over-emphasize the decline of the manufacturing sector in post-industrial settings and, even more so, in developing countries. As a result, a number of policy prescriptions – what some analysts refer to as “policy scripts” – applicable to post-industrial societies have been exported to places where they are not nearly as relevant to existing cultural, social and economic conditions.

Developing country settings are different and therefore need to be understood in the light of a diversity of real situations, capacities and needs on the ground. Policies must also be designed and implemented that take this

diversity into account. Indeed, there are examples of how cultural activities and institutions in developing countries actually contribute to better urban governance, to the forging of “a new type of city – the city of the 21st century – that is a ‘good’, people-centred city, one that is capable of integrating the tangible and more intangible aspects of prosperity, and in the process shedding off the inefficient, unsustainable forms and functionalities of the city of the previous century.”⁴ Yet, polarities exist here as well: cultural and creative industries can contribute to widening class-related divides, as well as wasteful consumption and the creation of the increasingly disturbing scourge of electronic waste consisting of discarded devices, such as computers, mobile phones, television sets and the like. They cannot be a panacea against dirty rural hinterlands, polluting extractive activities or overburdened transport ecologies.

What these on-the-ground settings have in common is their location in the global South. *Hence, comparisons along the South-South axis are likely to be more conducive to productive mutual learning in the global South than the importation of ready-made models from elsewhere.*

It is important to remember, however, that the category of “developing country” is not a single, monolithic grouping. As economic power has shifted considerably in the world, several countries in the global South are now classified as “middle-income” or “upper middle-income” countries, according to World Bank criteria. In the coming decades, three of the world’s biggest economies will be non-Western (China, Japan and India).

In 2012, the real GDP of most rich economies is still below its level at the end of 2007, whereas the output of the “emerging economies” has jumped by almost 20 per cent.⁵ The latter accounted for 38 per cent of world GDP (at market exchange rates) in 2010, twice its share in 1990. If GDP is instead measured at purchasing-power parity, emerging economies had already overtaken the developed world in 2008 and are thought to have reached over 50 per cent of world GDP in 2011. These emerging economies now account for over half of the consumption of most commodities, world exports and inflows of foreign direct investment.

³ Sassen (2012: xxiv).

⁴ Clos (2012: iv).

⁵ *The Economist* (2013)

Emerging economies also account for 46 per cent of world retail sales, 52 per cent of all purchases of motor vehicles and 82 per cent of mobile phone subscriptions. Almost a quarter of the *Fortune Global 500* firms come from emerging markets – in 1995, it was only 4 per cent. The economies of China, India, Indonesia, Malaysia, Nigeria, Saudi Arabia, South Africa and Viet Nam are set to grow at a much faster pace than those of the Group of Seven (G7) over the next four decades.⁶ The 2013 *Human Development Report – The Rise of the South: Human Progress in a Diverse World* reports that “for the first time in 150 years, the combined output of the developing world’s three leading economies – Brazil, China and India – is about equal to the combined GDP of the longstanding industrial powers of the North – Canada, France, Germany, Italy, United Kingdom and the United States.”⁷

The *McKinsey Quarterly* reported in March 2011, that more than 20 of the world’s top 50 cities, ranked by GDP, will be located in Asia by 2025, up from 8 in 2007. During this time, more than half of Europe’s top 50 cities will drop off the list, as will 3 in North America. In this new landscape of urban economic power, Shanghai and Beijing will outrank Los Angeles and London, while Mumbai and Doha will surpass Munich and Denver.⁸

The fluid growth and contraction of cities is a phenomenon that is not clearly explained by economic analysis. *The Economist* reported in August 2013 that “nearly all the rich world’s industrial cities fell on hard times between 1950 and 1980 but some, including Boston, New York and London, rebounded soon after.”⁹ To understand the attributes that hold cities together, predictors of long-run success must go beyond the identification of the tenuous efficiency gains associated with factors, such as transportation and communication infrastructure development, consumer clustering, and even competition-driven innovation.

Among the factors driving current patterns of growth is the “new wealth of nations” constituted by the interlocking sectors that produce symbolic goods and services. The development trajectory is now radically different from the “model” of economic development as a transition from

primary, secondary and tertiary sector-led growth, starting from “low value-added” activities in the extraction and agriculture sectors and then moving up the value chain. The “leapfrog” transition from an agrarian economy to a services economy with significant information technology, as well as information technology-enabled sectors, particularly notable in China and India, makes it possible for societies to bypass the intermediate steps of industrial growth.

The *Human Development Report 2013* also underscores that the middle class in the South is growing rapidly in size, income and expectations. The ever-increasing number of middle-class consumers is expected to place increasing demands on the symbolic, as opposed to the industrial, economy. As one senior Chinese official and economist has put it in relation to his own country: “Consumers want products to contain more cultural elements. The functional or ‘use value’ of consumer goods is no longer the primary focus of attention; consumers are paying more attention to the design, packaging and brand of products. They are attracted by symbolic values, such as taste, emotion and stories. The more affluent people become the more attention they pay to emotive considerations behind their leisure, entertainment, cultural and health activities. Consumers are seeking out products that express their personal philosophy and social status. In today’s society, consumption is no longer a means of satisfying basic needs. It has gradually a kind of cultural declaration and a way of expressing a personalized sense of value.”¹⁰

Yet in China, as well as in most of the countries enumerated above, middle-class affluence is only very slowly trickling down to all segments of society. It exists so far in limited, mostly urban enclaves in which the “first world” and “third world” co-exist, and where cultural goods and services remain largely positional goods that cannot be widely shared across society without undermining their value. The human development challenges around this sector remain considerable. Moreover, regardless of their GDP levels, the countries of the global South have to contend with highly asymmetrical world market conditions and systems of intellectual property rights that still work to the benefit of

⁶ PwC (2013).

⁷ UNDP (2013: 1).

⁸ See http://www.mckinseyquarterly.com/Urban_economic_clout_moves_east_2776

⁹ *The Economist* (17 August 2013).

¹⁰ Li Wuwei (2011: 21-22).

creative-economy producers and exporters in the global North. Nor is it possible to ignore that in the developed

world itself, many settings of extreme socio-economic disadvantage are still to be found, as shown in case study

2.2

The Memphis Music Magnet: Arts-Based Community Development

With over 19 per cent of its population below the poverty line, Memphis is the poorest metropolitan area in the United States. But the city is rich in cultural assets and history. Both are now being deployed to create transformative change under the Memphis Music Magnet plan in the Soulsville USA neighbourhood by attracting and supporting musicians, celebrating the local musical heritage, and creating new types of social interaction and collaboration. It also aims to reclaim and repurpose key music heritage properties and make them accessible to residents. The music industry was central to the Memphis economy in the late 1960s and early 1970s, when the city was one of the world's major recording centres. While the city is better known for music tourism than music production, the city remains rich in musical talent and the music *community* has always been as important as the music *business*. Soulsville USA was the birthplace of American soul music and home to Stax Records. Once a racially integrated, middle-class community, it has been impacted by decades of socio-economic change. Today, while it struggles with issues of poverty, disinvestment and abandonment facing many other inner city neighbourhoods, it is now positioning itself for revitalization on the strength of assets that include the Stax Museum of American Soul Music, the Soulsville Charter School, LeMoyné-Owen College (a historically black college), and the Memphis Black Arts Alliance. More than just a studio, Stax was a place where diverse people with diverse sounds converged to create something new. Many of the artists lived nearby or knew one another, and the adjacent Satellite record shop served as a neighbourhood hangout and provided an instant focus group for the music being recorded. These circumstances made it easy, almost inevitable, for a diversity of artists to bump into one another, and end up in the studio. This setting facilitated what economists would call “knowledge spillovers” that fuel the creative economy, creating convergences that the project aims to foster. The idea emerged from a multi-year university-community partnership that originated in the Graduate Programme in City and Regional Planning at the University of Memphis among a group of students that developed a plan designed to promote neighbourhood revitalization through targeted housing programmes for artists; place-based amenities; and community enrichment programmes. The Memphis Symphony Orchestra is engaged in a year-long residency with programming that includes a series of unique musical collaborations performed in vacant community spaces, mentoring programmes for youth and seniors and leadership training for area neighbourhood associations. To host the concerts and other activities, a vacant grocery store has been repurposed as a temporary performing venue. The kick-off event at the venue featured Soulsville native and soul legend Booker T. Jones alongside the symphony and young performers from the Stax Music Academy. Renovation is also underway at the former home of Memphis Slim, a legendary blues musician. The property is being converted into “Memphis Slim’s Collaboratory” – a music-centred community space for artistic collaboration, music training and storytelling. The space will include video-casting rooms to record oral histories, and will be anchored by a music studio run on a cooperative basis to support emerging artists, as well as apprentices learning the production business. Through these activities, music is acting as a magnet by connecting neighbours, bringing back former residents and attracting new visitors.

– Charles Santo

2.1 and 5.12. In this sense, then, *development is not a matter for the South alone, it is a truly global challenge.*

Increasingly robust creative economies are emerging on all continents and in many localities. As recent UNCTAD research shows, the share of developing country exports in the world trade of creative goods and services has grown steadily in recent years, with total exports reaching US\$ 631 billion in 2011. The bulk of these exports is being produced in large and medium-sized cities and comprise arts, crafts and design products.¹¹ Today, “an expanding worldwide network of cultural-products agglomerations is bound to be accompanied by increasing differentiation of outputs as individual centres struggle to mobilize whatever place-specific competitive advantages they may initially possess, and as they build up reputations for *particular kinds of product designs and forms of semiotic expression*”.¹²

While there can be little doubt that tapping into global

markets has been a key driver of economic progress in the South, an examination of country-by-country international trade flows analysed in the two previous Creative Economy Reports (2008, 2010) sheds little light on the advance of the creative economy in local settings. The present publication, however, while naturally benefiting from the conceptual advances made by its two predecessors, adapts them to the requirements of local settings. The following chapters will feature examples from cities and regions of varying size, as well as from rural areas, some of them remote, including locations where colonial legacies continue to deeply influence cultural activities and products, including those that are industrially and/or digitally produced, distributed and consumed. These development pathways are not always predictable or necessarily replicable. Conceptual dexterity and empirical depth are needed in order to understand their contours and texture, and then to build the creative economy in new and sustainable ways.

2

Message from H.E. Mr. Dr. Shashi Tharoor

Minister of State for Human Resources Development, Government of India


The creative economy is indeed a very complex ecosystem that is built on age-old cultural heritage and traditions. It is vital for the modern world to motivate the innovators and practitioners of the creative economy in order to promote and preserve the cultural diversity and heritage of all humanity. It is, therefore, particularly important for the developing world to evolve policies to support the creative economy, as it contributes to the creation of jobs, empowering youth and women as well as addressing the challenges of social inclusion.

The creative economy has definitely emerged as one of the most dynamic sectors of world commerce and it is heartening to know that this sector has withstood the test of the downturn of the global economy and has, instead, emerged as a strong support to the global economy during the crisis. This has been possible due to the enormous cultural diversity and creative talent of millions of common people, especially in villages across the globe, integrating their unique heritage and cultural practices into their work. They have leveraged their cultural capital, both tangible and intangible, across a wide spectrum of innovative products and services. The expansion of information and communications technology (ICT) is also providing a much needed boost to the development of the creative economy.

Grassroot interventions to attract small and medium-sized enterprises, support to local innovators and systemic efforts to support value chains would be crucial for the sustenance and growth of the creative economy. I value the role of creative entrepreneurs, as well as civil society organizations, for making sustained efforts, even in troubled times, to retain the vital support system of millions at the bottom of the pyramid.

¹¹ UNCTAD (2013)

¹² Scott (2008: 321).



Widening the horizon

3

>> 3.1 SETTING THE BROADER STAGE

As argued in the Introduction, there is far more to culture-led development than the purely economic benefits generated by the production, distribution, dissemination and consumption of cultural goods and services. By the same token, cultural and creative industries require and mobilize different kinds of creativity. The *Creative Economy Report 2010* distinguished between *artistic creativity* (located at the core of the concentric circle diagrams in figures 1.2 and 1.3); and *economic creativity* as a process leading towards innovation in technology, business practices, marketing, etc. Over a decade earlier, the World Commission on Culture and Development had envisaged creativity as the attribute of better problem-solving in every field – including politics and governance – and pointed out that “in our climate of rapid change, individuals, communities and societies can adapt to the new and transform their reality only through creative imagination and initiative.”¹ Following such reasoning, the notion of creativity in the context of any aspect of development, whether cultural, social, economic or political, could refer in a very general way to the processes or attributes bound up in imagining and generating new ideas, products or ways of interpreting the world.

On deeper reflection, however, this is far too broad a view to be useful in arguing the case for culture as such. This Report will therefore focus on the contributions that cultural resources can make to drive

sustainable development processes as a whole. Culturally driven ways of imagining, making and innovating, both individual and collective, generate many human development “goods”, and these in turn can contribute to inclusive social and economic development, environmental sustainability and the attainment of peace and security, all goals upon which the post-2015 United Nations development agenda is predicated. How do they do so? This chapter seeks to provide some answers to this question and will serve as a conceptual bridge between the issues set out in the introduction and the empirical experiences from different world regions showcased in the following chapters.

For this purpose, three domains will be explored in which the value of culture in and for human development transcends economic analysis in particularly meaningful ways. The first is *cultural expression (or artistic practice)*, both individual and collective, which energizes and empowers individuals and groups, particularly among the marginalized and downtrodden, and which provides platforms for their social and political agency; the second is *tangible and intangible cultural heritage*, which, in addition to the income it generates, provides people with the cultural memories, knowledge and skills vital for the forging of sustainable relationships with natural resources and ecosystems; and the third is *urban planning and architecture*, as the quality of the built environment enables and nurtures individual and group well-being, as well as their capacity to create and innovate. Being able to either generate or access all three domains, in addition to the

¹ World Commission on Culture and Development (1996:78)

opportunities that people are given to produce, distribute and consume cultural goods and services, must be counted among the instrumental freedoms that are integral to human development.

>> 3.2 CULTURAL EXPRESSION

Cultural expression in developing countries often takes small-scale vernacular forms that generate various forms of “cultural energy”. These, in turn, are able to mobilize individuals, groups and communities to transformative action.² This cultural energy can move people to: lock arms and join in group efforts; stir their imaginations and drive their aspirations to transform their lives; shore up their confidence; and give them resilience in the face of hardship, helping them to find strength and resolve they were not sure they had. Group practice, such as singing (whether in choirs in the West or in the many other collective modes of expression in different cultural traditions) or dance, for example, increases social capital, creating stronger bonds between participants, increasing individual self-esteem, improving their physical and mental well-being and enabling new creative outlets. Such group practice also depends on emotional engagement – it simply is not meaningful (or commercially viable) without connecting with listeners or spectators in this fashion.

In many cases, expressiveness and emotion also imply that dissonant voices will be heard, but these are aspects of culture that policymakers are not always prepared to accommodate. Indeed, cultural expression has informed or inspired many recent democracy movements, as people recognize that freedom of artistic expression is constitutive of a free society – of its diversity, its liberties, its openness and its flexibility. Such a society must also have a place for those who raise embarrassing questions, confront orthodoxy and dogma, and who cannot be easily co-opted by either governments or corporations.³ Cultural actors – artists as well as arts-producing or arts-delivering organizations and networks – generate ideas, art works, art forms, projects and spaces that support and enrich the engagement with democratic governance and fundamen-

tal rights in many different societies. This was graphically evident during the “Arab Spring” of 2011 and in subsequent developments in that region (and indeed elsewhere), where artists and artistic forms expressed and/or bolstered the values and aspirations that underpin the energies of civil society and the indignation to which it gives voice. Across the global South, similar manifestations are emerging. Many of them are still fragile. Yet, they demonstrate clearly that cultural practitioners are among the citizen actors who are acting independently to bring about change, for example in favour of ethnic pluralism and minority rights. Citing the “Arab Spring” also reminds us that a considerable amount of cultural expression is now produced, distributed or consumed in digital forms. Hence, we do not advocate an emphasis on traditional arts and cultural practices at the expense of contemporary forms. Moreover, when we invoke the value and power of the latter, we do not seek to pit inherited values and practices against the dissonant and disruptive spirit that exists in so much of today’s cultural life, in particular among young people.

The recent report on “The right to freedom of artistic expression and creativity” submitted to the United Nations General Assembly by the United Nations Special Rapporteur in the field of cultural rights addresses the many ways in which the right to the freedoms indispensable for artistic expression and creativity may be curtailed, and adds that “the vitality of artistic creativity is necessary for the development of vibrant cultures and the functioning of democratic societies.”⁴ Her arguments mesh with several of the key concerns of the post-2015 United Nations development agenda, notably with respect to inclusive social and economic development, as well as the core principles of human rights and equality. Amongst the many ways in which artistic freedoms are being curtailed in many countries today, she singles out recent economic and financial developments that have had a direct negative impact on the cultural and creative industries and that has resulted in: reduced public sector support; the restriction of livelihood options through piracy; and the “market censorship” imposed by corporate consolidation that

² Kley Meyer (1994).

³ Edward Said (1996)

⁴ Shaheed, (2013: 3)

reduces the diversity of funding sources, artistic autonomy and the space available for creative production. The significant point, however, is that the Special Rapporteur specifically decries the restrictions that are made at the commercial or industrial level in the name of political and social values.

Many experiences presented in this chapter also attest to the power of cultural expression as a means of embodying and representing different cultural identities, as shown in Case studies 3.1 and 3.2. The 2004 *Human Development Report: Cultural Liberty in Today's Diverse World* demonstrated that struggles over the non-recognition of difference have become resource-wasting factors of instability and conflict.⁵ Ever-increasing migratory flows have today turned urban communities around the world into venues of

ethnic encounter and mixing. Public policy stances and society-wide attitudes will determine whether this diversity leads to the creativity of intercultural cross-fertilization or, on the contrary, to wasteful tensions and conflicts.

The building of better local patterns of “living together” or co-existence with cultural difference requires proactive policy-making. It has been argued that “any push to achieve urban creativity in the absence of a wider concern for the conviviality and camaraderie...in the urban community as a whole is doomed to remain radically unfinished... It also involves basic issues of citizenship and democracy, and the full incorporation of all social strata into the active life of the city, not just for its own sake but also as a means of giving free rein to the creative powers of the citizenry at large.”⁶

3

Message from H.E. Mr. Michael D. Higgins

President of the Republic of Ireland

Our goals for development must be human rights-based and take not only political and economic, but also social and cultural rights into account. While I think that it is important for us all to recognize the employment opportunities that exist and the incomes that are available in the creative industries, it is even more important for us to realize that those industries are most sustainably based on cultural policies that have had principles of inclusion at their base. Be it music, be it film, be it software and technology, it should be built on the certain base that all of the citizens have been included, as a first principle of an inclusive and accessible cultural policy and then go on to yield a rich harvest, be it in employment, exports, or economic growth. I am certain that this is the best path, particularly in relation to eliminating the huge gaps that exist between the North and South in economic terms. It also is the most sustainable, and most creative. It is the most inclusive and it is the best contribution to the peaceful use as a resource. I think that a sustainable, inclusive cultural policy as a basis for the creative industries is so much better than simply seeing the capacity of such an area as that of creating new pools of consumers, creating in the process a new cultural colonization of the less powerful by the strongest. Recognition of the culture space offers us the promise of innovation in our capacity for living – not only in our economic world, but also in our general world.

(Extracted from the message sent to the Hangzhou International Congress, “Culture: Key to Sustainable Development” organized by UNESCO in Hangzhou, China, 15 -17 May 2013).

⁵ UNDP (2004).

⁶ Scott (2006).

3.1

Montevideo city council invests in creativity and social inclusion

The access to cultural life of Afro-Uruguayans is hindered by poverty and lack of infrastructure. For 200 years, however, this community has been identified with the rhythmic music of dances and percussion performed during carnival. Using this channel, the Montevideo City Council, with the help of the UNESCO International Fund for Cultural Diversity (IFCD), reached out to 150 young people living in the Maracana Norte community, helping to change their lives. Through a cultural centre offering workshops in music and dance, project activities were organized by the Uruguay branch of the Latin-American Faculty of Social Sciences, the NGO Peace and Justice Service of Uruguay, and the *comparsa* 'The Clinic'. Project Coordinator Malena Lucero recalled that in the beginning, young people were reluctant to come to the centre, but as the activities offered became more enjoyable, participation in the various activities proposed by the centre grew. Workshops held at the centre included percussion skills, drum repair and assembly techniques. The cultural centre has also covered African and *candomble* dance and helped some of the participants to form a *comparsa* (a music and dance group) that has now played in three carnival parades. The centre has been much more than a training venue as it also provided a safe space for young people to interact with each other and engage in creative activities. *Comparsa* member Sergio Silva explains how participating in the band has changed his outlook, "I saw myself changing my physical appearance, talking to my neighbours, helping my friends, ceasing to use drugs, and going back to work," he said, "This programme completely changed my life." And Sergio was not the only one: about half of the young people involved with the *comparsa* band have found jobs or returned to school. Blanca Lemos, Coordinator of the Cultural Centre and a central figure in the creation of the *comparsa* said, "So many people's lives have been changed, creating a community pulsating with energy and confidence. People have started to see things from a positive standpoint." The positive identity created through the recognition of their own forms of cultural expression and the acquisition of new skills have helped to foster self-esteem and cohesion among Maracana Norte's inhabitants. Community members said that they felt joy and pride in seeing their "old dream" of forming a *comparsa* come true, and the entire neighbourhood celebrated during the parades.

Source: International Fund for Cultural Diversity (2012).

The non-monetary role of cultural expression in development is many-faceted and serves to: improve individual and collective well-being and self-esteem; augment social capital; create bonds; support the dynamics of diversity and pluralism; empower people to negotiate modernity;

and engage with both market and non-market forms of the economy. This energy is renewable – it not only drives development but is replenished and amplified for the betterment of lives, families and communities.⁷

⁷ De Beukelaer (2012).

3.2

Indigenous young people gain skills and access to jobs in the audio-visual sector in Guatemala City

A new audio-visual training centre is helping indigenous young people in Guatemala to access jobs in the cultural industries. Indigenous groups form part of the rich cultural tapestry of Guatemala and represent roughly half of the country's 14 million people. Despite this, they face difficulties in creating, producing, disseminating and enjoying their diverse cultural expressions. The Guatemalan non-profit organization IRIPAZ (*Instituto de Relaciones Internacionales e Investigaciones para la Paz*) launched the project with the support of UNESCO's International Fund for Cultural Diversity (IFCD). Partnering with the University of San Carlos (USAC), the project has established a training centre and audio-visual course at the university. Through it, Mayan, Garifuna, and Xinca indigenous participants learned audio-visual production, script writing, film directing, light and photography, camera work, editing, and post-production skills. They also learn about indigenous cultural rights, gender equality and community capacity building. Internships at TV Maya provided students with practical experience. The training centre continues to organize free short workshops on intercultural audio-visual communications. Graduates of the training centre have subsequently been able to secure careers, such as TV graphic director, community cultural mobilizer and cultural animator at the Ministry of Culture. Indigenous artistic teams are also producing short films and music videos about their cultures and sharing them on the Internet and social media. Local television now taps their audio-visual productions, while some trainees have started their own communications business. Nik'te Fernández Saquick was one of 27 participants in the audio-visual training course. The 19-year-old Mayan said of her experience, "I have learned to look at life from a different perspective and use the channels around me to tell stories." Nik'te is a member of the newly formed Mayan artistic team that is also making a video blog and producing a spot to raise cultural awareness among youth.

Trainees also produced the first-ever film by indigenous Guatemalans called *Destinos Cruzados*. The film was screened at the Icaro Film Festival in Guatemala City in September 2012; a longer version of this film, incorporating five musical pieces is currently being prepared. Participant Carlos Arana now produces music and video clips with other Garifuna members. The popular disc jockey said, "My community is benefiting a lot from the audio-visual sector. For now, we are focusing on music, as this is the medium our ancestors used to promote our culture. But in the future, we also want to make documentaries to help our children and youth learn where they come from, where they are and where they are going." Xinca community mobilizer Claudina de la Cruz Santos adds, "... in addition to teaching us technology, the audio-visual medium allows us to express our cultural identity ... to express the realities of our Xinca, Garifuna and Mayan communities. We are only starting but thanks to the project, this important training opportunity has been given to us."

Source: International Fund for Cultural Diversity (2012).

» 3.3 HERITAGE

Community energy and inspiration is also provided by the living practices that make up the *intangible cultural heritage (ICH)*, which are described by UNESCO's eponymous 2003 Convention as "... the practices, representations, expressions, knowledge, skills – as well as the instruments, objects, artefacts and cultural spaces associated therewith – that communities, groups and, in some cases, individuals, recognize as part of their cultural heritage."⁸ To be sure, these heritage assets are now being preserved and presented as marketable assets and have become an integral part of the marketized tourism-heritage nexus. Yet, they also have an additional human development impact on community awareness and identity affirmation that is akin to that of cultural expression and brings many of the same kinds of benefits. What is more, the knowledge embodied in the ICH is also valuable to the

"green economy" as it enables environmental sustainability through reduced use of ever-scarce resources, such as forests, minerals or fossil fuels. Indeed, many of the indigenous and local communities that maintain transmit and recreate ICH live in areas where the vast majority of the world's genetic resources are to be found. Many of them have carefully cultivated and used biological diversity in sustainable ways for thousands of years and, as such, are recognized as brilliant trustees of the biodiversity of their own environments.⁹ Their contributions to the conservation of this "natural capital" offer precious information to the global community and often serve as useful models for biodiversity policies as a driver and enabler of development (see case study 3.3).

The tangible, built *heritage* has long been recognized for its value as a driver of development. In fact, it was the first cultural domain to be considered "bankable" in the contemporary sense. Already in the 1970s, both the

CASE STUDY

3.3

Small farmers, culture and sustainable development

Smallholder populations also represent an impressive and highly diversified cultural repertoire that includes arts, music, dances, storytelling, architecture, etc. Part of this cultural heritage is what the French rural sociologist Henri Mendras referred to as *art de la localité* or the "art of the local". This concept refers to the many knowledge systems in smallholder agriculture. These have developed over time and represent an amazing capacity to adapt to the specificities of local eco-systems and societal patterns and to turn agriculture into a highly productive system that is essentially based on local resources. Through their "art of the local" smallholders are able to confront the high *altiplanos* of the Andean mountains, the flooded mangrove woods of West Africa and the rocky *baldios* in the north of Portugal. These harsh conditions are converted into rich resource bases producing high yields, examples include the tropical rice polders or *bolanhas* in western Africa, the pasturelands of Portugal and fields for alpaca herding in places such as Peru.

Source: FAO Committee on World Food Security (2012).

⁸ UNESCO (2003).

⁹ Appadurai, A. (2002)

United Nations Development Programme (UNDP) and the World Bank were beginning to justify investments in historic preservation on purely economic grounds, and by the late 1980s it had become commonplace to speak of a “heritage industry” that had emerged, notably in symbiosis with the growing tourism industry. Today, many countries and/or cities twin the culture and tourism sectors under a single ministry or department; monuments and museums alike are increasingly recognized as important sources of income and builders of a city’s image. The adaptive re-use of historic monuments as public buildings is often cost-effective and helps rejuvenate the economic base of older parts of the city, generating both income and employment, as well as tapping into increasingly important tourism flows.¹⁰ These approaches also often support top-down commercial operations that disrupt neighbourhoods and their monumental heritage, and drive out the poor. This is clearly the dark, destructive side of heritage in development initiatives. They often promote, “elitist commercial operations while dislodging the delicate relationships between prevailing economic levels, neighbourhood life, the traditional urban fabric and the monumental fabric that has existed nestled within it, albeit precariously.”¹¹ Hence, careful reflection was called for on the changing role of historic urban areas and on how to create synergies between socio-economic development and conservation strategies, as well as identify new roles and resource streams to maintain them in a sustainable way – a goal that has to date been elusive.¹²

This reflection led to the adoption by the 35th session of the UNESCO General Conference of a Recommendation on the Historic Urban Landscape (2011) recognizing “the need to better integrate and frame urban heritage

conservation strategies within the larger goals of overall sustainable development, in order to support public and private actions aimed at preserving and enhancing the quality of the human environment. It suggests a landscape approach for identifying, conserving and managing historic areas within their broader urban contexts, by considering the interrelationships of their physical forms, their spatial organization and connection, their natural features and settings, and their social, cultural and economic values”.¹³ It also proposes various tools to achieve these goals including civic engagement tools, knowledge and planning tools, regulatory and financial tools to support innovative income-generating development.

Thus, the human development outcomes are not automatic or positive, and by the same token the most durable return on investment is not simply financial. Case study 3.4 provides a striking example of the contrary and demonstrates the power of investing in culture as both a driver and enabler of development.

In a related vein, the Charter for the Conservation of Unprotected Heritage and Sites in India adopted by the Indian National Trust for Art and Cultural Heritage (INTACH) stipulates that “conserving the unprotected architectural heritage and sites ensures the survival of the country’s sense of place and its very character in a globalizing environment. It offers the opportunity not only to conserve the past, but also to define the future.”¹⁴ The Charter also observes that this heritage “exists in symbiosis with the natural environments within which it originally evolved and that for this reason understanding this interdependent ecological network and conserving it can make a significant contribution to improving the quality of the environment.”

¹⁰ According to the World Tourism Organization (UNWTO), over the past six decades tourism has experienced continued growth and diversification to become one of the world’s largest and fastest-growing economic sectors. International tourist arrivals have risen from 25 million in 1950, to 277 million in 1980, to 438 million in 1990, to 684 million in 2000, and 922 million in 2008. By 2020 international arrivals are expected to reach 1.6 billion. As growth has been particularly brisk in the so-called “emerging regions”, the share of international tourist arrivals received by developing countries has steadily risen, from 31 per cent in 1990 to 45 per cent in 2008. International tourism receipts rose by 1.7 per cent in real terms to US\$ 944 billion in 2008. Source: World Tourism Organization at <http://unwto.org/facts/menu.html>.

¹¹ Cheema *et al.* (1994)

¹² Bandarin and van Oers (2012)

¹³ UNESCO Recommendation on the Historic Urban Landscape (2011). http://portal.unesco.org/en/ev.php-URL_ID=48857&URL_DO=DO_TOPIC&URL_SECTION=201.html

¹⁴ INTACH. Source : <http://www.intach.org/about-charter.asp?links=about3>

3.4

The Aga Khan Trust's Azhar Park project in Cairo

In 1984, His Highness the Aga Khan decided to finance the creation of a park for the citizens of the Egyptian capital. The only central location of a suitable scale was the derelict Darassa site, a 30-hectare (74-acre) mound of rubble adjacent to the historic city. The site posed several technical challenges: It had been a debris dump for over 500 years and construction required excavation, grading and replacement with appropriate fill. A total of 1.5 million cubic metres of rubble and soil, equivalent to 80,000 truckloads, had to be moved. In addition, three 80-meter freshwater tanks for the city of Cairo had to be incorporated into the park design. Specialized plant nurseries had to be created to identify the best plants and trees for the soil, terrain and climate. Over 655,000 young plants from cuttings and seeds were planted in the park.

Today, the US\$ 30 million project evolved to include the excavation and extensive restoration of the 12th century Ayyubid wall and the rehabilitation of important monuments and landmark buildings in the historic city project. The project also included socio-economic initiatives, such as housing rehabilitation, providing microfinance, creating apprenticeships and healthcare facilities in the adjoining low-income Darb al-Ahmar district. The park itself attracts over one million visitors a year, and hundreds of young men and women have found work in the park, either in horticulture and on project teams restoring the Ayyubid wall. Three landmark buildings, the 14th century Umm Sultan Shaban Mosque, the Khayrbek complex (encompassing a 13th century palace, a mosque and an Ottoman house), and the Darb Shoughlan School have been restored. Others, including Aslam Mosque and the square in front of it, are under restoration. Local housing has been renovated and returned to their owners. A housing credit scheme is aiding private individuals in the rehabilitation of their own houses.

The project was intended to provide an alternative path to traditional remedies to the decline of historic neighbourhoods. These usually involved isolating monuments by the forced removal of the local inhabitants, or accepting a laissez-faire approach that allowed commercial developers to set priorities. In either case, residents were displaced. The approach adopted by the Aga Khan Trust for Culture, on the contrary, sought to stimulate rehabilitation without displacing residents, largely by ensuring that they have a stake in the future of their community, and by helping create viable businesses through the provision of micro-credit and assisting owners restore crumbling houses. As with all its undertakings, the Trust's approach has been to work with local residents to identify priorities and then take practical steps to address these needs. Community priorities, including restoration of houses, health, education, solid waste disposal, job training and jobs, are now being addressed. The construction of the park and the restoration of cultural monuments are meant to be catalysts for socio-economic development and the overall improvement of the quality of life in the district. At the same time, the park offers a new vantage point with spectacular views of Historic Cairo's countless architectural treasures, which will no doubt draw foreign tourists and the inhabitants of Greater Cairo alike to the once-neglected area.

Source: Aga Khan Trust for Culture. Source: <http://www.akdn.org/hcp/egypt.asp>

>> 3.4 URBAN PLANNING AND ARCHITECTURE

The urban landscape as a whole is a defining feature of every city and represents a value to be understood, preserved and enhanced through attentive policies and public participation. The historic fabric of a city and new development can interact and mutually reinforce their role and meaning. Conservation of the built environment therefore has a plurality of meanings: the preservation of memory; the conservation of artistic and architectural achievements; the valuing of places of significance and collective meaning.¹⁵ Conservation is not the only issue, however, for it is also the urban planning imagination of today that contributes to the sense of belonging and identity of each local population. In this sense, the form of a city is as much an idea as it is an artefact, for it helps answer the questions “who are we?” and “where do we want to go?” Hence, the importance for the human development perspective of *urban planning and architecture*.

Contemporary architecture figures prominently in the Western

creative economy paradigm, notably in “creative cities” thinking that relies on the provision of large-scale cultural infrastructure – new “flagship” museums, theatres, libraries, etc., often designed by star architects, and the economic benefits they generate. These benefits are thought to underpin the “cultural ballast that in turn sustains global flows by attracting capital investment and drawing tourists and skilled migrants (the ‘creative class’) through contributing to an urban image befitting a global city, and supporting a culturally enriched lifestyle.”¹⁶ Yet the investment in such “hardware” may well take place at the cost of the “software”, in other words of the capacity of local arts practitioners to actually create new work or produce cultural goods and services. And even more important perhaps, is to recognize and build upon the ways in which architecture “structures the human experience of the city, how it sets the terms on which people are brought together in urban space.”¹⁷ In this spirit, it is also important to remember that in most developing countries, the design of the built environment is largely informal and often unplanned. It is often a question of “architecture without architects”. In all cases, as the well-known architect, Zaha

4

Message from Dame Zaha Mohammed Hadid, DBE

Architect

Architecture and the arts are as vital and indispensable a component of every culture as its sciences, economics, industry and politics. This connection between every community and its culture is critical; driving the social and technological developments that generate innovation and progress.

One of the most exciting aspects of working as an architect today is the increased connectivity that allows us to collaborate with local communities and experts around the world. In the past, designers have suffered from a degree of isolation. Of course, this allows for some creative freedom – but it also brings many restrictions to accessing knowledge and research. I teach and lecture at universities and institutions around the world. On every continent, I feel the enthusiasm and ambition of the upcoming generation. Their determination and commitment continues to energize me. Their belief in progress gives a great sense of optimism.

Working within a truly collective research culture where many contributions and innovations feed into each other, talents flourish in this exciting new movement. With greater communication and connectivity, designers can now work together to resolve the urgent challenges that are the defining questions of our era. There are no simple formulae and no global solutions, but with real collaboration at the local and international level, architects and designers are able to acquire the skills and tools to address these critical issues in their communities.

¹⁵ INTACH (2004).

¹⁶ Kong (2010: 167)

¹⁷ Brook, D. (2013:310)

Hadid, observes in her message that the connection between communities and the built environment in which they live and work is crucial.

The nature of the built environment impacts on opportunities for cultural and creative industries to flourish by providing the settings and spaces they need. But here too the horizon is broader than that of the creative economy value chain. Under today's conditions of extremely rapid urbanization in the developing world, notions of cultural belonging and sense of place are too often absent from the manner in which livelihoods and development are thought about and conceived. Newer imaginations of the urban need to incorporate dimensions of place on the one hand, and complex histories and rhythms of life on the other. Citizens' memory initiatives, oral histories of displaced, transient populations, snatches of conversation and footage of artisans of the everyday (the domestic help, the plumber, the carpenter, the electrician, the painter, the sculptor, the oral storyteller) are all innovative ways of understanding, commemorating and celebrating the role that culture plays in our common lives. Such new imaginations of the urban also require thinking more deeply about the place of the citizen in the public space. Enhancing the quality of urban life also requires that the social and physical fabric need to be transformed in ways that are complementary to one another. Yet, how difficult this is to achieve is unknown, when so much urban redevelopment goes forward in the absence of any true ethic of public investment. "Instead, it just means a series of contiguous private redevelopments; green space does not mean public parks but rather the private lawns around apartment buildings."¹⁸ Sadly, the cultural dimension in urban development has veered towards the inequitable and the unsustainable in many towns and cities. This is not just because of the focus on buildings, but because of the interests of real estate in using consumption-led models, whereas more culturally-sensitive approaches in real estate development could clearly contribute to improving the quality of life in urban contexts (see case study 3.5).

As the visionary sociologist and urban planner Patrick Geddes pointed out many decades ago, "town planning is not merely place planning, nor even work planning. If it is to be successful, it must be folk planning".¹⁹ In this sense, planning is crucial to the concept of the "right to the city", as pioneered by Western sociologists such as Henri Lefebvre,²⁰ and reiterated by UN-HABITAT at the fifth session of the World Urban Forum in 2010 which had the theme of "The Right to the City: Bridging the Urban Divide". The first message in its report reads as follows:

“ The time has come to move beyond mere advocacy and commitment to the legal notion of the “right to the city”. Greater effort needs to be directed towards putting in place appropriate legal and institutional frameworks as well as the necessary investments to make the right to the city a reality. Practical efforts to give effect to this right must take due account of the social and cultural diversity that prevails in each context and must use that diversity to build the strength and vitality of urban communities.”²¹

The strength and vitality of urban communities the World Urban Forum referred to cannot be conjured into existence simply by new architecture and town-planning. Rather, it consists of "the aggregate of individual perceptions, which is expressed collectively, from the community that lives, works and socializes in a place."²² It is local communities that make places, not just architects or designers. The broader developmental challenge relates as much to social patterns and cultural traditions as it does to the built form. This perspective is captured well by the "Principles of Intelligent Urbanism"²³ movement, as reflected in the ten axioms it seeks to promote, namely: a balance with nature; a balance with tradition; appropriate

¹⁸ Brook, D. op.cit.: 347

¹⁹ Cited in Tyrwhitt (1947).

²⁰ Lefebvre, (1968).

²¹ UN-HABITAT (2010 : 4).

²² Bandarin and van Oers (2012: 108).

²³ Christopher Charles Benninger (2001).

3.5

Movingcities.org: monitoring the metropolis in Beijing

Movingcities.org is a Shanghai-based think-tank that investigates the role that architecture and urbanism play in shaping the contemporary city, notably the creative industries. Originally established in Beijing in 2007, the group operates as “embedded architects” that conduct research, lectures and workshops. It has set up a mobile research laboratory (orgnets.net) which has established a novel framework for collaborative research on creative industries and media education in Beijing.

The project brings Chinese and international academics together with urban research organizations, artists, curators, media producers and policymakers. Recent work on the peripheral geographies of Beijing’s creative production highlights how Chinese artists, rather than living downtown in older working class or industrial neighbourhoods, as they would probably do in the West, actually live in villages at the edge of the city. Indeed, unlike the new creative clusters that are rapidly gentrifying inner city centres in the North, the emergent cultural geography of Beijing is highly dispersed, dispelling preconceptions of what constitutes a proper cultural space. Such findings directly feed into the group’s collaborative works, such as “MatchMaking China”, a joint project with the Netherlands Architecture Institute, which addresses both the serious lack of good quality housing for low-income urban population groups and the pressures under which Chinese architects work in order to develop and produce buildings at a brisk pace with little time for reflection.

Through collaborative practices of self-organization, the group also seeks to achieve a “counter-mapping” of the creative industries in Beijing. Unlike the usual mapping documents, typically derived from compilations of statistics on economic growth in the sector, this project produces an alternative map or anthropology of the creative industries in terms of migrant networks and service labour; the eco-politics of creative waste; informational geographies versus creative clusters; centrality of real-estate speculation for creative economies; import cultures and export innovations in architecture and urban design; and artist villages and market engineering. It focuses also on the educational potential of network cultures, aiming to provide an experimental research methodology and pedagogy on the logic of networks as they traverse diverse institutional forms. It thus moves research outside the university, and recomposes media education as a collaborative research process focused on critique and analysis of urban transformations and the politics of creative and service labour. This innovative transdisciplinary initiative pioneers original research in the global South, demonstrating how a Chinese academic perspective that ties the creative economy to the broader social environment can provide new perspectives that may help to inform policy-making and practice.

– Jenny Fatou Mbaye

technology; conviviality (including spaces for the individual, for friendship, for householders, for the neighbourhood, for communities and for the city domain

itself); efficiency; a human scale; an opportunity matrix for personal and social development; regional integration; balanced transport systems; and institutional integrity.

“*...we need an environment which is not simply well organized, but poetic and symbolic as well. It should speak of the individuals and their complex society, of their aspirations and their historical tradition, of the natural setting, and of the complicated functions and movements of the city world. But clarity of structure and vividness of identity are*

first steps to the development of strong symbols. By appearing as a remarkable and well-knit place, the city could provide a ground for the clustering and organization of these meanings and associations. Such a sense of place in itself enhances every human activity that occurs there, and encourages the deposit of a memory trace.”

– Kevin Lynch, *The Image of the City*, p. 119.

5

Message from Ms. Deirdre Prins-Solani

former Director of the Centre for Heritage Development in Africa and past President of the International Council of African Museums (AFRICOM)

Thinking local development as sacred?

The economic value of the creative industries is critical in ensuring the restoration of justice, dignity and respect. Ample evidence of the place of the creative industries within the development agenda has emerged over the past several years. However, we should never forget the place of the arts as a sacred space, and that these sacred spaces, both internal and external to individual or community, are as critical to development as bread, clean water and shelter. They are the places from which present realities transform into imagined futures. It is the artist's place to dream dreams and to evoke in his or her work imaginable futures, no matter how well rooted these may be in present realities, creating a necessary tension between what is a rather lonely and individual experience and one that has a public face or interface. “We need to take seriously the power of fiction and the imagination, even more so in the face of realities that degenerate daily. But we can acknowledge these harsh realities, and simultaneously create new possibilities. Art should stretch the horizons of possibility, not merely mark where the horizon currently is”. This is the call that a young African scholar, Grace-Ahingula Musila, shared with me recently. Her call broadens the frame in which we think about the arts and culture in the development agenda. If one journeys along the path to which it points, the creative industries also catalyse and lead change. When the arts invite communities and individuals to dream new futures, they transform our vision of development from the formulaic, systems-based solutions so often employed by development agencies into new and refreshing ones. They create an energy and vibrancy that engages deeply with existing as well as emerging challenges.

The next chapter will illustrate the ways in which the transformative promise of culture, via free cultural expression, cultural pluralism, intercultural dialogue,

indigenous knowledge, and nurturing the build environment, are unfolding in a myriad of local settings across the world, and can help chart out new development pathways.

» 3.5 CULTURE AS AN ENABLER OF THE DEVELOPMENT PROCESS

In 2004, United Cities and Local Government, in its “Agenda 21 for Culture”, called for the addition of culture as a fourth pillar of sustainable development. But we have made a more ambitious argument in this chapter. We claim, following the Caribbean economist Keith Nurse, that culture should be not just the fourth pillar but the *central* pillar. And that around this central pillar stand the other three: the economic, the social and the environmental. In this perspective, the core social unit in which transformative change takes place is a culturally defined community. The development of this community is rooted in the specific values and institutions of its culture, in other words on its own strengths and resources.²⁴ It is in this sense that the manifestations of culture we have reviewed here are indispensable enablers of the development process. Each of them moulds people’s communication and signifying systems, as well as the worldviews and cognitive frameworks that shape the ways they engage with the social, political and environmental

challenges they face. It is in this sense too that they truly help attain the Millennium Development Goals and the post-2015 United Nations development agenda.

Claims are often made that the cultural and creative industries in and by themselves contribute to processes, such as poverty eradication, the search for environmental sustainability or the goal of growth with equity, including gender equity. We should be wary about such blanket assertions. Because they are over-ambitious, and hence easily countered, they can detract from the power of our arguments for the broader cultural vision outlined in this chapter. We must however also recognize the inherent limitations of those arguments, which can rarely be bolstered by the kinds of quantitative evidence available to most other sectors of endeavour. What is more, while cultural goods and services do contribute to income and employment in increasingly significant ways, other sectors may do so equally well, if not better. The flourishing of culture brings other, non-material, benefits. It is these benefits that we ought to recognize and promote as development “goods”.

²⁴ Nurse (2006).

Being able to either generate or access both the economic and the non-monetary benefits of the creative economy must be counted among the instrumental freedoms that are integral to

people-centered development



A panoply of local creativity across the world

The *Creative Economy Report 2010* reviewed the uptake of creative economy thinking, policy and practice in a number of developing countries, highlighting market trends, exports and key events. It was not possible to carry out a deeper analysis, however, as systematically gathered country-based data and studies were extremely rare, available information was generally not comparable and longitudinal evidence was practically non-existent. The picture is no different today. Logic dictates that what is true for countries will be even more so at the local level but here, too, data are extremely scarce. Furthermore, local definitions of “creative economy” are diverse and cover a different range of cultural phenomena. Hence, it is not possible to prepare a full-fledged comparative survey given the present state of knowledge. Instead, this chapter offers an overview of key trends in different geocultural regions by presenting selected case studies. These all embody the broader vision of cultural creativity, as advocated in chapter 3, as well as the critical factors in the development of the creative economy outlined in chapter 5.

From one region to another, different issues are at the forefront, but each of one of these issues can also arise anywhere else, albeit to a lesser degree. The material presented in the chapter is selective and does not cover every region comprehensively. It has been culled mainly from expert papers commissioned by UNESCO (the experts are recognized in the acknowledgements) to provide different types of evidence, e.g. case studies, to form and support the arguments made in this Report. In the absence of systematically gathered data, this evidence has also emerged from existing academic

research, as well as from technical assistance and project management activities involving direct interactions with local stakeholders on creative economy policy strategies and projects. Finally, it should be stressed that although international trade issues are raised in several of the case studies, these issues are not analysed in depth as the emphasis of this Report is on the *development of capacities, content and consumption for and by local and regional audiences and their productive engagement with the cultural and creative industries.*

A focus on the local level might yield a comparative review of the creative economy in different kinds of human settlements. Thus, the processes and projects described could have been grouped according to the size of city in which they occurred, e.g. “world” or “global” cities, such as Lagos, Mexico City or Mumbai; large second-tier cities; medium or small cities; and finally, diverse rural hinterlands. Such an ordering would have been very difficult to achieve, as existing analytical frameworks are not equipped to deal with the data in this manner. Aggregated local data hardly exists anywhere and, if it is done at all, data collection on culture is carried out at national level. In any case, local phenomena are always embedded in national-level context and frameworks. Likewise, they are often grouped together according to the geo-cultural regions within which there exist commonalities of history and contemporary practice, as well as shared aspirations. For these reasons, therefore, the evidence and case studies presented in this chapter will include relevant national-level information and will also be organized following the UNESCO classification of world regions.

Broadly speaking, at national level, countries fall under one of the following five categories: (a) those that have begun to establish a coherent creative economy policy that is “in tune” with human development thinking; (b) those that have adopted an essentially economic creative industry agenda and that are therefore consumption-driven; (c) those that have recognized the creative economy as a feasible development option, but whose policy frameworks are limited and/or sector-driven; (d) countries that are aware of the creative industries paradigm, but have chosen not to adopt it given the nature of their cultural sectors; and (e) countries in which the creative economy is not yet recognized as such. Local level developments echo these national stances in different ways, as will be reflected in the case studies in this chapter. More importantly, countries and cities have interpreted the notion of “creative economy” in diverse ways. Across the world different kinds of creative economy development are being pursued, but not all of these are in harmony with the vision of culture in development outlined in the previous chapter.

>> 4.1 AFRICA

Across the African continent, the cultural and creative industries have seen rapid growth in recent years. The *Creative Economy Report 2008* suggested that Africa contributed less than 1 per cent to world exports of creative goods, but it also argued that this low number may be explained by the limited support capacity that exists on the continent, as well as by the fact that most of the cultural-industry production in Africa takes place in the informal sector. However, even with respect to the formal economy, these figures, mostly collated by large international federations tell only part of the story, as the bulk of commercial activity of these industries is in the hands of small, independent producers. It is in the informal sector that the African creative economy is the most vibrant. Connected to this is the high rate of population growth that the African continent is likely to experience, with the arrival of over 400 million young people on the labour market over the next two decades. Most of the growth in six of the ten countries where economic growth was the highest between 2001 and 2010 has taken place princi-

pally in the extractive industries.¹ Thus, for young people, the informal sector of Africa’s creative economy can provide a range of opportunities to work, create start-ups and develop skills. Clearly, the full employment potential of the cultural sector is still untapped.

The devolution of powers by the central government in several African countries has led local authorities to take over responsibility for cultural development; these initiatives generally build on existing heritage or craft resources and interface with cultural tourism. Priority is rarely given to the fostering of the creative industries, such as music and film; however, exceptions do exist. The constraints that block the cultural value chain include, notably, the lack of trained people and/or technical facilities, very scarce funds, the absence of distribution networks, growing piracy levels and the limited size of local markets.

Marketing objectives are beginning to take root in the visions of local officials, who are also beginning to recognize that civil society bodies have a key role to play in building up production and distribution infrastructures, as well as in the development and financing of cultural and creative enterprises. International nongovernment organizations and overseas development organizations have been widely associated with these efforts, and a number of cities in the global North have also partnered with African cities in this field. While the need to connect creative-economy development with that of other sectors, such as hospitality, transport or trade, is increasingly recognized, policymakers still resist linking these sectors, notably as culture is still perceived as a luxury by many.

Broadly speaking there is little effective partnership between the cultural and creative industries on the one hand, and government on the other, although the picture has begun to change for the better in Burkina Faso, Kenya, Mali, Nigeria, Senegal and South Africa. To remedy this situation, artists and cultural practitioners across Africa are adopting innovative business models and alliances, as illustrated by the Festival sur le Niger and the Book Café in Harare (see case studies 4.2 and 4.3). African artists and cultural practitioners are becoming more visible through the campaigns, programmes, organizations, fairs, markets, exhibitions and cultural spaces that

¹ World Bank (2013).

4.1

The entrepreneurship model of the Festival sur le Niger

The model known as “Maaya” entrepreneurship was created in Ségou, Mali in 2004 by the *Festival sur le Niger*, led by Mamou Daffe. “Maaya” is a Malian humanist vision that Daffe believes can bring about artistic, economic and social sustainable development based on local values, but incorporating modern management principles. This vision has been applied through a festival that acts as a catalyst for local development, from artistic professions to hotels, catering, crafts and tourism. This approach helps to sustain the community in different ways, notably:

- *Economically*: By having the local population supply all goods and services and by instigating the creation of the Council for the Promotion of Local Economy in the office of the Mayor of Ségou;
- *Culturally*: By reviving and incorporating traditional performances, e.g. oral traditions, masks and puppets, music and traditional dance and canoe races;
- *Artistically*: By providing support to training and development of careers in the arts in the newly established cultural centre;
- *Socially*: By affording opportunities for those living in Ségou to interact with festival participants and audiences. Over the past five years, the festival has developed a housing system that encourages festival-goers to stay in private homes (200 families were accommodated in 2008), boosting income for local residents and fostering friendships. Ségou has been twinned with Richmond (Virginia) in the United States in October 2009, and exchanges have been developed with Mexico and Portugal, as well as the festival *Les Journées Mandingue* in Sedhiou, Senegal; and
- *Environmentally*: Through the development, cleaning and reforestation of the bank of the river downtown. The festival has also established an observatory of the Niger River in Ségou.

Three principles underpin the “Maaya” entrepreneurship model, namely:

- *Social or community principle*: i.e. the willingness to serve the community and ownership of the event by local people and their involvement in its design, implementation, monitoring and evaluation, and based on their societal values;
- *Managerial principle*: Through the use of qualified people, leadership and governance based on ethics and fairness, sound planning of the financial resources of the festival (e.g. equity, revenues from private sponsors, ticketing and derivative, etc.); and
- *Cultural and artistic principle*: Through the development of dynamic, interactive links between art, culture, society and economy, while at the same time integrating emotional competencies into business strategies and marketing, thereby combining a clever mix of traditional values and the requirements of a modern enterprise.

4.1

The entrepreneurship model of the Festival sur le Niger,*continued*

Concrete results and impacts include the following: The numbers of participants increased over the various editions of the festival from 20,735 in 2010 to 26,180 in 2012, with the number of foreigners increasing by more than 70 per cent from 2,514 to 4,300 over the same period. The festival has resulted in the inflow of over US\$ 5 million into the local economy, benefitting the local tourist industry, crafts, agriculture and trade. More than 2,000 jobs have been created each year. The festival has also organized three major annual national competitions (art, music and braid work); exhibitions of contemporary arts; five workshops on traditional Malian mud cloth (Bogolan) each year with international, national and local participants; 30 traditional groups have performed each year, as well as up to 500 local and international artists; and a discovery stage where 20 young talents are presented and elected each year.³ In the final account, it is the community of Ségou that has benefitted the most from this festival. As Daffe observes "the festival has had an important impact on self-esteem in the locality. After eight editions, the inhabitants of Ségou are increasingly aware of the importance of the festival and understand very well the challenge it represents".

– **Avril Joffe**

they themselves are promoting. These provide opportunities for networking and working together and for articulating claims and rights to government and the media. In the museum and gallery world in particular, a new generation of curators are changing the terms of engagement. New private sector visual-arts projects have been implemented in a number of African countries, for example: in Ethiopia, with an archaeological research-based ecological artists-in-residency programme; in Cameroon, with an urban remapping and public art city-redesigning biennial; in Senegal, with an artist-run community art-oriented platform; and in Angola, with a multidisciplinary triennial, to name but a few.² The number of privately-owned independent, contemporary visual arts spaces has also increased significantly.

Fashion in Africa is coming into its own as a form of cultural expression. Since 1998, when it was first established

by Alphadi, a celebrated designer known as "the Prince of the Desert", UNESCO has supported Niger's biennial *Festival international de la mode africaine* (FIMA). The festival organizes a competition among young fashion designers and a school of fashion design is currently being created there as well. In Kenya, the Festival for African Fashion and Arts (FAFA) aims to promote peace through art, fashion and music. Gigi Ethiopia, an upmarket Ethiopian company established in 1999, is an interesting case of combining traditional crafts with contemporary fashion. It has two separate divisions. The first is a fashion label that uses hand-loomed Ethiopian fabrics and a second that uses traditional crafts to make designer furniture. The company exports to other African countries, the Middle East, Europe and North America. It has 42 permanent staff, 19 temporary employees and over 100 subcontractors.⁴ Walid Kerkeni, who was awarded the

² Fall, N'Gone (2011:26).

³ See www.festivalsegou.org

⁴ <http://gigieth.com/Fashion/Article.htm>

British Council International Young Fashion Entrepreneur Award in 2009 launched Fashion in Africa (FIA), which aims to promote and develop the African fashion and textile industry. Since fashion embodies cultural diversity in Africa, FIA aims, through the project, to display this rich heritage on the catwalks, both in Africa and internationally, as well as promote job creation in the textile and fashion industries.⁵

A number of African cities have joined the worldwide “creative cities” movement. City officials, local politicians, urban planners, arts practitioners and creative practitioners are all encouraging their cities to adopt these creativity concepts and related strategies. On the one hand, there is a self-aware drive to try to deconstruct what it means to be living in urban Africa – in other words, to replace the stereotype of the African city as a place of poverty, starvation and conflict and instead highlight modern African culture in all its diversity. Urban clustering greatly helps creative practitioners to access services, appropriate public spaces and infrastructure and the collective consumption patterns of popular culture. In his blog, Andrew Boraine, the previous Chief Executive Officer (CEO) of the Cape Town Partnership, asks:

“Where is the portrayal of life in our townships and inner cities? Where are the sounds of our cities: kwaito, hip hop, rap, reggae, goema and Cape jazz, as well as the more historical marabi, kwela and mbaqanga? Where are the scenes of taxi ranks and train stations, the informal markets and shopping centres, the shebeens and spaza shops – the everyday experience of the majority of South Africans? Where are the people of Sandton and Soweto, Salt River and Site C (Khayelitsha)? Why not use the cityscapes of artists such as David Koloane and Jackson Nkumando, amongst others, to tell our story?”⁶

⁵ <http://www.fashioninafrica.com/objectives.html>.

⁶ <http://www.andrewboraine.com/2010/05/whos-afraid-of-our-south-african-urban-culture/>

⁷ <http://ouaga-cito.com/>

The work of the popular Flickr group “Urban Africa” showcasing burgeoning urban life in various African cities is one, among many, that meets this need. Accra, Cape Town, Dakar, Douala, Durban, Johannesburg, Lagos, Luanda, Maputo and Nairobi are all cities where urban regeneration using culture and creative enterprises is being planned, or is already under way. The Nairobi’s GoDown Arts Centre (see case study 4.3) works with the city authorities as part of the “Vision 2030 Nairobi Metropolitan Area”.

There is a growing focus on audience development for local communities. The *Carrefour international de théâtre d’Ouagadougou*, for example, is one of the more successful theatres in Ouagadougou.⁷ In recent years it has managed to turn the theatre into a popular affair beyond the cultural elite by, among others, airing advertisements on radio and television, and on public buses; plays have longer runs, typically 3 three to 4 four weeks, in order to leave sufficient time for word of mouth (most other plays in Burkina Faso run only one or two dates), and it has consistently presented high-quality and locally relevant productions.

Africa has some of the world’s fastest-growing economies, urban centres, mobile phone markets, broadband adaption, youth demographics and innovative talent. There is also growing awareness of the synergies to be found between technology, business and arts-based organizations. The iHubs project, carried out in Kenya, Nigeria and South Africa under the auspices of the British Council Culture Shift programme, encourages creative enterprises to embrace technological innovation and find new ways to benefit from digital platforms and pool their expertise to design locally relevant and innovative new products and ideas. *Expert business advice is one of the critical factors of success: access to capital and sustained mentorship – the two most inhibiting factors for entrepreneurs.* As Bosun Tijani, the CEO of the CCHub in Lagos explains: “You need to engage the market in the creation process and that is where co-creation comes into play.”

4.2

Nairobi's GoDown Arts Centre

The first of its kind in East Africa, the GoDown Arts Centre is housed in a renovated 10,000 m² warehouse located five minutes from the Central Business District of Nairobi, on the fringes of an industrial area. It was created by a pioneering set of individuals who had a critical outlook, took initiatives and sought new approaches and solutions, and who were all returnees from the diaspora, having made the choice to come back to Nairobi and invest in their urban “home”. After reviewing many such spaces in Europe, the group designed a two-year development phase plan for the centre to consolidate organizational frameworks; establish centre management and operation systems; try out programming for audiences; plan financial sustainability; and identify regional networking and collaboration opportunities. Finding the right space for the centre took close to two years, and included three false starts. By 2003, however, GoDown was ready to launch itself as a performing and visual arts centre, providing a unique multidisciplinary space for arts and host organizations representing a variety of art forms. It has become a focal point in East Africa for innovation, creativity and performance. It comprises studios, rehearsal and performance spaces, an exhibition gallery and promotes professional development through regular training workshops that encourage innovation and collaboration. These include the “East Africa Arts Summit”, in which regional arts leaders meet every two years to discuss a range of issues related to its role and relevance. The recently launched project entitled “Nairobi – Urban Cultural Anchors and Their Role in Urban Development” explores questions of identity and belonging in the city and implications for city planning, and was organized in collaboration with writers, visual artists, photographers, performing artists, as well as architects, city planners, other anchor institutions (such as Kenya Polytechnic) and big city landowners (the Kenya Railways Corporation). It engages with topical issues and reaches out to marginalized artistic communities. Ownership of the venue represents an unencumbered source of income – the rent from resident organizations – yet audience building is also crucial. Through a year-long programme of events, it not only bolsters the financial base, but also becomes more attractive to local corporate sponsors. Current funders of GoDown include the Ford Foundation, the Royal Netherlands Embassy, the DOEN Foundation, the Tides Foundation, Lambent Foundation and Scanad. The Centre also benefits from the generosity of project funders, such as H. Young & Co (EA) Ltd, the Swedish Institute, Mimeta, the United States Agency for International Development (USAID), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the European Commission and Hivos. This success is due to the dedication and commitment of practitioners who have carved out a particular niche and to the ways in which they have promoted local creative talent and enhanced the visibility of the sector, valued as an integral part of life.

– Jenny M'Baye

>> 4.2 ARAB STATES

The Arab world is highly diverse in cultural and ethnic terms; it is also home to a wide spectrum of political systems and governance structures. Few countries of the

region have clearly defined public policies for either culture in general or the cultural and creative industries in particular, while private initiative in these domains is limited as well.⁸ The oil-rich monarchies of the Gulf, such as the United Arab Emirates (notably Abu Dhabi) and Qatar are

CASE STUDY

4.3

The Book Café, an innovative creative business model in Harare

The Pamberi Trust Book Café is an innovative example of the arts being made into a sustainable business. It is a partnership between the Pamberi Trust, an independent cultural NGO, and a commercial social responsibility entity trading as Book Café. In 1982 a bookshop was established to provide progressive reading matter in the newly independent country of Zimbabwe after decades of colonial rule and censorship. The bookshop soon became an intellectual hub, holding debates and book launches and stocking an impressive range of works from the region. Fifteen years later, in 1997, the company, now known as Creative Sector Services, established a centre, calling it the Book Café, as a way to expand book readership and provide a community space for readers, the performing arts generally and the community. In 2007 the bookshop was forced to close owing to national economic challenges; the success of the meeting space, café and venue enabled it to survive with the performing arts as its core activity, hosting live music, poetry, film, book launches, civil society discussions and comedy shows at least six nights a week.

The Pamberi Trust was established in 2002 as a nongovernmental organization to provide a structure to enable performing, literary and visual artists to operate and grow. It has spawned a number of developmental projects, such as FLAME (female literary, arts and music enterprise), to bring women artists into the mainstream of arts in Zimbabwe; Bocapa Exposure, a youth development programme to support and expose young, talented and less established artists; the Arts Factory, providing rehearsal space, production, technical and publicity support; the House of Hunger Poetry Slam, a monthly event for young people; the Mindblast Network to facilitate collaboration between artists and human rights partners; and the Multimedia Unit which provides publicity and marketing services to the Arts Factory and artists performing at the Book Café. Paul Brickhill, the founder and trustee of both entities, firmly believes that cultural development needs to partner with commercially-driven enterprises as an alternative to grant funding. In his view, reliance on foreign funds, in the absence of state subsidies to the arts is not sustainable. The commercial operation of the Book Café is now the largest funder of the Pamberi Trust, with significant benefits derived from sharing the same space. The Trust saves over one-third of its annual budget through this dedicated venue. The commercial side of the business gains from the kitchen and bar takings from events.

– Avril Joffe

⁸ El Husseiny, B. and Haj Ali, H. (2012).

the exception, with considerable investment in both culture-linked urban development and spectacular infrastructure in the form of museums and galleries, notably for the contemporary arts.⁹ While an objective of such culture-based initiatives is to attain world city status, bodies such as the Abu Dhabi Music and Arts Foundation also pursue human development goals.

Across the Arab world, there is also a more marked generation gap than elsewhere. Decision-making and policy remain in the hands of an older generation that is more socio-culturally conservative and wedded to an arts and heritage notion of culture – one that also continues to be mobilized for political and ideological ends in the context of nation-building projects.¹⁰ Young people, however,

6

Message from Ms. Hoda I. Al Khamis-Kanoo

Founder, Abu Dhabi Music & Arts Foundation

Creativity enshrines the soul of a nation. It is the bedrock of its cultural, economic and social development. The arts hold the keys to releasing the creative potential of the greatest resource of any country – its people. Artistic expression is not only a fundamental human right, it is also the fuel that feeds the hearts and minds of society – spurring citizens to develop their creative potential, broaden their horizons and realize their ambitions.

Today, the United Arab Emirates is one of the fastest growing countries in the world. Within the next decade, more than a quarter of the people in the wider Gulf region will be under the age of 14. This dramatic transformation of society and the economy offers many challenges, and might be most effectively addressed by investing in creativity.

The Abu Dhabi Music & Arts Foundation (ADMAF) seeks to advance the vision of the capital of the United Arab Emirates, Abu Dhabi. Through partnerships with public and private sectors, this independent non-profit organization has spent the last 17 years investing in current and future generations through education, arts and culture. Over the last decade, its flagship initiative, the Abu Dhabi Festival, has become an imaginative gateway to the region for artists and audiences alike, enabling tourism and economic diversification, fostering cultural exchange and incubating innovative forms of creative expression. In so doing, ADMAF and the Abu Dhabi Festival continue to make a substantial contribution to the 2030 Vision of Abu Dhabi, a seminal roadmap that positions the Emirates as a future global creative capital. Through our vocational development initiatives, we are embedding the knowledge, skills and commitment necessary for these young people to claim their rightful place in society. Thanks to our partnerships with the country's education sector, our programmes are supporting greater academic achievement, enabling pupils and undergraduates to develop a cultural identity that is rooted in the country's heritage and customs, while remaining outward-looking so that they may be effective players and role models at a global and local levels. Additionally, ADMAF's community programmes feeds the sustainable development of society by collaborating with various groups, ranging from women's microfinance crafts initiatives to shelters for survivors of human trafficking, hospitals and special needs centres.

⁹ Abu Dhabi, Doha and Dubai all took advantage of the financial crisis in the West to position themselves as centres for the sale and exchange of art in the region. Increasingly this type of initiative augments and educates consumers from the region, and provides artists and galleries more venues to show in and markets to sell to. For example, having begun in 2007, Art Dubai 2013 welcomed 25,000 visitors – including 75 international museum groups – and hosted 75 galleries from 30 countries. For more information, see: <http://artdubai.ae/>

¹⁰ El Amrani, I. (2010).

have a different vision and are connected with global society in truly contemporary ways. The movements of popular affirmation that started in early 2011 in Tunisia, Egypt and Libya (the “Arab Spring”), followed by developments in Bahrain, Yemen and Syria, have brought about a blossoming of cultural expression in its digital forms. It is for this reason that the phenomenon is given more prominence here than in other regions.

Indeed the blossoming of digital expression through social networks in the Arab world demonstrates how its young people are expressing and communicating their views using the language of art and culture – as Twitter, Facebook and Tumblr data indicate. For example, according to the Arab Social Media Report (June 2013), 15-29 year-olds continue to dominate Facebook, Twitter and LinkedIn, creatively finding ways to bypass filters and censors. Data shows that active Twitter users in June 2012 and again in March 2013 rose from 296,219 to 519,000 in Egypt; 38,000 to 82,300 in Morocco; and 77,722 to 111,000 in Lebanon.¹¹ It also shows that tweets under English hashtags exceed those under Arabic, indicating a desire to communicate globally.

These forms of digital expression are spurring innovation, creativity and the creative economy in the region, thriving on its own with traditionally little government or private sector policy or strategy that could help carry it to its full potential for sustainable social and economic development. This may change in the future as policies and initiatives to support ICT, particularly around creativity and innovation agendas, are gaining support as witnessed during, for example, the 2013 Connect Arab Summit held in Cairo.

Public discourse, notably in Tunisia and Egypt (where, for the first time, cultural policy issues are now television talk show topics), relates increasingly today to issues including the rights of religious minorities and the right to freedom of creativity and expression. History reminds us that in the Arab World creativity and freedom in the arts have both existed yet have also been suppressed. For example, cultural industries, such as publishing, have existed in the

region since the 19th century.

As in any commercial sector and particularly for cultural and creative industries, the uncertainties of the present can bring risk aversion and hesitation on long-term investment.¹² Still, some branches fare relatively well and export their products, e.g.: book publishing, audio-visual products, architecture and to a lesser degree design, fashion and advertising. Yet, as the 2002 *Arab Human Development Report* noted, fewer books were being published at that time in all the Arab countries in a single year than were published in Spain, a country with a fifth of the population. While several countries in the Arab region have adopted free market policies in recent years and have ratified international agreements on the free flow of cultural products, serious challenges for independent film-makers, publishers and alternative music producers remain. This is due in part to little institutional support to distribute and market their works. They must therefore rely, to a large extent, on their own efforts to meet production and marketing challenges.¹³

In the Maghreb countries, notably Algeria, Morocco and Tunisia, support to culture follows the top-down model established under former French rule, with a focus on arts and heritage. In Algeria, nevertheless, the economic importance of the culture sector was officially recognized in 2009 when publishing and film became eligible for funding and investment incentives; today there are one-stop desks in several cities that enable entrepreneurs and investors to benefit from them. In Morocco, where there is a major focus on cultural heritage and a flourishing artistic handicrafts sector, a 2009 UNESCO study showed that publishing and printing employed 1.8 per cent of the labour force, with a turnover of more than US\$ 370 million, while the market value of the music industry was more than US\$ 54 million in 2009.¹⁴

The audio-visual media are major employers. Film shooting services, especially for foreign films, are a big income earner, particularly in places such as Ouarzazate (see case study 4.4). In Tunisia, a special support unit for

¹¹ Dubai School of Government, Arab Social Media Report (2012, 2013).

¹² UNDP Human Development Report 2013, p.10.

¹³ UNDP Arab Human Development Report 2002, pp.76-81.

¹⁴ <http://rabat.unesco.org/IMG/pdf/IndustriesCulturellesMaroc.pdf>

investors was created in 2009 but the absence of a strategic framework to allow this sector to grow has been a hindrance; in addition, a study on national cultural industries financed by the African Development Bank is currently under way. Social conformism in these societies has so far tended to create a degree of self-censorship amongst artists,¹⁵ while the liberating impact of the “Arab Spring” has encouraged the flourishing of associations with innovative visions.

A strong emphasis on tourism development lies behind

much cultural investment, in order to obtain hard currency for the overall economy. However, as the appropriate revenue sharing mechanisms have not been put in place, the local level rarely benefits adequately. There has been little devolution of powers and spending to the local level, although recent developments in Morocco and Tunisia are encouraging. Under the UNDP “Governance and local development – partnerships for decentralized cooperation” project (launched in all three countries in 2003), the “promotion of cultures” axis of the project has targeted

CASE STUDY

4.4

Ouarzazate, Hollywood in the Moroccan desert

Ouarzazate has become the “Hollywood of Morocco”, a location for the shooting of many leading international film successes. Both the national government and the local authorities took up the cinema option for the development of this heritage-rich region of the country and for the diversification of its economy. In 2005 already, 57 film shootings took place here; current objectives are to attain 225 shootings per year by 2016 and to create 8,000 more jobs locally. Some 45 per cent of the country’s 140 film shootings during the period 2006-2010 were carried out in Ouarzazate, generating an estimated revenue intake of US\$ 75 million annually. In 2008, the Ouarzazate Film Commission and a special fund were created to promote the zone and a twinning agreement has been signed with Hollywood for capacity-building and new infrastructure investments. The film industry is estimated to generate income directly and indirectly for nearly 90,000 people, with a cumulative turnover in the area of more than US\$ 100 million.¹⁶

Three studios have been established. The first, Atlas Studios Corporation, was established in 1986 by a hotel chain and has a three-star hotel, set construction facilities, costumes and lighting workshops, interior sets and exterior spaces. The second, CLA Studios, has some 40 employees providing diverse services. In addition to studio services; the third, Kanzamane Studios, has established a training centre in collaboration with the Italian group Cinecittà Luce and the Italian region of Latium. All three studios have had many positive spillover effects, including tourist visits to the region and a high level of intercultural dialogue with the local community, resulting from the presence of different nationalities and cultures. Environmental degradation, notably of the traditional built heritage, has been one of the downsides of this activity. New projects that have emerged from this success story include: the creation of a one-stop shop for pre- and post-production and a market tracking mechanism; training programmes in script writing, special effects, etc.; the upgrading of infrastructure; and the establishment of financial incentives for new production companies.

– **Bilel Aboudi, Wafa Belgacem and Francisco D’Almeida**

¹⁵ UNDP Arab Human Development Report 2003, pp 82-83

¹⁶ <http://www.ccisouarzazate.com/doc-img-am/ouarzazate/document/monographie-.pdf>

4.5

The Ksour Route: creativity spurring responsible tourism in Algerian Villages

The *ksour* route of fortified villages in Algeria is part of the UNESCO pilot project, The Sahara of cultures and peoples, funded by UNDP, the Government of Algeria and the private sector (Statoil and Anadarko). Rather than totally breaking with the existing socioeconomic structure of the *ksour* villages, the project targets the development of responsible tourism as a source of income to complement agriculture and handicrafts. It innovates in adopting a holistic approach that integrates heritage revival, environmental protection and eco-tourism development. It has thus involved the rehabilitation of historical habitat and its adaptive re-use, e.g. for hotel space, offices and training purposes; the training of local people in preservation, hospitality and sustainable tourism; the restoration of *foggara* traditional sanitation; support for the use of clean and renewable energy and training in conservation and management of the oasis ecosystems; the enhancement of access to target *ksours* through dune fixation and road rehabilitation projects; support to income-generating activities, with an emphasis on both traditional and contemporary arts (with special attention to women's needs); and the revival and transmission of ancestral building materials and techniques.

The project has also fostered creativity and innovation in connection with cultural tourism projects. The Desert Tourism Festival runs annually over six days of cultural and artistic events, for example. Special New Year's concerts are also organized. In December 2011, the town of Taghit saw its population increase by 30 per cent and Bechar welcomed over 35,000 tourists. In addition, through the creation of alternative income-generating activities, the project has contributed to combating delinquency and crime in the region. Another major impact is advocacy for a wider adoption of the global approach to development that integrates culture and heritage into strategies; the lessons of the project are being heeded.

– Bilel Aboudi and Wafa Belgacem

heritage.¹⁷ The United Cities and Local Governments *Local Agenda 21 for Culture* has met with some success and has encouraged cooperation between universities, government and civil society organizations at the local level.

Festivals, mainly of music and the performing arts, with tourism promotion objectives as a key driver, have been a central axis of cultural activities in Algeria, Morocco and Tunisia; in addition, the public and private sector support to these festivals has contributed led to its remarkable growth in recent years. While income earning per se has generally been a major driver, linked to tourism-promotion objectives, these events have also stimulated the creative economy by serving as distribution platforms for new ideas

and products and as venues for networking among creative workers. They have had notable spillover effects, not only by employing people in the cultural professions and raising awareness and consumption of the arts locally, but also through increased earnings in the hospitality sector, etc. Festivals can also have significant gender benefits, with an increase in female performers, as well as the appointment of women as festival directors.

In the eastern part of the Arab world, the Mashreq, Lebanon has become the leading producer in the entertainment industry, particularly in the realm of cinema, music and literature, replacing Egypt, which earlier had set the pace for the entire Arab world. Despite very limited

¹⁷ UNDP : Governance and local development – partnerships for decentralized cooperation (see: http://www.pnud.org.ma/pdf/Presentation_GOLD.pdf)

4.6

Cultural revival in the wake of the Essaouira Festival, Morocco

Launched by the Government of Morocco in 1998, the festival of Essaouira is one of the largest cultural events in North Africa that is currently contributing to the creation, renewal and dissemination of music, dancing and singing in the Maghreb. Specialized mainly in traditional music, the Essaouira Festival has brought about a revival of Gnawa North African music and given a global dimension to traditional Moroccan music. Already in the 1970s, before the creation of the festival, the city of Essaouira was a hotbed of hippie culture in Morocco. It hosted internationally known rock stars, such as Jimi Hendrix, and was an inevitable stop for hippies visiting the country. Since its first edition, the festival has given the city an international reputation and promoted Gnawa music from a local to a global scale. The festival provides a new impetus to the eclectic programming of the stage encounters between famous jazzmen (such as Randy Weston, Archie Shepp, Richard Horowitz, Henri Agnel, Pharoah Sanders, Adam Rudolph, Loy Ehrlich, Banning Eyre and Omar Sosa) and *maalems* (masters) of Gnawa. In contrast, the event enabled local groups to acquire an international reputation.

One of the factors contributing to the success of the festival is its spiritual element. The festival is originally an expression of worshiping rituals. Gnawa music is tied to specific rituals, making it a mixture of singing and prayer. This sacred dimension has also given rise to small-scale tourist flows. Such enthusiasm led to the construction of multiple resorts and restaurants, whose luxury services are far from the original spirit of the festival.

The size of the festival has grown over the years, gathering up to 400,000 people. The festival has been a meeting place for Moroccans, Europeans and Americans, especially young people. However, an older audience, with greater purchasing power, is also attracted to the event, resulting in a high demand for old houses, also known as *riyadh*, which foreign residents turn into expensive homes.

In terms of creative production, the festival offers greater visibility to local artists working in the fields of singing, music, theater and dance. It enables them to escape the confined underground Moroccan world and gives their music a global dimension. The recording of the Gnawa music, as well as the global diffusion of Moroccan music through CDs and DVDs provides greater career opportunities for Moroccan artists. The earnings from such media represent only a small part of the indirect revenues that are generated as a result of the festival. Indeed, because of their newly acquired visibility, artists may organize concerts and world tours. Furthermore, the recordings of the festival lead to greater documentation of an important heritage resource. The festival provides a rich musical repertoire that otherwise would have been lost. Finally, it generates the sales of products related to cultural tradition to tourists, e.g. traditional Gnawa musical instruments, such as the *qraqab* (small metal castanets) and *tabl* (small percussion instruments). Sales of Gnawa T-shirts, posters and CDs also contribute to the economy of the city. The influx of tourists creates more opportunities for genuine artistic production, with shops offering a wide range of traditional necklaces and bracelets. The success of the Essaouira festival is rooted in its vibrant culture and natural environment, and the adaptation of its heritage to a new, globalized cultural context.

– Nizar Hariri

4.7

The Carwan Gallery, Beirut

Established in Beirut in 2010 by the architects Pascale Wakim and Nicolas Bellavance-Lecompte, Carwan Gallery began as the first pop-up gallery in the Middle East. It focuses on limited-edition pieces in art and design, with a focus on internationalizing design in the Middle East. “Contemporary Perspectives in Middle Eastern Crafts”, a groundbreaking exhibit, explores new avenues in design by presenting a selection of international designers working with traditional craft techniques of the Middle East. With a concept that seeks to expand the vocabulary of traditional crafts, Carwan Gallery has commissioned designers from the Middle East and beyond to create a series of new, limited-edition objects in partnership with local artisans in the Middle East. Each designer’s project encapsulates the re-imagining of a distinct, time-honoured craft, where the specialized technique of each artisan has formed the basis for the creation of a new object by the designer.

The impact of Carwan Gallery is significant. Its latest exhibit, “Contemporary Perspectives in Middle Eastern Crafts”, is a good example of the marriage between local and international actors. Locally, the cooperation solicits an important number of artisans and different local actors. Such projects enable local artisans to participate from the beginning until the very end of the project. Eighty-five per cent of the pieces are produced locally, while the remainder have been produced in Dubai and Turkey. In addition, local players took part in the production, transport and preparation of the exhibition, the communication and advertising campaign, and the sale process.

As regards the financial outcomes, Carwan Gallery has generated an US\$ 80,000 turnover since its creation in 2010. The totality of this sum has been invested in the organization of new exhibitions, with the average cost of one exhibition in the region ranging between US\$ 25,000 and US\$ 45,000.

The company has also had a significant impact on local creativity. In 2011, Carwan Gallery started projects to foster the design of furniture and limited-edition decorative objects. Some exhibitions have been organized in order to promote the dialogue and the exchange of ideas between local and international designers. The concept goes further and invites the public to take part in this process and all together develop the creativity potential of the Middle East. In addition, the Gallery organizes workshops at the Lebanese Academy of Fine Arts (ALBA). Carwan Gallery has been successful at positioning itself as a spokesperson of the artistic potential of the Middle East. This privileged position is due mainly to the latest project of the Gallery.

Obtaining financial support is the most serious difficulty that the Carwan Gallery has faced. Governments tend to show a lack of interest in supporting artistic projects such as those described above. Accordingly, the financing of projects relies on patronage and private sponsorship. Projects, such as the one based on close participation between local players and international designers, could trigger the emergence of an entire market in the region; however, the lack of financial means and government support appear to undermine this objective.

– Pierre Della Bianca

state support, Lebanese creative entrepreneurs have fared better than elsewhere, no doubt thanks to a literate and cultured population, with a well-read and well-travelled younger generation and a tradition of free thought and speech. The market economy and the small size of the country have driven the search for outside markets, while the historic place of Beirut as a centre of creativity has given it a propitious atmosphere and reputation.

Progress is being made, albeit slowly, in other countries of the Mashreq too. The Internet has played a major role: book reading is down, but the consumption of information, fiction and cultural content on the Internet is growing apace, particularly among young people.¹⁸ Limited markets, ill-adapted financial mechanisms, lack of copyright laws and the rule of law in general pose challenges to the creative economy and make imaginative solutions indis-

pensable. Sadly, many successful creative artists or entrepreneurs end up by leaving their country of origin and moving to Europe or North America, and the prospect of those that remain are bleak. Exceptions, such as Carwan Gallery in Lebanon (case study 4.7) and Nagada in Egypt (case study 4.8) succeed owing to exports and to wealthy foreign communities in these two countries, adapting their production to “tradition inspired” contemporary products. Fashion designers flourish thanks to wealthy buyers from the Gulf and to their success in the West, but contemporary artists attract only a local limited clientele and struggle for recognition in the international art market. However, as attitudinal change is becoming more visible, notably towards entrepreneurship and the creative economy steadily gains ground, the region could witness the return of successful creative innovators from the diaspora to their country of origin.

CASE STUDY

4.8

Nagada: contemporary products using traditional methods in rural Egypt

Once a small-scale development initiative in rural Egypt, Nagada has transformed itself into a successful business that has managed to maintain a strong local presence while achieving international exposure. During the 20th century, textile production in the village of Nagada revolved around the *ferka*, a brightly coloured scarf made of rayon and cotton; local weavers produced them while merchants supplied the raw materials and exported the final products to Sudan. When political and economic problems in Sudan began in 1988, the production process was shut down, leaving the weavers without work and hundreds of families destitute.

In 1991, a Swiss potter named Michel Pastore launched a project to restore the textile activities in the area. Using updated styles and advanced weaving techniques, Pastore helped local weavers to revamp the industry and create original, high-quality products. He kept the initiative alive with the help of Sylva Nasrallah, a Lebanese designer in Cairo. Together, Pastore and Nasrallah have expanded the enterprise into a profitable business: Nagada. Using natural fibers, the duo design contemporary and practical adaptations of traditional styles. Garments make up the majority of the products, although home furnishings and other fabrics are also popular sellers. Local manufacturing continues to be an important aspect of this creative industry. Weaving remains in Nagada village, which passes on its pieces to local Egyptian factories for final manufacture. The distinctive style of the Nagada brand has attracted a loyal pool of customers; the company began exporting early on, and its products are now sold in Italy, Japan, Lebanon,

¹⁸ Arab Thought Foundation (2012).

Festivals have played a special role in this subregion as well. Lebanese festival organizers learned from the turmoil of the civil war after 1975, when tourism shrank dramatically, to gear these events to local audiences by

offering a mix of Western and local fare. Others have followed suit, but this has not necessarily increased their benefit to the local economy. The multiplier effect functions only when the latter is structured enough to meet the

4.8

Nagada: contemporary products using traditional methods in rural Egypt *continued*

Switzerland and the United States. Nasrallah and Pastore have maintained the small scale of the business in order to keep it manageable and enjoyable.

Company sales amount to around 2.5 to 3 million Egyptian pounds per year, with exports accounting for approximately 15 per cent of the company's sales volume. The main showroom is located in Cairo and employs 28 people. Manufacturing is contracted to two small local factories: one in Mahalla, a large industrial city on the Nile Delta, and the other on the outskirts of Cairo. Owners take their place in the community very seriously, as well as the impact of the production process on the weavers, who create the pieces, and on the clients, who ultimately wear their designs. Nasrallah explains: "When history and culture make their way into a manufacturing process, the measures of productivity change. Usually quality becomes more important than quantity and there is an added emotional value to participating in such a process." While the nature of the fabrics and the level of detail demand longer hours with less output, this investment of time enables manufacturers to develop a strong sense of pride in their products, which leads to happier employees and higher-quality products.

Nagada continues to promote creativity in the community through its in-house pottery workshop and links with other local initiatives. It also collaborates with local jewelry designers who share similar styles and values, and its example has encouraged others. Clients of the brand have been inspired to start their own initiatives with local weavers, bringing more resources to Egyptian communities. Egypt has increasingly become a destination for international brands, posing a challenge for small companies; initially hindered by this competition, Nagada managed to reposition itself in the market by introducing more variety into the collection and maintaining support within the company's client base. High production costs in Egypt, accompanied by recent downturns in local sales, have also posed difficulties for the company. Recently, business has been slow because of instability in Egypt and the region. This has forced the company to push for more exports and draw sales from international markets. However, finding vendors abroad is difficult since the wholesale prices expected by foreign retailers are too low. According to Nasrallah, such small creative businesses can be supported in two ways. The first is through the supply of more trained designers. Universities are a potential resource in this respect, and they should also play a role in raising awareness of business opportunities in culture and heritage. The second is through the relaxation of overly strict import regulations.

– Alison Kumro

consumption demands of the audience and of the organizers; it also depends on the size of the place or on its proximity to a large town. Festivals in heritage places or picturesque villages close to cities have yielded a higher and more durable rate of return.

» 4.3 ASIA-PACIFIC

As mentioned earlier, it is no longer possible to speak of “developing countries” as a single bloc and this is particularly true of the Asia-Pacific region. East Asia, for example, has undergone a huge economic transformation, with annual growth rates since 1980 averaging 7.7 per cent. In the World Bank classification system, the Republic of Korea, Singapore and Hong Kong SAR are high-income economies, joining Japan; Malaysia is a higher-middle-income economy. China itself has become an upper-middle-income economy. This East Asian growth model has been accompanied by extremely rapid urban growth, with its attendant evils of congestion, rising housing costs, more slums, crime and environmental degradation, a declining quality of urban life and growing inequalities within cities and a rising potential for corruption. These phenomena are all relevant to the place of culture.

East Asia has been distinctive in its adoption of the creative industries concept, notably in the “tiger” economies of Singapore, Hong Kong SAR, the Republic of Korea and Taiwan Province of China. Although strictly speaking these countries or regions are no longer developing economies, their experience is instructive as their respective creative economy strategies took root in the late 1990s in cities, e.g.: Hong Kong, Seoul, Singapore and Taipei, that deliberately sought to attain world city status by attracting a “creative class”. Western concepts were often modified in the process, with pathways of innovation, adaptation and mutation in order to adjust to local circumstances. Governments quickly accepted the prescription that the creative economy is fast-growing, value-adding and essential to economic development, and that creative people need special environments to flourish. This development has been tied to a clearly transformational aspiration: creativity as a means to “upgrade”, i.e. to

change mentalities and industry structure.¹⁹ The context for this active uptake has been rapid economic growth, urbanization and social transformations, all of which have spawned a range of enabling factors, such as the dominance of service industries and activities in urban centres, notably among information and communication technology intensive industries, shifts in consumption towards higher-value-added goods and services, the existence of dynamic local knowledge clusters (correlated with high levels of innovation), and improved legal, regulatory and institutional frameworks.²⁰

Singapore has leapfrogged to developed-country status. Since the early 2000s, it has prioritized the development of a “creative society” and nurtured the arts, various high-tech and research enterprises, and introduced changes to the built environment intended to foster creative and cultural exchanges, attract creative industry investment, promote cultural tourism and establish creative districts. Nation-branding is one of its key strategies: its latest national slogan is “Singapore: Global City for the Arts”.

In China, a cultural-industries strategy was formulated in 2001 for the Tenth Five-Year Plan, the year in which China became a member of the World Trade Organization. Businesses in the culture and media sectors were increasingly expected to operate on a commercial enterprise basis, particularly the film industry. The policy concept of “creative industries” was introduced in 2004 in cities such as Beijing, Shanghai, Shenzhen and Guangzhou, and was extended to Chongqing, Nanjing, Qingdao and Tianjin under the Eleventh Five-Year Plan in 2006. More recently, the government of the largest district Xihu in Hangzhou, has not only invested considerable amounts in the sector, but has also launched a fund dedicated to providing financing to small and medium-sized cultural enterprises. The objective behind such initiatives is to attract top specialists and experts in the field to create leading enterprises and influential works. Emblematic of the strategy is the Xixi Creative Industry Park specializing in the film-making and TV industries.

“Creativity” was seen as being able to address issues as diverse as wealth creation, increasing productivity, protecting

¹⁹ Flew, T. (2012).

²⁰ Yusuf, S. and Nabeshima, K. (2005).

the environment, educational reform and the renewal of traditional cultural resources. Under the country's Twelfth Five-Year-Plan (2011-2015), revenue from cultural and creative industries is targeted to double and is expected to triple by 2020.

Yet the notion of “creativity” itself presents challenges and tensions. The current wave of creativity-linked modernization “involves promoting a new economic sector that more than any other demands a series of economic, legal and social-urbanistic structures within which it can thrive.”²¹ This is, however, challenged by the need to balance cherished traditional culture with a strong modernization agenda.

In India, a different picture has emerged. A commercially triumphant private media and entertainment industry serves a huge and growing consumer market (as in China) and contributes significantly to the rapid growth of the national economy. The television market in India is the third largest in the world and other segments include a major print publishing and newspaper sector, television and radio. Of course, in pride of place, a film industry

that produces over 800 films annually, not just in Hindi, the language of Bollywood, but also in Bengali, Tamil, Telugu, Punjabi and Malayalam.

The multinational consulting firm Pricewaterhouse Coopers has brought out a series of annual reports, published initially in cooperation with the Federation of Indian Chambers of Commerce and Industry (FICCI), that map the size and scope of this vast sector, mainly for the benefit of prospective private investors, both Indian and foreign. The 2006 edition, entitled *The Indian Entertainment and Media Industry. Unravelling the Potential*, highlighted the (limited) measures taken by the Government of India to liberalize foreign investment and resolve regulatory bottlenecks in certain segments of the industry. It held that “with concerted efforts by industry players on deterrents, such as piracy and other challenges, the entertainment and media industry has the potential to evolve into a star performer of the Indian economy.”²² In like manner, Ernst & Young’s 2012 publication, *Film Industry in India. New Horizons* (produced in cooperation with the Los Angeles India Film Council) demonstrates the

CASE STUDY

4.9

Investing in the Wuhan central culture district

The Beijing Wanda Group began investing heavily in culture-led urban development in 2010. With registered capital of 31 billion yuan in total assets and an annual income of 20.8 billion yuan, it set up a Culture Industry Group that has become China’s largest private cultural enterprise. For Wanda, the culture industries are green as they consume few resources and create no pollution. In addition, they can create long-term stable employment and generate tax revenues. It is expected, for example, that Wanda investments of 50 billion yuan in the Wuhan Central Culture District will create more than 30,000 urban jobs, contributing over 1 billion yuan in annual taxes. Compared with manufacturing, culture industry jobs have the advantage of offering better working environments, higher incomes, promote gender balance, and therefore hold great significance for promoting social equality and urban harmony. Wanda’s practice has proved that investing in local culture industries represents opportunities for both business as well as producing outstanding social benefits.

– Zhang Lin, Executive President, Wanda Group

²¹ O’Connor and Gu (2006: 274).

²² PwC (2006: 1).

flourishing of the broader media and entertainment industry in the country, its potential for significant growth and for numerous collaborations between Bollywood and Hollywood. None of these stakeholders nor the government use any creative economy terminology in their discourse – the latter acts mainly as a facilitator by gradually introducing regulatory and fiscal reforms in order to encourage growth and enhance investment and exports.

The creative economy discourse has even less purchase in policy-making for the arts and cultural expression, whether it is effected by the central ministry of culture or departments of culture in the federal states which provide limited support to the cultural sector (unlike their counterparts elsewhere, South Asian municipalities are not empowered to be cultural policy actors in their own right).

In 2006, however, policy documents of the Planning Commission of the Government of India began to use the classic British definition of the creative industries in several of its strategy documents. Its emphasis was on the traditional arts and crafts sector that provides livelihoods to well over 10 million people; in other words, the creative industries approach adopted was craft-intensive rather than technology-intensive.²³ Although the Executive Head and leading thinker of the Commission wrote that “a dynamic global business using creativity, traditional knowledge and intellectual property to produce products and services with social and cultural meaning, points to the next Big Idea” in the development-planning context, his real emphasis was on livelihoods in the crafts sector. He went on to see this “traditional sector as self-organized and not un-organized” and to stress that its importance lay in its “critical human resource component” although this did not appear in the country’s national income accounts. Furthermore, he argued, this resource needs recognition and “ground-level support, similar to that given for information technologies and other empowered initiatives — not handouts.”²⁴ The task would be to turn cultural industries (traditional arts and crafts) into creative industries with the help of the “design and media industry” and thus “create original inroads into the global market” and produce “distinctively Indian products and services... our own original contribution that can hold its

own against the best the world has to offer.” As part of this process, the international designer and cultural activist Rajeev Sethi, founder of the Asian Heritage Foundation and Vice-Chairperson of the Planning Commission’s Task Force on Cultural and Creative Industries, proposed a future scenario for increasing the employment opportunities of vast numbers of currently unemployed/underemployed people, especially in rural areas.

A contemporary art market now flourishes in India. An India Art Fair has been held in New Delhi since 2009 and has achieved major league status internationally. Its 2013 edition brought together 105 galleries from 24 countries (roughly half of them from India) and showed the work of about 1,000 artists. India’s first art biennale, the “Kochi Muziris Biennale” was held from December 2012 to February 2013 in the southern city of Kochi. It also confirmed the existence of a powerful contemporary art scene, in this case as a lever for local development. Aware of the potential of this field, FICCI established a Committee on Art and Business of Art composed of artists, gallery owners, auctioneers, art historians, tax experts and policymakers. This group seeks to “add momentum of the growth of the visual art sector in India... [and] to engage Indian corporates in bringing about holistic development in arts.” Its 2011 report entitled *Art Industry in India*, prepared in cooperation with the consulting company Deloitte and an Indian law firm specializing in public policy issues, assesses the country’s legislation and taxation regimes for the visual arts and makes recommendations for their improvement. The wider context of this effort is to clarify the challenges and constraints facing the “art economy” and bring national practice into line with what its authors perceives to be “global best practices.” In 2012, the Committee also published *Art and Corporate India*, a study on corporate support to the arts in general, with a principal focus on the commercially lucrative visual arts field, with the aim of making a strong case for greater business support and investment in this domain.

As the terms used in all these documents shows, “creative economy” is not a term of choice in India. This is not an anomaly but is consonant with a number of South Asian

²³ Srinivas et al. (2009).

²⁴ Ahluwalia (2006:3).

particularities, as well as the understanding of creative economy as proposed in this Report. First, in terms of scope, society sees the traditional and the contemporary as a continuum and tends to include under the creative economy (as indeed is the case in other parts of the global South) many cultural pursuits that might be set apart as “intangible cultural heritage”. These pursuits all have a communitarian character and orientation and cannot therefore easily be reduced to commercial and economic value (see case study 4.10 on Sanganer textiles).

A second characteristic is the scale of *informality* (already mentioned as a key factor in Africa), both in terms of enterprises and employment or occupations. The informal economy has been estimated to occupy as much as half of total GDP, with informal employment being far higher. Various kinds of “low productivity” yet “high skill” activities form part of the informal economy: occupations like the crafting of blocks for Sanganer textiles printing are part of informal networks of apprenticeship and skill preservation, and are examples of informal activity that is under-represented in national income accounts and in policy-making. They vastly outnumber the kinds of knowledge economy

professionals whose welfare is at the heart of creative economy policy in many other settings. Extending social safety nets and other policy support to this sector is a significant policy challenge as it consists not only of hand-crafts and textiles, etc., but also to photography, writing, music and some formal sector activities, such as spot boys and set construction workers in Bollywood. This leads to the dual problem of extending employment and social security but also the broadening of, or in certain cases, interrogating the nature of the property rights regime, as classically conceived. Finally, the question arises in the context of development as to whether these pursuits should be leveraged for growth and competitiveness or as instruments for sustainable livelihoods.

A clear rationale emerges in South Asia for focusing on livelihoods, employment security and social protection within creative occupations, in addition to sectors linked to the global creative economy with potential for high rates of output growth and exchange-rate arbitrage. In India, this rationale is accompanied by the second-largest urbanization in human history that will play itself out over the next few

CASE STUDY

4.10

Block printed textiles in Sanganer

The case of hand-block printed Sanganer textiles raises various issues relating to the creative work carried out by individuals, communities or micro- and small-scale informal enterprises; informal systems of apprenticeship and skill transfer; community-based “ownership” of cultural content; and the changing nature of work linked to changing demand, both domestic and international, for handcrafted textiles, which is in turn linked to patronage and branding.

Sanganer is a small town in the State of Rajasthan, not far from Jaipur, the State capital. It has become famous for its vivid block-printed fabrics and clothes. It emerged as a prominent printing centre under the patronage of the Jaipur royal family and because of the abundant mineral-rich water and clay suitable for sun bleaching of textiles. The *chhipa* community of Sanganer produces the blocks, passing the necessary skills of eye and hand down within their family lineages. While demand for Sanganer textiles at one point started to decline with the advent of mechanization and chemically dyed and machine-printed fabrics, they are today enjoying a resurgence in the realm of chic contemporary fashion. Designers have revitalized traditional motifs, which once again appear in all their splendor, but this time on the catwalks of Mumbai, London and New York.

– Amlanjyoti Goswami, Aromar Revi and Shriya Anand

decades as the urban population rises from 375 million to about 800 million. “Rural” and “urban” in India are not just locations; they also embody complex histories and traditions. Spaces within and between rural and urban locations, the emerging and ever-changing margins and the multiple fault lines between these systems are all fecund locations for disruptive innovation for an early 21st

century creative economy. Such opportunities could also embed and situate themselves in smaller places that build from ecological and cultural landscapes, propelled more by socio-cultural factors than material transformation alone. The possibilities and implications of these developments in creating economic and non-material value are yet to be adequately explored.

4.11

Banglanatak: Music for livelihoods

Music-making is an integral part of the everyday South Asian experience. Religious rituals, harvest ceremonies, the change of seasons, rites of passage – birth, marriage, celebrations, death, festivals – all provide ceremonial occasions for musical expression. Rapid socio-economic change has brought both erosion, as well as new patterns of negotiation with patron, client and market, where traditional relations find newer locations of belonging and new markets open up. In this context, a few odd routes off the beaten track have begun to claim attention, just as new ambitions have been articulated for mainstream record labels.

Banglanatak dot com describes itself as a “social enterprise working with a mission to foster pro-poor growth. Our vision is to synergise cultural and economic development not only for preservation of cultural heritage and diversity but also facilitating sustainable development of people.”²⁵ Its “Art for Livelihood” project has benefited over 3,000 traditional performing artists, mainly musicians, in some of the poorest districts of West Bengal by creating markets (through live performances, radio and television shows), showcasing them through the print media and highlighting their work online and engaging with critical development indicators (income, health, education, livelihood, sanitation, women and children in the villages). Banglanatak has leveraged state funds both nationally and internationally (through the European Union).

UNESCO New Delhi assessed the project in 2011, noting that “successful results in terms of income generation of artists after six years of project investment confirm that using traditional artists and creative skills of people as source of livelihood is a viable developmental model for rural India”, while also highlighting that the “next challenge consists of addressing the disparity within folk artists communities [where] not all artists are equally talented and commercially successful.”²⁶ The assessment also found that average income had increased from just under US\$ 7.50 per month to over US\$ 36, with the top 10 per cent earning as much as US\$ 300, while the availability of sanitation was extended to 87 per cent of the beneficiaries, whose willingness to send their children to schools had increased exponentially. Folk artists who used to have to survive as unskilled daily wage labourers were now respected and earning money as full-fledged artists.

Ashutosh Sharma, one of the co-founders of the innovative Amarrass Records label, thinks that Indian folk music “is like the black music scene was in the 1950s and early 1960s in the United States, where artists had to earn their name in Europe before being acclaimed at home.” Amarrass, unlike

²⁵ <http://www.banglanatak.com/>

²⁶ UNESCO (2011: 6).

4.11

Banglanatak: Music for livelihoods, *continued*

Banglanatak, does not rely on state funds but engages with the market to salvage powerful yet neglected musical forms by pushing music through fair trade arrangements (50-50 splitting of income with artists); archiving and recording folk music; and creating awareness, building capacity and marketing opportunities. New cross-over, local experiences are beginning to find resonance. Amarrass “At Home” sessions include single-take unplugged-like gigs with artists, whose feel is impossible to capture in studios in urban locales or in festivals abroad. In its Desert Music Festival of 2011, performing side by side with traditional Manganiyar musicians were the acclaimed Vieux Farka Toure and Madou Sidiki Diabate. In 2012, it was Bombino and Baba Zula with the newly created “Barmer Boys” and the Siddhis from Gujarat who created unique trans-local musical experiences. The “Manganiyar Seductions” (a musical and visual experience) drew rave reviews wherever it performed in India and abroad and sold more than 1,500 copies for Amarrass. Sakar Khan, now 76, who plays the spike fiddle (*kamancha*), was recently decorated by the Government of India. Shankara Suthar, “the best Kamancha maker in India” according to Ashutosh, now responds to online demands for *kamanchas* “instead of having to make furniture in Pune for a living”, a little like Banglanatak’s own Golam Fakir, who earlier used to earn his living by carrying dead bodies from the police station to the morgue and is now a well-known folk performer. The Bant Singh Project was another unique collaboration between the radical Dalit Sikh protest folk singer Bant Singh and three electronic musicians who came to record sessions at his village of Burj Jhabbar in the Punjab Mansa District.

Such heart-warming stories apart, the market is still only an emergent one. Unlike Bollywood or Indian classical music, folk music has yet to find a sustainable niche in the market. If it were left to the market alone, perhaps these, too, would be dying traditions. On the other hand, the state seems to be unable to incentivize quality folk music and state-run performances that do not reach out to wider mass-based platforms. So when Mame Khan, a Manganiyar, performs at the upmarket Turquoise Cottage in Delhi, jamming with guitarists providing newer riffs and keeping up with his solo journeys, it is not just a spine-tingling musical experience but also an uncannily cultural and economic one. Manganiyars (a name derived from *mangna*, “to beg”) are hereditary dependent castes that perform music services at rites for their patrons, in return for gifts of clothes or money or, sometimes, a share in the harvest. Their art is one of those delicately poised cultural forms whose inheritors are either the torch bearers of newer forms of articulation or the pall-bearers of an entire way of being in a world that is changing faster than their needs and where newer idioms and motifs find popular attention.

Whether all South Asian folk music is able to innovate successfully to meet the demands of the urban pub, the street, the radio or the television, the banyan tree, the courtyard, the shrine and the new rock show without compromising its essential qualities for its own communities is a difficult question to answer. The optimist argues that there will always be some folk music in South Asia so long as there are people willing to listen and enough occasions for their rendition. As long as there are Sufi shrines, there will be *qawwalis*. These two new initiatives in folk music, market-facing or state-dependent, in their lived honesty and passion are both important explorations in the forging of a 21st century creative economy.

– Amlanjyoti Goswami, Aromar Revi and Shriya Anand

South-East Asia and parts of North-East Asia present yet another landscape. Interestingly, the Republic of Korea, which (like Japan) hardly uses the term “creative economy”, before the presidency of Park Geun-hye began in 2013, is arguably the Asian country that has most successfully developed its cultural and creative industries in recent years. The “Korean Wave” (*hallyu*) arose from a mix of media liberalization policies in the 1990s, the need of Korean cinema to broaden its audiences and policies to develop the country as an information society/knowledge economy. The same factors also led to levels of Internet usage and high-speed broadband connectivity that are among the highest in the world. Over the last decade, exports of films, television programmes, video games, etc. have surged, giving Korean cultural products a central place in East Asian popular culture as a whole – indeed in global popular culture, as the runaway success of “Gangnam Style” has recently demonstrated. The Republic of Korea has become something of a template for other Asian countries that are seeking to reduce their reliance on imported entertainment and provide jobs to

artists, writers, producers, set costume designers and all the other people involved in film and television production. While none of these countries have come remotely close to the success of the Republic of Korea, Indonesia, the Philippines and Thailand have growing film industries and have recently collaborated in producing several films.

In some instances, however, critics affirm that activities, such as theme parks, air shows and motor sports are fostered under the creative-economy rubric simply as spectacles for passive consumption, without nurturing the cultural and creative industries or promoting access or equity. Often, behind much talk about the creative economy, there is scant understanding of what its promotion actually entails. Yet such practical knowledge has increased in recent years. In particular, there has been a clear recognition of the role of creative individuals – as opposed to organizations or mechanisms. Indonesia recently created the Ministry of Tourism and Creative Economy, taking the position that culture, heritage, the arts and the economy are inextricably linked. The Ministry

7

Message from H.E. Mr. Kittirat Na-Ranong

Deputy Prime Minister and Minister of Finance of Thailand

In Thailand, the development of a knowledge-based economy and society is considered essential to the achievement of the country’s true development potential. Countries in East and South-East Asia, where considerable quantities of manufactured goods are produced, have so far not generated much added value and innovation. Since it is widely recognized that creating added value is an integrated process that combines culture and design with innovation and technology, Thailand has realized that successfully blending these elements will lead to the production of unique products and services that will ultimately improve the well-being of its people. Indeed, the creative industries have already become drivers of sustainable economic growth, as shown by the rapid expansion of production and export, which are both contributing to poverty reduction, broader-based economic development and social transformations. For the South-East Asian region as a whole, the establishment of the Asean Economic Community will help facilitate the development of the creative economy. Social connectivity and economic linkages will further foster transfer of knowledge and development among member countries. Moreover, creative industries that combine Asean’s rich cultural heritage with the creative inputs and innovations of today will add substantial value. Thailand has cooperated closely with the United Nations System on promoting the creative economy and has adopted it as one of six key pillars of cooperation under the Thai-United Nations Partnership Framework (UNPAF) for the period 2011-2016.

has brought creative professionals together for conferences, exhibitions and festivals. Similarly, the Government of Thailand has indicated its intention to support the creative economy and showcased film, design and brand creation during the Thailand International Creativity Forum held in November 2012. Furthermore, the Thailand Board of Investment has announced incentives for creative industries.²⁷ Industries are expanding and new enterprises and spaces are emerging across South-East Asia. National networks of creative professions are being established and

like-minded people engaged in various creative industries are connecting and collaborating actively. Associations and collectives are being formed for small-scale handicraft producers, high-tech industries, comic book artists, animators, performers, costume designers and suppliers, fashion-related industries, etc. Thanks to this growing connectedness, small-scale creative entrepreneurs are increasingly able to participate in markets beyond the local level.

CASE STUDY

4.12

The Chiang Mai Creative City Initiative

The Chiang Mai Creative City initiative, a think tank, activity and networking platform in the largest and most culturally significant city of northern Thailand, is a cooperative venture managed by members of the education, private and government sectors, as well as local community groups. It embodies a long-term vision for promoting and developing the city. Building on an existing cultural asset base, the initiative aims to make the city more attractive as a place to live, work and invest in, while marketing it as a prime location for investment, businesses and creative industry. With the objective of creating job opportunities for current and future generations, the city also aims to join the UNESCO international Creative Cities Network and to become one of the ten “creative city prototypes” being promoted by the Department of Intellectual Property of the Ministry of Commerce.

– Jenny Fatou Mbaye

As they are in South Asia, crafts are a particular focus of attention in South-East Asia. It is strongly believed that promotion of village industries should be further developed to improve living conditions in economically depressed areas. Towns in Bali and Java have become famous for their beautiful masks, furniture and ceramics (case study 4.13). Experts and cultural-sector practitioners consulted recently by UNESCO in the context of a research project on the implementation of the Convention on the Protection and Promotion of the Diversity of Cultural Expressions recommended an emphasis on crafts and performing arts. In the crafts field, they considered the interface between

traditional idioms and contemporary design to be crucial and hence called for design training and mentoring for the large craft communities that need to connect with new markets. There is little professional design mentoring for the propagation of expertise in design methodologies and design thinking. According to Alan James Flux, Design and Marketing Adviser to the Artisans Association of Cambodia, closer partnerships with professional design associations or councils are needed in order to build capacity in the region. New initiatives are being taken in Thailand, notably through the Thailand Creative and Design Centre and the Chiang Mai Creative City project.

²⁷ <http://bangkokpost.newspaperdirect.com/epaper/viewer.aspx>

In Viet Nam, various attempts have been made over the years to introduce and develop cultural and creative industries policies, but have remained fragmented as they were not a priority and the vision was short-term and not been based on solid partnerships. There has been scant awareness of the job opportunities these industries provide and many infringements of intellectual property. As the country has become increasingly prosperous and the market economy has expanded, educated young people have become increasingly interested in creative employment. In 2012, the government turned to UNESCO's Expert Facility on the governance of culture in developing countries, funded by the European Union, for help in drafting a framework for a new financial mechanism to develop the cultural and creative industries, encompassing a wide spectrum of possible sources for financing, including commercial sources. A nongovernmental body, the Vietcraft Association of Handicraft Exporters, is elaborating strategies to boost Vietnamese businesses and brands. However, according to Le Ba

Ngoc, Secretary-General of Vietcraft, integrating design thinking into the craft value chain remains an uphill battle because of a lack of resources and knowledge. Policymakers need greater capacity to understand how individual creative workers and small cultural enterprises operate and closer links need to be built between them and creative workers. In this context, as there are no independent subregional cultural agencies, professional associations have an important role to play as they are familiar with the assets, needs and possibilities of each industry branch.

Fashion is also developing apace in South-East Asia, in large part thanks to the fact that about 50 per cent of the population is under 30. There are over 20,000 businesses in the fashion industry in Bangkok alone and across the region, young people are earning a living as small-scale designers, making funky screen-printed t-shirts for consumers in their age-demographic, and creating stylish accessories. While fashion in the developed world is dominated by males, South-East Asia has many respected

CASE STUDY

4.13

Creativity intersects with economic development in Kasongan

This Javanese town provides an example of a highly successful creative industry contributing to economic growth in a traditionally economically depressed region. Located near the city of Yogyakarta, Kasongan predates recent creative economy initiatives, yet is a model of its principles. In the early 1970s, Kasongan's ceramic and earthenware industries were initiated and developed by Sapto Hudoyo, a central Javanese artist. Hudoyo taught local families how to use clay to create decorative and household objects that could be sold locally and provided guidance on the sorts of products that would sell, while encouraging locals to explore their own creative potential. Today, Kasongan is a thriving centre for ceramics and produces a wide variety of products including pots, masks and sculptures for domestic and international export. Kasongan has also become a destination for cultural tourism where visitors can tour workshops, view the extraordinary variety of ceramics displayed in open-air family workshops, and buy souvenirs directly from the craftspeople. It is a fine example of how creativity intersects with economic development, and also demonstrates the potential for economically depressed areas to find a distinctive niche and marshal local creative talent to fuel economic growth in ways that are culturally sustainable.

– Sarah Moser

female designers. The Indonesian fashion label 'Up2date' has taken advantage of the growing desire of the country's affluent Muslim middle class to buy high-fashion products, and designers at the label use modern fabrics to create trendy, but visibly Muslim designs with long-sleeved tunics, head scarves and low hemlines for young contemporary Muslims; they are also able to sell not only across South-East Asia but throughout the Muslim world. Malaysia hosts the annual Islamic Fashion Festival, which showcases the work of Muslim designers from across the

Muslim world, including Europe, the Middle East, North Africa and South-East Asia.

Many websites have been created by young enterprising South-East Asians to provide services that either have not existed before or hitherto provided by foreign companies. Such websites demonstrate a high degree of creativity, technical proficiency, design skills and marketing savvy, all of which position locals to more effectively compete with foreign web-based businesses. Relatively little investment is needed and they are labour-intensive in a region with

4.14

A community-led audio-visual micro-industry on Siberut Island, Indonesia

Siberut Green Association (PASIH), a nongovernment organization established in 2007 by the people of Siberut Island, is currently implementing a project to establish a community-led audio-visual micro-industry by providing audio-visual and business training, as well as coaching and mentoring programmes for young people from the local Indigenous population. Siberut is the largest island of the Mentawai archipelago of Indonesia and home to an indigenous people renowned for their ancient socio-economic organization and political structure. However, in recent decades, rapid global changes have transformed the social and cultural dynamics within these communities. Moreover, the introduction of digital technologies, new communication channels and audio-visual media has stimulated the desire of young people to join and actively participate in the global scene by obtaining skills in audio-visual media production and communication. This growing demand requires a systematic response, which the existing creative media sector in Siberut is not adequately equipped to provide. Development and sustainability of the sector thus depend on the professionalization of young indigenous people and the enhancement of their technical, business and managerial skills that will enable them to take charge of the sector.

The project was launched in 2013 to set up a creative workshop space within an existing local Intercultural Media Centre as a platform for training young creative professionals (of whom half will be women) in film-making and business management. The initiative has received the support of the UNESCO International Fund for Cultural Diversity (IFCD) and the local government and will also provide the opportunity for young participants to develop their business ideas and create their own micro-enterprises. It will pair young trainees with mentors, professional film-makers and cultural entrepreneurs working in the archipelago to enable them to develop high-quality audio-visual productions. It will also seek to increase the visibility of the emerging audio-visual microindustry and promote local audio-visual productions in local and national markets through three film shows and exhibitions, as well as an online commercial campaign on Siberut and other parts of Indonesia (e.g. Muara, Padang and Jakarta). For more information, see: <http://siberuthijau.org/eng/>

Source: International Fund for Cultural Diversity (2013).

low labour costs. Small firms designing iPhone and Blackberry applications are also flourishing. Indonesia is poised to become a powerful force in digital media design. In recent years, small firms run by hip young locals have been opening in cities across the country, which combine design skill with high-tech prowess. The great potential for the digital media industry of Indonesia is demonstrated by the number of Twitter users: Jakarta is said to be the city with the highest number of Twitter users in the world, with the city of Bandung ranking sixth.²⁸

Development of the creative sector across South-East Asia

is also closely linked to tourism, based notably on cultural heritage. A key recent development is that individuals in the industry are taking advantage of Internet sites that enable them to access global markets directly. Recourse to the website <http://www.airbnb.com> for example, allows those who would ordinarily be unable to do so to participate in or benefit directly from global tourism flows and provides incentives for locals to showcase and preserve local culture. The Government of Malaysia has developed a highly successful national home-stay programme in which guests can stay in the homes of one of 3,424 selected families to experience local cuisine, culture and

CASE STUDY

4.15

Unleashing new market opportunities for entrepreneurs in Argentina

Understood as a cross-sectoral initiative, the *Argentinean Cultural Industries Market (MICA)* is co-organized by the National Secretariat of Culture; the Ministry of Industry; the Ministry of Foreign Affairs, International Trade and Worship; the Ministry of Employment and Social Security; the Ministry of Tourism; and the Ministry of Planning, Public Investment and Services. MICA organizes a one-stop shop for a series of activities supporting the different cultural industry chains. Aiming to generate business, promote information exchange and networking across Argentine regions, and showcase the quality, competitiveness and diversity of national cultural industries to the rest of the world, MICA focuses on performing arts, audio-visual production, design, publishing, music and video games. Created in 2011 and organized initially in Buenos Aires, the first national edition of MICA took place in 2012, and was then decentralized with operations in six regions. Results have been stunning, having reached 2,200 companies and organized 7,400 business rounds.³⁰

On a complementary wavelength, the Productive Identities programme was launched in 2005 in ten provinces, and has been rolled out in three more since 2010. The programme, targeting artisans, designers, visual artists and small entrepreneurs aims to unleash development opportunities building on collective capacities of vulnerable populations. It encompasses a training programme in design for the production of technologies, materials and local symbols that can then be embedded into handicrafts; opens up access to new marketplaces; promotes collective workflows that leverage bargaining power; and strengthens local economies. Funded mainly (75 per cent) by the National Secretariat of Culture, with support from provincial governments (15 per cent) and the private sector (10 per cent), the programme is operated jointly with the University of Mar del Plata and involves around 1,100 individuals (300 men and 800 women).³¹

– Ana Carla Fonseca

²⁸ Semicast, 2012.

daily life. In November 2012, the programme won a United Nations World Tourism Organization Ulysses Award for Excellence and Innovation in Tourism. Food tourism is becoming an important source of income in Malaysia and Indonesia, and growing number of small firms that are being created are headed or staffed by women assuming functions as instructors and tour guides.

>> 4.4 LATIN AMERICA AND THE CARIBBEAN

In the Latin America and the Caribbean region, too, the situation is highly diversified. Argentina, Brazil, Chile, Colombia and Cuba already have a creative economy framework in place, while Mexico, Peru and Uruguay are beginning to recognize the potential of the sector. The Plurinational State of Bolivia, Ecuador, Paraguay, The Bolivarian Republic of Venezuela and the Central American States have yet do so. These differences are explained by the legacy of a continental tradition of linking culture to social rights and quality of life issues that have been arrived at independently of the economic calculus. The policy vision thus views cultural production, distribution and consumption not purely in economic output terms. The embrace of culture as an economic resource has only emerged recently and is acknowledged somewhat reluctantly by many artists and creators. Many initiatives reflect the attempt to reconcile the two views, probably more deliberately than is necessary in most other settings. All the countries in the region are experiencing a considerable deficit in their balance of payments with respect to cultural goods and services. As it is the case elsewhere in the global South, the sector is highly labour-intensive and based on arts and crafts, the performing arts, etc. Locally speaking, while the cities of São Paulo, Rio de Janeiro, Buenos Aires and or Santiago have put in place policies for design, audio-visual and digital industries, the region as a whole is also more reliant on a more traditional “arts and heritage” vision.

According to the National Institute of Statistics and Censuses of Argentina, the average growth rate of the cul-

tural sector was 7.8 per cent over the period 2003-2011, and its share of GDP rose from 2.47 per cent in 2004 to 3.83 per cent in 2011, having grown for the seventh consecutive year.²⁹ An outstanding performer was the book industry, which produced 31,691 titles and 118,700,987 units, a record. Two federal, but locally implemented initiatives, are worthy of mention, as shown in case study 4.15.

Buenos Aires has become a global reference point for its creative industries strategy. Its Observatory of Creative Industries regularly produces statistics, indicators and studies. Most of the studies carried out for both public and private bodies focus on the intersection of culture and technology, e.g. research on the animation industry in Buenos Aires and the first study on design, requested by a group of SMEs. According to the 2011 *Annual Report on Creative Industries of the City of Buenos Aires*, the added value generated by the creative industries has been growing at no less than 5 per cent per year, totalling 73.1 per cent in 2004-2010 at constant prices. The city's gross domestic product increased by 49.2 per cent over the same period.³² In 2011, growth of creative industries was fostered mainly by “related creative services” (15.7 per cent), generated by “information technology services and connected activities” (16.7 per cent), “libraries, archives, museums and others” (14 per cent) and “advertising services” (44.3 per cent). The creative industries sector accounted for 9.04 per cent of all jobs in the private sector in the city of Buenos Aires compared to 9.28 per cent in 2008.

The most impressive growth has been in the audio-visual sector, where the number of jobs skyrocketed by 94.39 per cent over the past 15 years and currently represents 19.6 per cent of the total jobs in the sector. A highlight is film-making: 54 feature films were produced in Argentina in 2011 (close to the 2006 record of 58). Animation is a dynamic and rapidly growing new sector (8 out of 10 companies surveyed were created after 2003 and 4 out of 10 in the past three years). A 2011 city law granted the audio-visual sector the same benefits as those available to the manufacturing sectors and established an Audio-visual District.

²⁹ <http://sinca.cultura.gov.ar/sic/estadisticas/csc/index.php>

³⁰ <http://www.mica.gob.ar>

³¹ <http://identidades.cultura.gob.ar>

³² <http://oic.mdebuenosaires.gov.ar/contenido/objetos/AnuarioOIC2011.pdf>

Similar initiatives are currently being prepared as part of a strategy to develop its impact on an international level. The Technology District already has around 110 information technology/creative businesses operating in a hitherto neglected area of the city. Another initiative is the emerging Design District, while an Arts District, aiming to promote art investment and to strengthen Buenos Aires' positioning as a cultural city is currently envisaged. The project targets companies and individuals in the visual arts, music, books and performing arts and provides a number of tax incentives.

In Brazil, the creative economy push began in 2004, when the eleventh session of the United Nations Conference on Trade and Development (UNCTAD XI) was organized in São Paulo, and was followed up by the International Forum on Shaping an International Centre on Creative Industries in Salvador de Bahia in 2005. Momentum was generated in the States of São Paulo, Espírito Santo, Rio de Janeiro and Ceará. In 2009, the creative economy became one of the five axes underpinning the city and state conferences on culture, which converged at the National Conference on Culture in 2010. In 2012, the Creative Economy Secretariat was established, with four guiding principles for its work: cultural diversity, sustainability, innovation, and social inclusion. Five challenges were recognized: information and data; fostering of creative enterprises; education for creative competences; infrastructure for the creative goods and services value chain; and creation/adjustment of a legal framework for creative sectors. A range of legislative and other measures has been put in place.

The "Creative Rio" programme was launched in 2010. One of its key pillars is the creation of two incubators of creative entrepreneurs and 21 projects were selected in 2011 to receive technical and management training and advice.³³ A multi-facility Creative Rio Space is envisaged in an 1,800 m² area of the city. In Paraná, the Secretariat of Culture and the Secretariat of Tourism, together with the Federation of Industries, organized a road show of workshops on the creative economy, creative cities and local development in 2012 as the first step towards a creative

economy programme. The State of Minas Gerais, together with the Brazilian Service of Support for Micro and Small Enterprises (SEBRAE), announced in 2012 the creation of the "House of the Creative Economy" in Belo Horizonte. SEBRAE is the most active private institution in the promotion of the creative economy. Backed by a 0.3 per cent levy on the payroll of SMEs, SEBRAE's involvement is key as SMEs represent 56 per cent of the formal urban labour force, 26 per cent of the aggregate wage/salaries bill and is composed of 5 million formal enterprises and an estimated 10 million informal businesses. SEBRAE in Rio de Janeiro has long been working in various creative fields, such as handicrafts, cultural tourism and the music chain. SEBRAE Minas Gerais has worked to raise awareness of the creative economy, while SEBRAE Bahia recently organized a series of ten conferences targeting primarily newly appointed city managers. Over 100 cities are now participating in this initiative and future actions are now under discussion between the private sector and the Government of Bahia State. Brazil has also introduced innovations in the financing of cultural activities and enterprises.

The Colombian city of Medellín is celebrated for the remarkable culture-led regeneration efforts that have transformed the city and the living conditions of its population since the 1990s. This policy vision was renewed in the city's Cultural Development Plan 2011-2020, which is subtitled "Medellín – a city that thinks and builds itself through its culture." In the document, culture is seen as a development driver, with its "potential to foster values, creativity, social cohesion and the search for peace."

In 2012, Colombia's capital, Bogotá was designated a "City of Music" by the UNESCO Creative Cities Network. The title is well-deserved in a city filled with rhythms and dances, such as *cumbia*, *porro*, *vallenato* and *bambuco*, plus a series of significant events, such as the musical festivals in public parks (*Rock al parque*, *Jazz al parque*, *Salsa al parque*, etc.), hip-hop schools in the poorest neighbourhoods, a good Philharmonic Orchestra and a globally-known theatre festival. Following the designation, the Bogotá Human Development Plan promotes the ubiquity of music, through

³³ <http://www.riocriativo.rj.gov.br>

4.16

Medellín: A park, a library

How can one assure that people living in violent neighbourhoods can meet, share, get to know each other, get to recognize each other, or look into the other person's eyes, listen, understand the other? How can impenetrable districts, urban ghettos marked by fear, whose names can only produce echoes of death, be converted into references for a whole city and into places that citizens are proud of? How can culture be turned into a co-existence strategy, in other words, into a strategy to fight the huge insecurity and by-product of inequalities?

A park, a meeting place. A library, as a place for opportunities, for a future. A children's playroom, a place for kids and family recreation, for growth and development. A few training courses. An auditorium, a theatre, for the unthinkable and for daily life. A few rooms to sail through cyberspace. A number of areas for community work and to meet up those who devote themselves to community work. Art galleries. Music schools, for all different kinds of music. Centres to support those willing to be entrepreneurs. A public building, a symbol. Urban, as part of the social fabric. Architecture, as a human transformation process. Dozens of people by the end of the hour, hundreds of people by the end of the day, thousands of people by the end of the month, every single day of the year, but for two: Christmas and New Year's Day. More people every week than in a soccer stadium. Twenty-three thousand books, 220 computers. Cultural programme, sports and recreational programme. Free access to everything. Culture, a right, not a privilege.

Nine library parks that become enchanted islands in a strife-ridden land; library parks that are "arks for a lead deluge". Nine library parks in this town that hold in a palimpsest its best metaphor, its reality, its dream. Nine library parks on the hillsides of neighbourhoods and rural areas, references, pride, meeting areas, areas of right, areas of creation, cultural circulation, awareness, areas of bewildering, of reasoning, of feeling, and of emotion. The formula is easy, so easy it could be applied to cities where violence still holds dreads and pains: opportunities, inclusion, equality, access to culture, to the world, to the other possible worlds. These library-parks exemplify the importance of generating public areas – understood as those where people of different walks of life, ages, genders etc. meet, interact and share – in marginalized neighbourhoods. They also break free from the idea that beauty and design are a privilege of the wealthy and reaffirm the right to beauty and aesthetics for all.

– Jorge Melguizo

city music, networks and a programme of music education in 100 public schools in the surrounding areas.

The small size of the islands of Anglophone Caribbean gives a "local" character to any development challenge. Their experience is indeed similar to – and in many ways a model for – small island states all over the world. The

flourishing of the creative sector is highly dependent on tourism, which has become a key driver of entire economies, providing the largest share of gross domestic product, export earnings and employment. The notion of "creative tourism" currently advocated on these islands emphasizes the tangible as well as the intangible heritage,

together with symbolic elements, such as the “buzz” of particular places, their art scene, ethnic neighbourhoods or gastronomy. This is in keeping with the global trend away from high-impact mass tourism towards more sustainable, responsible and community-oriented forms that offers authentic experiences to all participants.³⁴

The Caribbean is highly competitive in cultural production and many of its artists and events have a global reach that extends well beyond the region. It has been argued, however, that there remains an institutional and commercial bias against indigenous creative content in the home

market, discouraging creative entrepreneurship, investment and market development. This is compounded by uncompetitive packaging and branding, weak marketing and poor distribution. The island economies thus have large and widening trade imbalances in creative goods, services and intellectual property.³⁵ The marketing and audience-development challenge is to shift away from “commodity tourism” that involves high levels of external control, foreign exchange leakages and low-local value addition towards a branded tourism product that builds customer loyalty and draws on local capabilities, resources and identities (see case study 4.17).

CASE STUDY

4.17

Destination branding: The Bob Marley Museum

Jamaica has a large and diverse constellation of heritage tourism assets across the wide spectrum of its tangible and intangible heritage. Popular culture and festivals have also made Jamaica well-known all around the world. The Bob Marley Museum in Kingston, which was started in 1986, five years after the singer’s death, houses an 80-seat theatre; a gallery of Marley memorabilia; a library with the latest books on Bob Marley, reggae music, and more; a gift shop selling T-shirts, posters and CDs, as well as unique African arts and crafts; and the Queen of Sheba restaurant which features some of Bob Marley’s favourite vegetarian dishes. It is located at Bob Marley’s former place of residence and was home to the Tuff Gong record label and record manufacturing plant that was founded by The Wailers in 1970. In 1976, it was also the site of a failed assassination attempt on Bob Marley.

The objectives of the Museum are to protect, enhance and promote the legacy of Bob Marley, whose widow, Rita, converted the compound with the earnings from the ‘Catch a Fire’ album. The family has made all the investments, using the royalties from the Marley music catalogue (the catalogue is worth \$100 million and the estate \$30 million). The Museum is managed by the Robert Marley Foundation (the Board of Directors consists of only family members), which is actively involved in the planning and implementation of various activities including art exhibitions, film festivals, workshops and talent shows. A major event is Bob Marley Week, hosted in collaboration with the Jamaica Tourist Board and the Jamaica Cultural Development Commission. The Museum is the most visited attraction in Kingston, with over 30,000 visitors annually, and one of the main drawing cards for heritage tourism in Jamaica. The majority of adult visitors (90 per cent) are foreigners or non-nationals. About 10 per cent of the overseas visitors are from the Jamaican diaspora or are regional tourists. The Museum also generates diplomatic tourism as visiting dignitaries often wish to visit it.

³⁴ Richards, G (2010).

³⁵ See Keith Nurse (2011)

4.17

Destination branding: The Bob Marley Museum,*continued*

There are strong synergies between the most globally recognized personality of the Caribbean and the destination branding of Jamaica. Bob Marley is estimated to have sold over 75 million records in the last 20 years. In recent years, the Bob Marley name has been used to brand a range of goods and experiences such as the Marley Beverage company (home to the “relaxation drink” known as Marley’s Mellow Mood) and the House of Marley (producer of eco-friendly audio and lifestyle products) to the portfolio of Marley-related businesses.³⁶ The Bob Marley brand has generated further currency in recent times with the production of the documentary, “Marley”, by Scottish film director Kevin Macdonald. The documentary was released in 2012 and has gained international recognition through nominations at industry awards, such as Best Documentary at the British Independent Film Awards (2012), Best Compilation Soundtrack Album at the Grammy Awards (2013) and Outstanding Documentary at the Image Awards (2013).³⁷ Branding is considered to be a critical element of the marketing effort. The Bob Marley image is one of the most utilized, if not pirated, images in the world. An example is the lawsuit against Universal Music (which owns rights to some of Marley’s biggest hits) and Verizon Wireless for allegedly selling Marley ringtones without permission.³⁸ The Robert Marley Foundation handles the licensing of the Bob Marley image and other intellectual property matters. The Marley brand also had a big impact on the creation of festival tourism. *Reggae Sunsplash*, which started in the late 1970s and was succeeded by *Reggae Sunfest* in the early 1990s, can be viewed as the pioneers of festival tourism in the Caribbean in the way in which the internationalization of Bob Marley and reggae music became a magnet for tourism. For example, Reggae Sunsplash generated higher levels of hotel occupancy than the peak week in the tourism season between 1981 and 1992. The ranking of Jamaica among Japanese tourists by the mid-1990s placed it ninth, largely attributable to the popularity of Bob Marley and reggae music. For example, reggae came in fourth in the most popular images after the pyramids of Egypt; Anne of Green Gables on Prince Edward Island, Canada; and shopping in Hong Kong SAR.

– Keith Nurse

» 4.5 NEW MODELS EMERGING FOR CREATIVE ECONOMIES OF THE GLOBAL SOUTH

As the information and cases cited in this chapter demonstrate, cultural creativity in both its marketable and non-marketable forms is to be found in many different

contexts and manifestations. Cities in the global South are creating new models based on their own needs and strengths and empowering themselves through South-South cooperation. As the regional cases show, a more pluralistic, decentred dimension underpins the contours of the creative economy everywhere, highlighting its contingent and path-dependent characteristics and leading to

³⁶ <http://www.forbes.com/pictures/mfl45mell/bob-marley-4/>

³⁷ <http://uk.imdb.com/title/tt1183919/>

³⁸ http://www.forbes.com/2007/10/26/top-dead-celebrity-biz-media-deadcelebs07-cz_lg_1029celeb_slide_13.html?thisSpeed=20000

considerable variations of structures and modes of functioning. The gigantic Indian film industry provides a prominent example. “Unlike the global film industry which has an oligopolistic structure, the Indian film industry is informal, highly fragmented and characterized by investment forms of proprietorship and partnership.”³⁹ That it does not mirror the Western film industry reflects contingent structural, cultural and geographic conditions. In a similar vein, the Asian creative economy is characterized by a mosaic of urban and national scenes and by the rise in production and consumption of purely Asian cultural products, such as those of Bollywood, the Hong Kong and Korean film industries, Cantopop and Mandarin pop, Japanese manga and anime productions, and the animation and digital media industry.

International benchmarks and comparisons are always important, but it would be wrong to think that the low ranking some developing countries receive in such league tables are entirely due to problems *within* the developing world. Some may show lower performance of the South according to specific indicators, such as economic ones. However, as this Report demonstrates, measuring the creative economy in economic terms alone provides only part of the picture, particularly in the human development perspective. The case studies show that developing countries have dynamic and rapidly growing creative economies. Of course, there are important obstacles such as lack of capital, entrepreneurial skills or infrastructure. Upstream from these are a triad of shared characteristics: ignorance of the workings of contemporary cultural markets, both national and international; inadequate organizational and management skills within the cultural sector, or underdeveloped professional skills; and finally, often but not always, a degree of political interference that hinders true creativity. However, these on-the-ground conditions should not mask the operation of power and the centripetal forces at work in the global economy, which are among the root causes of disparity in the creative industries, as they are in many other domains. These forces have also led to the sharp decrease in state funding through “structural adjustment” and similar programmes.

As a corollary to the preceding thoughts, the cases cited here remind us that different kinds of creative economy are being fostered and are successful in different places. Not all of them are consonant with the broader aims of human and sustainable development. In other words, creative economy development is not intrinsically or universally an unalloyed “good”. Some policy in this field is largely driven by economic agendas alone, often in the search for a highly elusive “quick fix”. Others are inspired by a narrow city marketing or place branding agenda, using culture merely as a new symbolic asset. Thus, some policy developments are clearly better than others. They are better when they are deployed in tandem with the goals of preserving and renewing traditional culture, or with a view to reducing inequalities rather than exacerbating them, or to providing sustainable livelihoods for the many rather than inordinate profits for the very few.

For all these reasons, this Report strongly advocates the need to see the creative economy in *humanistic* terms – creativity as an embodied, lived quality informing a diverse range of industries and activities. Some creative activities are not heavily commercialized; many spring from vernacular pastimes and activities, with little relation or functional connection to globalized entities. Accelerated diffusion of mobile and social media technologies across the developing world, and the possibilities for user-content generated forms of vernacular creativity emerging from them, make the prospects especially strong. Moreover, the creative industries can play to existing local strengths, taking advantage of skills and forms of expression – all in abundant supply – that are intrinsic to each specific place and often unique to it. The dynamics that generate creative places are not exclusive to key centres, and recent history is replete with examples of how new material, products or expressions from diverse places – in music alone for instance, reggae, zouk, rai, salsa, samba, tango, flamenco, bhangra, fado, gamelan, juju, or qawwali – have entered the space of global flows. Other creative pursuits have emerged endogenously simply to meet demand locally, where they can be constrained in their scope and influence – such as urban, regional and national media, broadcasting and publishing industries. Examples abound:

³⁹ Mukherjee, A. (2008: 177).

Tanzanian hip-hop; West African community radio; Taiwanese publishing; television production in Mexico; and film industries around the world from Lebanon to Brazil to Burkina Faso. The common outcome across the developing world is that consumers have access to a mixture of imported content, persistent local expressions and hybrids of outside influence with vernacular traditions. The key is to ensure that local culture remains viable (which is not the same thing as requiring it to be “frozen” in an effort to preserve the status quo).

There is a danger that an increasingly formulaic imported “creative-city” agenda will be imposed on places in a damaging and/or unrealistic manner, ignoring local needs, and missing opportunities to galvanize already existing or vernacular cultural expressions. The much desired cultural

capital in whose name creative economy policies are put in place may have little meaning for many local people; megaprojects in would-be “world cities” can disenfranchise local populations or remain oblivious to the real needs of local communities.

A more productive way to think about policy development in diverse developing world settings is to consider the manner in which policy ideas on the potential of creativity elaborated in the developed world can be fruitfully and critically hybridized with local aspirations, assets, constraints and energies. It is to these policy ideas that we will turn in the next chapter, which will explore a series of critical factors in creative economy development in local settings.

development pathways

are not always predictable or
necessarily replicable



Critical factors in providing new pathways for local development

The key policy measures that must be put in place to foster the creative economy at the *nation-state level* have been amply presented elsewhere. Such measures include increasing investments in human capital, sharpening the legal and regulatory frameworks, providing greater funding and access to financial instruments, reinforcing institutional infrastructures, and improving trade policies and export strategies. Of course, since the impact of national measures is bound to be felt at all levels of economy and society, a policy framework at the local level cannot be elaborated independently of the overarching national ones.

Yet, as reported in the *Creative Economy Report 2010*, municipal policy-making on the creative industries is often more effective in generating results than national strategies, although the latter are of course indispensable in setting up an overarching enabling framework. This is due not only to the complexity of integrating interministerial and cross-cutting policy actions, but more importantly to the ability of municipal and community level support mechanisms to better respond to the local specificities of creative industries, particularly those based on local cultural, artistic, linguistic and natural resources. In many developing countries, communities and municipalities are therefore acting more quickly and effectively than national institutions in supporting creative industries, as well as empowering them to assume a greater economic role in the formulation and practical implementation of development strategies. It is precisely for this reason that a different set of lenses is needed to analyse the conditions on which success at the local scale

depends and if we are to design the right enabling frameworks. This chapter takes up the issues as seen through such local lenses.

These lenses situate creativity in local places of work, often in value chains that have little to do with the post-industrial knowledge economy as such, but instead are more arts or crafts-based and play out in *pre-industrial settings* that range from villages to cities. Across the global South, cultural creativity is located in diverse cultural landscapes, epistemologies and worldviews, and layered within multiple histories and continua – pre-colonial, colonial, modern and now emerging post-modern urbanism. They span oral, literate and neo-digital cultures, as well as both informal and formal economies, all situated within rural, peri-urban and urban settings. In these locations of layered simultaneity, in addition to generic policy measures and mechanisms, other parameters will determine the success or otherwise of creative economy policies.

These critical success factors provide new pathways for development and include both organic development and deliberate policy initiatives. They also consist of a wide range of characteristics, conditions or variables: financing; key agents, intermediaries and institutions; an ethic of service to people and their aspirations; effective intellectual property rights; ethical decision-making by local actors and communities; transnational connections and flows, or the global-local relationship, including access to global markets and digital connectivity; specific mechanisms scaled for local, enterprise development and the value chain;

capacity-building for technical, entrepreneurial, leadership and networking skills; community development and welfare; and, last but not least, education. Taken together, these factors can be used to make up a specifically calibrated road map. They have been chosen on the basis of the broader culture and development approach, as well as the on-the-ground realities of cultural creativity across the developing world.

» 5.1 ACCESS TO FINANCING

No doubt the major and most fraught challenge in creative economy development across the global South is financing. This is particularly so because cultural enterprise operates *de facto* in a hybrid of not-for-profit and commercial activity. Sustained subsidies are indispensable in some cases, while calculated investment will be appropriate in others. It is essential to strike the right balance. This challenge is by no means being fully met in developed countries; the task is even more delicate in developing country settings. An additional issue in developing countries is that so much funding for the cultural and creative industries sector comes from development cooperation budgets of countries in the global North and not from local governments.

Even in developed countries, cultural enterprises find it difficult to obtain loans, advances and other services from banks because of the sector's high risk and its lack of tangible assets that can serve as collateral. Financial institutions are rarely at ease with the sector's innovation-driven character, notably when its copyright content is high.¹ Venture capitalists, if they exist, are not interested in providing small loans and have a tendency to control rights so that remuneration to producers is lower. The

business sector still provides only limited support and in any case prefers larger organizations. However, despite these difficulties collateralization/securitization² of individual intellectual property (IP) rights, or IP portfolios, is increasingly becoming a more viable option for financing creative industry ventures.³ Governmental financing is also limited and its grant-based models often lead to unsustainable, subsidy-dependent development. Governments have few available mechanisms or tax credits to stimulate individual, community or corporate giving, and generic governmental business support and/or finance schemes are rare and often inflexible in nature, with little understanding of broader social objectives. A promising new start has been made recently in Niger, as reported in Box 5.1. In Brazil, by contrast, mechanisms are already in place and their work is facilitated by legislation that affords 100 per cent tax deductions for investors in the cultural sector. The Brazilian Development Bank (BNDES) has been a lender to the audio-visual, music, media and video games industries since 2006. Its culture department initiated its work by analysing the value chain, initially in the audio-visual sector, so that it would be able to offer appropriate financial mechanisms. It subsequently adopted a policy of investing significantly in a small number of film projects and also set up an audio-visual fund that has operated like a private equity or venture capital fund. An investment fund for distribution has also been set up by the BNDES, together with a range of special financing models that are adapted to the lack of collateral, high risk and other features of the creative economy.⁴ The fostering of the skills needed to secure local level financing is also particularly linked to the potential of networking and will be discussed further on in this chapter.

¹ Hackett *et al.* (2000).

² A creative company or individual creator called the "Originator," provides a pool of income producing copyrights (assets). These are then transferred to a "special purpose vehicle" (SPV), the SPV then issues debt securities to investors which are backed by the copyrights. The proceeds from the sale of these debt securities are used to pay the Originator for the transferred copyrights. This is the source of funds for investment in further creation. The principal and interest payments on the debt securities issued by the copyright-backed SPV are paid out of the cash-flow generated by the receivables.

³ Nicole Chu, "Bowie Bonds: A Key to Unlocking the Wealth of Intellectual Property", *Hastings Comm. & Ent. L.J.* 21:469 1998-1999, See also Kenneth B. Axe, "Creation, Perfection and Enforcement of Security Interests in Intellectual Property Under Revised Article 9 of the Uniform Commercial Code", *Banking Law Journal*, 119: 62, 2002

⁴ Michael Keane blog 'Why is the creative economy "taking off" in Asia'. Available at: http://www.creativetransformations.asia/2013/01/why-is-the-creative-economy-taking-off-in-asia/?utm_source=ACT+Mag&utm_campaign=7f68ab5020-Asia_Pacific_Creative_Landing_Pad_Mag_Issue_04&utm_medium=email. Accessed 26 January 2013.

5.1

Developing strategies to train entrepreneurs and attract investors in the creative industries in Niger

In 2010 Niger created an agency for the promotion of cultural industries and businesses (*l'Agence de Promotion des Entreprises et Industries Culturelles* (APEIC)). Mr Oumarou Moussa, Director General of APEIC, believes that “the cultural sector, through private companies, can contribute to the economic growth of the country... At the moment we are working with a number of priority sectors including publishing, music, audio-visual, fashion and design, helping them to transfer from the informal towards the formal.” But as he and his colleagues had little experience of how the cultural economy functions and limited ties to entrepreneurs and economic operators across the country, APEIC sought help from the Expert Facility set up by UNESCO with the support of the European Commission to help implement the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions. Through this programme, APEIC devised a strategy to train cultural workers in enterprise development as well as to raise awareness among the general population, political leaders and investors about the potential impact of culture in the economy. As Mr Moussa said, “especially in our countries, it is not always obvious that people understand this link.” Ways of making cultural enterprises viable by boosting exports were also explored. “Artists in Niger are challenged with producing works with a quality and price compatible with the spending capacity in the country and, most importantly, in the subregion and beyond,” said Francisco D’Almeida, one of the two experts engaged to accompany APEIC in its work. Broadening APEIC’s network was also essential to build more solid links with financial institutions and government structures, such as the chambers of commerce, the institutions in charge of vocational training and the centres for management training. A training strategy was also deemed necessary to enable APEIC staff to work effectively with cultural entrepreneurs. A plan of action linked to the strategy was produced recommending the creation of a decentralized network of trainers in the eight provinces of Niger equipped to help cultural entrepreneurs in project design, management and fundraising. Understanding that cultural industries are production sectors linked to artistic and creative contents, but produced through industrial processes of production, reproduction and distribution, was key for making them viable enterprises. A dialogue on cultural cooperation in Niger between bilateral and multilateral partners has also been launched. This and the political willingness shown by the government will be instrumental in seeing Niger’s cultural entrepreneurship steadily grow.

Source: d’Almeida et al. (2012).

» 5.2 PATH DEPENDENCIES, AGENTS, INTERMEDIARIES AND INSTITUTIONS

Upstream from any concrete measures, a change of perspective is required: to see the economy not as an abstraction, but as grounded, built by actors, intermediaries

and consumers in specific circumstances. This requires more than broad-brush accounting for the production, distribution and consumption of cultural products. Instead, we need to understand how the economic emanates from and is entwined within culture. Culture is not a “bedrock” or separate “layer” to the economy, but the filter through which “economic” activities in daily life

are mediated: The rich meshwork of human and social relationships are the economic practices that converge and accumulate over time and in different places to form specific cultural and creative industries. Such an approach invites careful local analysis so that we can think through a palette of options in the context of people's aspirations.

This also requires close attention to how the cultural and creative industries actually get built – hence, the emphasis on agents, intermediaries and institutions. The most obvious is the weight of history itself, in other words the *path-dependencies* that invariably come into play, the historical circumstances and legacies that are key foundations for the building of creative industries. For example, two from the Tsugaru District, a very poor rural region of Japan: Tsugaru Shamisen (a music performance tradition) and Tsugaru Nuri lacquerware design and manufacture. In the case of the music, its popularity grew organically through radio, festivals circuits and performers. A large grassroots following ensured a viable market and audiences. Lacquerware struggled, however, even with state promotion through investments in product branding, skills and training. But its fortunes turned around when traditional techniques, normally applied to tea-serving sets and bowls, were applied to a wider range of objects, including furniture. Deep historical legacies that connected a form of crafting to place formed the basis of a contemporary industry. Historical legacies were adapted to enable the cultivation of new markets. And this could occur in the performing arts, or design, or book production.

Another example of a cultural industry that has deep historical and cultural roots is boot making in Mexico and Texas, concentrated in the border metropolis of Juarez/El Paso. It grew as vernacular craft in the late 19th century to service the needs of ranchers and cowboys (both Spanish-Mexican and American). Juarez/El Paso became an important boot-making hub, located on the key overland trade routes that crossed the Rio Grande. The development of the 20th western wear industries, in combination with the increasing fad for all things “cowboy” in popular culture, saw investment into Juarez/El Paso in the form of boot making and western wear manufacturing. Soon factories were established and boots and clothes

mass-produced for department stores and mail order catalogues across North America. Today, the bulk of the mass production of boots and western wear clothing has relocated to countries with lower labour costs, notably further south into Mexico, as well as China, Bangladesh and India. Nevertheless, what remains in Juarez/El Paso is a niche cluster of custom boot makers, still hand-making boots in the crafting tradition; instead of servicing the mass market, they are tapping into demand from discerning collectors, rock and film stars, as well as ordinary local people who simply want a well-made pair of boots. In this instance a highly creative form of artisanal production has survived intense global competition. It has thrived not through policy intervention but a confluence of historical inheritances: the skills of migrant boot makers in that city, the slowly accrued “feel” for leather in their hands, the fact that Juarez/El Paso was an important junction in key trade routes, and was (and still is) the import/export city for the leather trade. Historical path-dependencies are a critical factor to trace in any given place where the promotion of creative industries is a priority.

5.2.1 MARSHALS, MOVERS AND SHAKERS

Today's “marshals, movers and shakers” include booking agents, broadcasters, managers, programmers, disc jockeys, trade advocates, dealers, film festivals, and trade shows such as WOMEX for world music.⁵ In the developing world, such intermediaries can emerge from various sectors – the governmental, the nongovernmental or the educational – but what they all require is the capacity to move freely and flexibly to uncover opportunities and build partnerships to pursue those opportunities.⁶

Festivals (as noted already for Africa and the Arab States in Chapter 4) are an important form of catalytic intermediary event. They themselves depend on intermediary people for their success and sustainability. Across countries at virtually all levels of prosperity and development, a festival economy has emerged. Festivals and events have diversified and have become more intimately entwined with cultural production and distribution, as well as with the tourism industry. Music, film, arts and heritage festivals are a catalytic force within local urban

⁵ <http://www.womex.com/>

⁶ Fleming (2008: 279).

and regional economies, not so much as a discrete sector but as a form of “glue” that binds together existing cultural, service, transport, tourism and supply industries. Festivals may be run by non-profit committees, municipalities or government agencies, as well as by private sector interests, using paid, unpaid and volunteer labour. They can be effective contributors to urban and regional development, provided, of course, that their core “business” remains the flourishing of the cultural sector itself and its creators and producers. Some festivals, for example, have begun to appear more as venues for hospitality and restaurant turnover.

The cultural festivals economy also highlights the key role of individuals or groups motivated by a shared passion, pastime or intense fandom. It foregrounds events whose outcomes transcend the economic alone. Such events require “captains” that work through problems, marshal resources and exercise “creative frugality”⁷ in pulling together services, performers and logistics, especially in the developing world, where risks are high and ticket costs must be kept low. Equally necessary is the ability to get people to work together across the bandwidth of different cultural sector streams and form durable associations and collective interests in the process. Such leadership

CASE STUDY

5.2

SAFRA, a subregional bridge-building event

The *Semaine de l’Amitié et de la Fraternité (SAFRA)* is an itinerant annual West African festival that for over two decades has brought together as many as one thousand arts professionals and local officials from Burkina Faso, Gambia, Guinea, Guinea Bissau, Mali, Mauritania and Senegal. The event serves a new logic of cultural governance by emphasizing the long-term training impact in the seven countries, serving as a platform for creators and as a bridge between the local and the international scenes. It is the product of joint efforts by twinned cities in the subregion and has resulted in the establishment of networks such the “Mayors of the SAFRA Space” and the still gestating “Parliamentarians of the SAFRA Space.” Each edition has served as a marketplace for artistic handicrafts, as well as other cultural goods and services. SAFRA pursues three shared goals: Building links between local creativity and the marketplace; promoting the diversity of cultural expressions; and consolidating the creative economy. As a bridge-builder, the festival has succeeded in getting the attention of the national authorities at the highest level. In the process it is promoting a new kind of subregional cultural awareness that focuses on developing an endogenous creative economy based on local knowledge and knowhow. As the distinguished historian Joseph Ki-Zerbo once put it, “the development of Africa must emerge from the entrails of its villages.” In this spirit, the event has led to strategic thinking about major development challenges, notably checks to the free circulation of people and goods, migratory flows, the constitution of subregional markets, or the fight against illiteracy and pandemics. Its many significant positive externalities include the increased empowerment of women, the consolidation of Mandinka and Pulaar as languages of subregional communication, and heritage conservation projects that contribute to education and social cohesion. Most importantly, the event has brought peoples together across the ethnic and linguistic differences that hamper African integration and hinder human development itself.

– Youma Fall

⁷ Gibson and Connell (2012).

qualities are pivotal, and the returns to local development are greatest when such qualities are cultivated within communities rather than imported from elsewhere. Leadership provides the intensity of commitment to see through difficulties, overcome challenges and to bring people together towards common goals. Entrepreneurial skills remain essential and business acumen is of course helpful, but the building of cultural and creative industries requires above all the drive and persistence that comes from the personal enthusiasm of workers and intermediaries.

» 5.3 OVERCOMING PROBLEMS OF DISTANCE AND REMOTENESS

Much has been written about the role of institutions in building the creative industries, notably through their catalytic role in urban redevelopment. In the developing world, limited tax bases and competing needs, such as food security, basic infrastructure and survival, often prevent substantial investment in such institutions. Yet their role is essential in overcoming barriers and difficulties. A significant barrier in the developing world is distance and remoteness. Although digital platforms can abolish the tyranny of distance (see below), it nevertheless persists as a block to face-to-face networking, preventing the personal connections possible within highly clustered creative scenes as seen in the global North, and between cultural producers and consumers. Institutions of varying size have an important role to play here. The simpler issues they can address include the costs associated with flying in performers and artists for festivals and exhibitions; more complex are the difficulties of accessing key industry gatekeepers. Distance from cities and important events that take place there is the principal locational disadvantage. Musicians, managers, museum and art gallery directors and festival promoters have all emphasized how large distances discourage touring and exhibitions; it is difficult to get a coordinated show on the road in rural regions outside major cities, particularly if that involves lengthy travel and uncertain weather conditions. The National Art Gallery of Namibia's Mobile Outreach Project, which uses

a van emblazoned with the slogan "Taking Art to the People," has conducted 15 workshops on modern artistic techniques in remote rural regions of the country, enabling students and teachers to see and discuss digital copies of key artworks from the Gallery's collection, which were projected onto big screens. The Project has provided a rare occasion for rural communities to be exposed to the arts, raising awareness about the power of culture among those affected by poverty, HIV/AIDS and natural disasters. In short, cultural creativity is not always the prerogative of the city alone, hence far more attention needs to be given to the regional and rural sectors of any cultural economy, not just in the global South but in the marginalized regions of 'developed' countries as well.

Remoteness can also be created by other factors of closure or distance, such as "limited types of creative making; wariness of newcomers and new ideas; the loss of young people; limited access to business expertise, production services and training; lack of cultural stimulation; and high transport costs."⁸ Across the developing world, and indeed not only there, young artists and creative producers feel they need to move to larger centres to improve career chances. Although such mobilities are a crucial ingredient in producing more cosmopolitan societies – themselves an important source of creative possibility (see below) – they nevertheless exacerbate the lack of critical mass and functioning networks in the places migrants leave.

Remoteness can in part be overcome, as we have seen, by the use of digital platforms. It can also be an important *positive* condition for some kinds of creativity. With local know-how and skill, places can negotiate their marginal position in relation to global cultural and economic flows, and reach much larger markets from a distinctive and defensible local base. Indeed, many visual artists consider remoteness to be an advantage, bringing solitude and freedom from metropolitan whims and fashions. In the case of African, Asian, South American and Aboriginal Australian art, sculpture and music, remoteness from city influences can be critical for securing the sense of distinctiveness required to successfully market products.

⁸ Andersen (2010: 71).

>> 5.4 INTELLECTUAL PROPERTY AND COPYRIGHT

Local creative economy development requires a functioning system of intellectual property rights.⁹ These rights provide opportunities in several ways, as they regulate ownership, add value and facilitate trade in cultural goods and services, thus benefitting individual creators as well as creative communities. The incentives and rewards they afford encourage investment and the development of sustainable business models, helping to produce lasting economic and social benefits. They give authors and other creators the exclusive right to control the use of their literary, artistic, musical and dramatic works for a limited period of time (subject to certain limitations and permitted exceptions). Often, widespread disregard for IP rights of creators acts as a disincentive for the production and distribution of cultural goods and services, in developed and developing countries alike. It is only when such legal protection exists that creators can feel confident that their works are being legitimately used and that this usage brings with it both recognition and material reward. Well-designed intellectual property systems that provide effective copyright protection can transform local cultural events into true engines of economic development, through the generation of a revenue stream for the local communities in which creators produce their works. As cultural expression is forged by a wide cross-section of society, copyright policies and regulations can facilitate the creation of economic opportunities that penetrate through to the grassroots level. They are a necessary instrument for the integration of community-based creativity into the national and global economy. Intellectual property rights thus enhance the local development potential of culture, notably among the least developed countries. For all these reasons, *development policies cannot ignore the transformative power of the combination of copyright, culture and the creative economy.* Getting this mix right is among the challenges addressed by the World Intellectual Property Organization (WIPO), whose member states in 2007 adopted a *Development Agenda* that underscores

the critical link between intellectual property and development – and also recognizes intellectual property (IP) as a tool for development rather than an end in itself. The purpose of this 45-point agenda is to mainstream development throughout WIPO's activities, with the objective of providing the impetus for member states to design IP legislative and policy agendas that encourage creativity and development at all levels of society.

As with many other components of the legal and regulatory system for the promotion of culture, intellectual property rights are defined and enacted into law at the state level. How they will operate in any country is thus determined by the commitments of that state under international treaties such as the Berne Convention¹⁰ and the Rome Convention as well as the Agreement on Trade Related Aspects of Intellectual Property (TRIPS). Other international treaties that regulate copyright and related rights in the creative industries include the WIPO Copyright Treaty (WCT),¹¹ the WIPO Performances and Phonograms Treaty and the Beijing Treaty on Audio-visual Performances. With a view to stimulating their creative economies, many countries now choose to include specific commitments on intellectual property in free trade agreements (FTAs) and international investment agreements (IIAs) in order to provide the legal basis for trade and investment in cultural goods and services. This makes it possible to: (a) enhance the economic value and distribution channels of creative/cultural works; (b) create new opportunities for cultural innovation; and (c) secure the proprietary rights of creators, thereby ensuring direct revenue streams.

Across the global North, most creators can expect a continuing income based upon sales of the work, for the length of local copyright licences (which extends at least to an average lifetime). This does not hold in most developing country settings. Because of inadequate administrative resources copyrights are not always properly registered or managed, nor the money redistributed. Accordingly, although unauthorized use of copyright is a major hindrance, an equally limiting factor is the breakdown, or inadequate functioning, of the system of

⁹ The *Creative Economy Report 2010* provided a comprehensive overview of the role of intellectual property in the creative economy, the economics of copyright, its relation to both the creative industries and traditional cultural expressions, as well as the new challenges created by the new technologies.

¹⁰ The Berne Convention for the Protection of Literary and Artistic works was the first international treaty regulating creative works.

¹¹ The WCT is a special agreement under the Berne Convention which binds States Parties, even if they are not party to the Convention, to comply with the 1971 Act of the Berne Convention. The WCT also updates the Convention to include computer programmes, compilations of data or other material that constitute intellectual creations.

collection and redistribution of royalty payments. The solution, the creation of local copyright collecting societies, is often hampered by lack of funding and local expertise. At the local level, therefore, the key enabling factors are the strength of infrastructure and institutional capacity to ensure that copyright laws and policies deliver the

resources that communities need to foster local development. Local policies can seek to mainstream copyright-related issues into the curriculum in the school system, while providing on-the-job training to reduce the skills deficit of creative economy professionals. Another option is to improve access to financing in the form of

5.3

Development of home textile industry in Nantong, China through improved copyright institutions and legislation

China has provided two options for protecting the interests of rights holders since the adoption of new copyright legislation in the early 2000s. The first of these options constitutes the judicial approach, which allows rights holders to pursue criminal or civil litigation against infringers. The second is an administrative enforcement procedure which involves administrative authorities who have the authority to conduct investigations into reported cases of copyright infringement. A series of amendments to the Copyright Law were completed in 2001, followed by the revision of the corresponding implementation rules and regulations by the State Council. Under Chinese Copyright law patterns of printed fabrics are eligible for copyright protection as works of fine art, however patterns of printed fabrics may claim design patent protection. Prior to this lack of protection for patterns and designs in other regions of China, resulted in large-scale copying of Nantong designs, eroding profit margins for textile products.

Improved copyright protection in Nantong has effectively helped producers to update and upgrade their products. As a result, Nantong textiles have achieved a large measure of success in both the domestic market and in international markets. The quality of textiles has been dramatically affected. By 2008 more than 80,000 patterns had been registered for protection in the Nantong region. To date, the copyright administration in the two major markets of Zhihao and Dieshiqiao have been able to maintain a steady growth trend. These results demonstrate that the enhancement of copyright protection and improvement of the copyright administration system in the textile sector have protected markets, stimulated creativity and innovation in what was once traditional local textile production, as well as significantly diminished the occurrence of copyright infringement.

This has created large domestic markets in textiles with two industrial parks, two logistic centres and a specialized home textile trading market within an overall area of 1.5 million m². There are more than 5,000 home textile enterprises around the market, including 418 companies. The area also contains more than 20,000 family workshops, and processing sites spread over ten towns in the three surrounding counties. More than 200,000 people are directly employed in this industry. The Nantong home textile markets have also become important for Chinese textile exports. The two main markets attract international home textile buyers in more than 100 countries of the world. In the 10-year period between 1999 and 2008, the export value of all Nantong textile products grew from US\$ 817.89 million to US\$ 4.077 billion, with an average annual growth rate of 17.4 per cent. The export value of home textile products increased from US\$ 98.75 million in 1999 to US\$ 1.007 billion in 2008, an average annual growth rate of 26.14 per cent.

– WIPO, 2013

low-cost financing and insurance for all forms of capital formation, including working capital. Similarly, management and marketing supports can be improved, including investment promotion and international marketing and brand development.

5.4.1 INSTITUTION-BUILDING

Institution-building for intellectual property rights is a key local-level challenge addressed by WIPO's research and development efforts. In 2009-2010, for example, it sponsored a significant study carried out by the National, Provincial and Municipal Copyright Administration of China. The study addressed how improved copyright legislation, institutions and enforcement in Nantong, located in Jiangsu Province led to increased investor confidence from both national and international firms, which in turn fostered the growth of design, manufacture and trade in textiles and printed fabrics.

Another case, with a focus on revenue generation for creators of traditional and contemporary music forms, is that of the Eastern Caribbean Collective Organization for Music Rights (ECCO), a collective management organization which administers the intellectual property rights of music creators and publishers. ECCO was established as a regional entity to ensure the efficient collection and distribution of royalties and licensing fees, in addition to further the cause of copyright education and enforcement. The Caribbean's long and well established music traditions such as reggae, calypso, merengue and soca, are recognized worldwide. Despite these successes, prior to 2000 the abundance of raw talent in the region remained unrecognized for its potential to spur local development. This stemmed from a lack of effective copyright policy and access to technologies and training for creators, among other factors¹². Policymakers had yet to fully grasp the role that copyright and related rights could play in delivering economic benefits directly to communities of creators. In 1997, in order to determine the best way to address these problems, Caribbean Community (CARICOM) governments asked WIPO to undertake a study to develop a regional approach to the collective management of copyright in the region. WIPO's recommendations to

develop a regional collective management infrastructure were approved by Caribbean ministers responsible for intellectual property in June 1999. ECCO emerged as a result. The organization is a member of the Association of Caribbean Copyright Societies (ACCS), formerly Caribbean Copyright Link (CCL),¹³ established in 2001, also as a product of cooperation between CARICOM Ministers with responsibility for Intellectual Property and WIPO. In 2000 four collecting societies were formed to create a regional system for collective administration. One of these was the Hewanorra Musical Society in St. Lucia, which became ECCO, and the others were located in Jamaica, Trinidad and Tobago and Barbados. These four societies were the founding members of Caribbean Copyright Link (CCL), now ACCS, which was formed to provide data and rights management for member societies, as well as to represent, defend and promote their interests.

ECCO itself has been highly successful. It was in a position to pay royalties to national and international affiliates after only its first year of operation in 2001 and has done so every year since. For the year ending 2011, it was able to pay out about E.C. \$146,000 to its members. Though this may seem a small sum, it is significant in relation to the size of the Eastern Caribbean music industry and the difficulties it faces in collecting royalties and licensing fees. Through ECCO's efforts, not only are the region's creators able to collect royalties in the region, but foreign collective management organizations can now identify and pass royalties to ECCO to forward to the region's creators. Without these services, many currently thriving creators and copyright-based SMEs in the Eastern Caribbean would be unable to maintain the quality and level of musical output, or earn a sustainable income or create employment for those professionals who provide ancillary services to the creative industries. This functioning copyright system also allows Caribbean countries to take full advantage of opportunities to expand export markets, which have been made possible by free trade agreements. The increase in membership of ECCO from 12 in 2000 to nearly 450 today is as a direct result of its enhanced ability to collect revenue and by extension, increase its revenue distribution.

¹² James (2001)

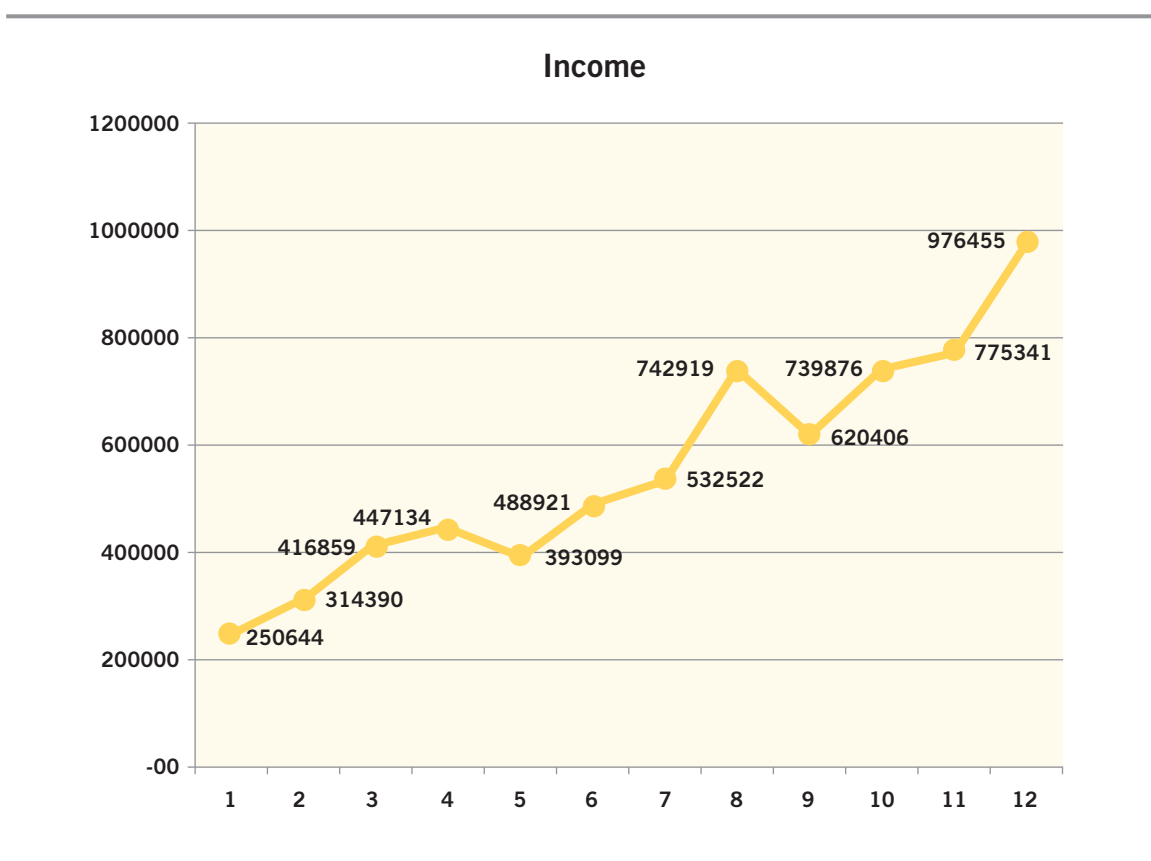
¹³ See <http://www.acccsacaribbean.com/content/association-caribbean-copyright-societies-accs>

As members saw the correlation between increased performances of their works and increases in royalty payments, it spurred more writers to compose songs more frequently, resulting in a marked improvement in the quality of sound recordings and other professional services related to the industry.

In effect, ensuring that copyright protection translates into local development requires the ability to effectively monitor, collect and distribute royalties owed to creators and these in turn generate the revenue streams that give

creators the ability to increase both the quality and the volume of their creative output. WIPO's collaboration with ECCO has allowed the organization to effectively fulfil its mandate of documenting the national repertoire, registering its members and making distributions. ECCO's success has helped to stimulate the local music industry in the Eastern Caribbean. Its overall revenues grew from EC\$70,000 in 2000 to EC\$1,000,000 today (in June 2013 one Eastern Caribbean dollar equalled 40 US cents). The following chart documents the growth of ECCO's income over a 12-year period.

Figure 5.1 Growth of ECCO's income
in Eastern Caribbean Dollars



Based in St. Lucia, ECCO has expanded its administrative operations to neighbouring islands, thus helping to foster an increase in the region's repertoire as more creators now see the music industry as a viable career option. Increased international visibility for the music of the region is also facilitated by ECCO as it makes data on the repertoire of OECS songwriters available to societies around the

world. In addition to these benefits, ECCO advocacy work has enhanced understanding of IP rights across the wider creative field (creators and users). It has become a strong institution that fuels local creative economy development in Eastern Caribbean.

WIPO has also worked on the relationship between community-anchored traditional cultural expressions and

knowledge, notably of Indigenous peoples, which it refers to as being “the result of creation and innovation by a collective originator: the community”.¹⁴ It does so through the work of its Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore, as well as its programme of policy development, legislative assistance and capacity-building. In this domain the critical question is that of balancing cultural preservation with the goal of stimulating tradition-based creativity and its contribution to development. By providing legal protection for such tradition-based collective creativity, tailor-made IP protection can enable communities and their members to put these creations into the value chain, should they wish to do so and/or to exclude free-riding competitors, in other words inappropriate adaptation or copying. Intellectual property can also assist in certifying the origin of arts and crafts (through certification trademarks) or by combating the passing off of fake products as “authentic”, as communities have been able to use their IP to exercise control over how their cultural expressions are used and to defend themselves against insensitive and degrading use of traditional works.¹⁵

5.4.2 ECONOMIC EFFICIENCIES OF COPYRIGHT-BASED INDUSTRIES

For developing countries, industries that are able to achieve rapid growth and fully utilize the enabling legislative and infrastructural environment, in order to produce profits are important. Costly investments in developing copyright systems should be able to produce tangible benefits. In Trinidad and Tobago the rising shares of copyright in GDP reflect an underlying tendency for the sector to be profitable, demonstrating its relatively higher efficiency of resource use and a significant potential to raise the marginal product of capital through creativity and the employment of abundant cultural resources. This is suggested by the evidence on the sector’s comparative output per dollar of foreign exchange used to procure its intermediate and final imports for production. The data in the table show that the activities enabled by copyright in Trinidad and Tobago are significantly larger than agriculture, hotels and guest houses.

A related striking feature of the copyright sector is that, because of its capacity to innovate and export, it is

Figure 5.2 Structure of GDP at Constant (2000) Prices by Selected Sectors, including the Copyright Sector, Trinidad and Tobago 2000–2011

Year	Agri-culture	Petroleum	Manu-facturing	Const. and Quarrying	Dist. & Restaurants	Hotels and Guest Houses	Trans. & Comm.	Other	GDP	Copyright Share of GDP	Copyright Share of Manufacturing and Services
2000	1.20%	45.30%	16.90%	7.30%	19.40%	1.40%	8.40%	26.30%	100%	3.90%	5.4%
2007	0.50%	40.80%	8.20%	7.90%	12.00%	0.30%	7.20%	22.80%	100%	4.00%	7.9%
2011	0.60%	39.50%	9.70%	7.10%	13.20%	0.20%	7.50%	26.40%	100%	4.80%	8.4%

Source: Computed from CSO SNA and copyright surveys

remarkably resilient in the face of recessionary conditions in the global economy, without the assistance of wide-ranging import restrictions or export-promotion strategies. These features provide a favourable environment for effec-

tive policy interventions. This means that revenue from both small-scale creative production in communities and firm-level activities can have more long-term development impacts.

¹⁴ WIPO (2002: 31)

¹⁵ WIPO Publication 913 (E) (n.d.).

5.4.3 TRADITIONAL CULTURAL EXPRESSIONS

In effect, traditional cultural expressions (known by WIPO as “TCEs”), such as traditional music, designs, symbols, handicrafts and other creative expressions of traditional cultures are valuable cultural, social and historical assets of the communities who maintain, practice and develop them; they are economic assets that can be used, traded or licensed for income generation and economic development. Traditional cultural expressions may also serve as a springboard for new cultural expressions as they may be a source of inspiration to other creators and innovators, who can adapt them and derive new creations and innovations from them. Unfortunately, however, they are vulnerable to imitation and misappropriation. All too often, for example, cheap imitations of craft products undermine sales as well as the quality reputation of the genuine products. Similarly, the digitization and dissemination of TCEs can lead to their misappropriation and misuse and to the unauthorized disclosure or commercial exploitation of culturally sensitive materials.

Proposals and solutions are being identified for the legal protection of TCEs to prevent their misuse, misappropriation, or other kind of illicit exploitation. Negotiations on a *sui generis* international legal instrument for the protection of traditional knowledge and TCEs are currently taking place in the WIPO Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC). These negotiations aim to address the linkages between the IP system and the concerns of TCE holders. A number of countries and regions have also developed their own *sui generis* systems for protecting TCEs. In the meantime, existing IP rights, such as trademarks, geographical indications, copyright, industrial designs or patents can also be used by indigenous and local communities to promote their interests. In particular, they can be used to protect TCEs against unauthorized reproduction and adaptation, and against misleading use of their style and reputation. In addition to administering and facilitating the IGC process, WIPO offers, upon request, practical assistance and technical advice to enable stakeholders to make more effective use of existing IP systems and participate more effectively in the IGC’s negotiations. As part of this programme, WIPO

runs the Creative Heritage Project, which comprises the Cultural Documentation and IP Management Training Programme, which is developing best practices and guidelines for managing IP issues when recording, digitizing and disseminating TCEs.

>> 5.5 SERVING PEOPLE AND THEIR ASPIRATIONS

5.5.1 AGENCY AND ETHICS

Grounded understandings of causality and agency are always essential. If the economy is not an abstraction “out there”, but rather a human construct that is built and rebuilt by key actors, then it invites reflection on exactly how things get done, by whom, and whether these actions suit the aspirations and capacities of the people concerned. In this view, all manner of economic transactions, exchanges and functions are mediated by ethical considerations, quandaries and decisions. Yet we still do not know exactly how ethical decision-making emerges in this context and how people in challenging circumstances negotiate constraints to put together enterprises that suit local needs. “Decision-making and resource allocation *within* the community economy are seldom free from the politics of personal gain and a communitarian ethos is not always easy to maintain.”¹⁶ Building cultural and creative industries as community enterprises upholding ethical and social goals often requires lengthy gestation periods, good communication and intricate negotiations of principles and the distribution of benefits.

This perspective emphasizes *the importance of industry development that is sensitive to local cultures, and situated within a broader set of aspirations of the people concerned*. How can creative economies be built at the grassroots scale, with whatever materials and resources are available to the people concerned? Do these address the aspirations of the people concerned? These aspirations might include productive livelihoods or wealth generation to be sure, but also freedom of cultural expression (as argued in chapter 3), or negotiating new forms of modernity, or maintaining links to language, traditional knowledge and country of origin. This is not to suggest

¹⁶ Kelly (2005: 40).

that questions of commercial viability are unimportant, but that they only make sense in the context of communities and families for whom livelihoods are embedded in more general values and aspirations. The aim is for a more nuanced and path to development, with the possibility of blending economic development with the deeply felt need for liberation and self-identification.

5.5.2 EMOTIONS AND HUMAN DEVELOPMENT

The expressive and emotive dimensions of cultural creativity mentioned in Chapter 3 often involve dissonant or contestatory expression. The flourishing of creativity requires, therefore, that such dissident voices be heard as well. The risk of making cultural and creative industries policy-making “safe” for investors or the authorities is of watering down goals to the point where it loses cultural meaning, and merely becomes old wine in new bottles, a business-as-usual co-opting of cultural expression for existing interests, all the while missing opportunities to enhance dialogue, debate and ultimately, new forms of development for marginalized people (that might initially stem from subcultural or oppositional roots). This bears keeping in mind in relation to the developing world, where political instabilities are common and where matters of popular dissent can be even more sensitive.

5.5.3 INTERCULTURAL DIALOGUE, EXPRESSION AND IDENTITY

Cultural expressions don't always cause frictions, they often help overcome them. Music, literature, film and theatre for examples are a means to empower migrant communities in new contexts, enabling them to carve out physical and metaphorical space to maintain roots to home communities while exploring the hybridization of identities and expressing struggles and difficulties in new, unfamiliar circumstances. The Senegalese star musician Youssou N'Dour, like many others, performs songs reflecting the pressures of modernity – the impact of tourism and environmental degradation, migration and nostalgia for the ancestors and their wisdom. The Beninese singer Angélique Kidjo has drawn attention powerfully to social

change issues and development problems. As a young researcher recently put it, “the cultural economy could be seen as a diverse and locally defined construct, where the cosmopolitan cultural entrepreneur acts as hybrid agent, negotiating terms of modernity, both spatially and temporally.”¹⁷ Music releases, films, television programmes, books, art, etc. are all capable of expressing perspectives from poor contexts, from migrant, indigenous or socially-marginalized groups, notably women, and are thus crucial to the broader agendas of pluralism, equity and gender. Related is the opportunity to promote cultural citizenship and rights. In many settings, art and music have become a means to enabling people to remain in their community contexts if they so choose – on traditional lands where there are documented mental and physical health benefits and improvements in well-being. Moreover, participation in creative production can be maximized when residing in traditional country where kin and familial ties are strong. Thus Aboriginal sculptors in remote Australia were more engaged in production, and thus economic returns were on average higher, when they lived in traditional country than in central townships.

>> 5.6 TRANSNATIONAL CONNECTIONS AND FLOWS

The creative economy is not bound by borders. Instead, it is bound up in complex networks and topological flows of people, ideas, resources and products. The digital platforms now available to support cultural and creative enterprise are an obvious point of discussion, but also still vitally important are the physical links between places, the international mobility of creative workers and the resultant plural societies that increasingly characterize the entire world.

5.6.1 ACCESSING GLOBAL MARKETS

Access to international markets is essential. Even if cultural workers in the developing world only capture a tiny percentage of the global market, this can return much larger sales than even substantial success in their domestic

¹⁷ De Beukelaer (2012: 20).

Message from Mr. Edwin Thumboo

Emeritus Professor, National University of Singapore

Maintaining and embracing interest in the enlarging significance of the arts ranges from their intrinsic value to initiatives and programmes generating economic benefits which in turn provide a direct stimulus to creative inspiration. For a nation such as Singapore, which is richly multiracial and actively engaged with its own continuing formation and rising levels of sophistication, the challenges are unique. Shared by all nations, this vibrant process is especially vital for us on account of the richly varied cultural space. Our multicultural connections and global affiliations create a calculus of what I call “fusion”, in other words a process in which opposing elements come together and fuse. Such a process would be capable of exciting results that add variety and value to the Singaporean contribution. Drawing upon a nation’s creative, aesthetic capital benefits both the art and the industry, but they should be equally attentive to nurturing their primary energies and synergies. It is only thus that they can maintain artistic and creative capital. An additional source for us is the influx of new Singaporeans who bring with them transferable skills that constitute a special capital. That combines with the core already here. Singapore actively positions itself to be at the forefront of such creative activities through various agencies and institutions, such as the Ministries of Education and Culture, Community and Youth, Spring Singapore, National Arts Council, School of Art, Design & Media at Nanyang Technological University, Lasalle College of the Arts, Nanyang Academy of Fine Arts, and School Of The Arts. Overarching all these are the increasing opportunities for the artistic spirit to move with intrinsic satisfaction and at the same time enhance economic and social values, in addition to cultural value.

markets. Such logic stands behind the promotion of export opportunities in much policy-making and writing about the creative industries in the developing world. What matter are the precise ways in which such access is built through agents and institutions – and again, historical links, relationships and path dependencies are paramount. Bound up with market access as such is the artistic recognition that comes with the distribution and consumption of one’s goods and services on distant shores. From this in turn come the recently emergent two-way flows through which artists and cultural producers in the global North are beginning to work increasingly with their developing country counterparts both “here” and “there”. It is through such new reciprocal forms of mobility that international markets can actually come into existence within developing countries themselves, as the case of the African Music Export Office shows in box 5.5.

Language is a frequently encountered obstacle but some cultural forms can circumvent it, for example fashion and artefact production, and world music and cinema. Overlaying such global cross-cultural markets are language-specific international markets, for instance the diasporic markets for Indian and Chinese film and music; Francophone markets throughout North Africa and parts of the Caribbean and Pacific (as well as in France); and the Spanish and Portuguese language markets in South America. French government agencies have for over four decades funded film production in sub-Saharan Africa.

The creative economy builds itself permanently on the sharing and exchange of cultural values, traditions, knowledge and skills among producers and between these producers and consumers. As producers in this sector are most often individuals and small businesses, it is critical to encourage them to cooperate with other local

5.4

The African Music Export Office (BEMA)

BEMA is a network of music professionals. Its founding members are four cultural organizations located in Senegal, Benin, Burkina Faso and Guinea-Conakry, respectively. Together they seek to support the circulation of agents, artists and their works, provide capacity support for professional development and foster the production and distribution of African music products. The initiative provides training and professional advice and organizes tours and attendance of African producers at international professional meetings. It also produces annual compilations, samplers, which are not for sale, but freely distributed to media and music professionals worldwide; these allow African artists to reach an audience beyond their national borders. The founding members also organize music trade fairs in African cities, in order to counterbalance the fact that African producers still have to find their way to music market overseas (usually in Europe) if they want to expand their markets. These annual events complement the professional repertoire on the BEMA website, which serves as “Yellow Pages” for music sector workers on the African continent. The BEMA is an initiative that demonstrates the capacities of a regional network, positioned as an effective intermediary for ‘North-South-South’ exchanges, in structuring and enlarging the market for music producers.

– Jenny Fatou MBaye

producers in order to build their competitiveness, reduce costs and enhance income-generating opportunities. Moreover, enhancing access to international consumers and markets is crucial, given that the greatest demand for many creative industry products will come from visiting foreigners and from consumers in distant markets where they cannot be provided locally. Globalization makes alliances and partnerships essential in order to build efficiencies, productive capacities and competitiveness for national and export markets. Although all the partnering creative industry firms in such alliances retain their autonomy, by working together they can extend their reach into input markets and broaden their access to national and international markets.

Partnerships also allow participating firms to agree on schemes for specialization in distinct market niches. Firms also cooperate indirectly through industry associations that make it possible for them to pool their resources to support capacity-building and certification programmes; present their views to government bodies; be represented in foreign trade fairs enhancing access to new markets;

and serve as a neutral platform for inter-firm communications and transfers of skills, know-how and innovations. While inter-firm partnerships generally take place at the national level between entities operating in the same creative industry sector, with the rapid growth of global creative industry supply chains – for example, in the computer software or tourism sectors – they are increasingly taking place across national borders, between firms in the same and different sectors. Many firms with inter-firm partnership arrangements experience higher growth rates than firms that have no partners. This suggests that inter-firm partnerships can facilitate rapid and sustained growth of micro-level, and small and medium-sized firms.

5.6.2 DIGITAL CONNECTIVITY

Digital means can now build similar experience to the intense social relationships found in highly localized markets for cultural and creative production, where intellectual property protection can well be less relevant than the integrity of the product’s origins (literally, knowing and dealing with who made/composed the cultural product or

service being purchased). Notwithstanding increased penetration of information technologies into the developing world, the challenge remains to harness such technologies to transcend the digital divide – connecting the deep cultural knowledge and skills of vernacular creative producers in diverse parts of the developing world with networks and possibilities of the digital economy. More often than not, digital connectivity is poor, electricity and other basic household services are unreliable, and low incomes prevent households from investing in computer and Internet technologies. Nevertheless, in many settings, community infrastructure with better services, notably schools, community organization headquarters and arts centres, or the commitment of modest resources to buying community-access computers and connecting to Internet services can easily remedy the situation. For example, as in Aboriginal Australia, where many communities with burgeoning art and music production scenes appropriated the possibilities of digital technology to connect with overseas art dealers, festival and music promoters, as well as tourists. By such means, remoteness can be negotiated to permit the emergence of a relatively inexpensive, low-technology form of e-commerce with meaningful impacts for musicians and small arts and crafts organizations.

Digital platforms have enabled creative producers to bypass intermediary traders and dealers (who bear often justified criticism for shady transactions and cutting into the livelihoods of artists), and thereby connect and converse with their audiences directly. Since the advent of the Internet, music production throughout the developing world has been transformed by cheap audio and video recording technologies and capacities to upload film clips to YouTube and other social media/content sharing sites. New telecommunications and recording technologies have helped counteract difficulties of being remote from key creative centres. Music is recorded using free software, often on communally provided computer equipment, and tracks are uploaded onto MySpace and YouTube for distribution. Tens of thousands of “hits” online attest to the success of hip-hop musicians from even the remotest places in finding wider audiences. The iterative/feedback functions of such social media also make it possible for stronger social relationships to underpin forms of cultural production. This form of musical production is less about

churning out cultural products for a distant, impersonal market and hoping for the slim chance of success, and more about building communities of fandom, engaging and exchanging with audiences, including diasporic communities in scattered parts of the world.

5.6.3 MOBILITY AND DIVERSITY

Overlaying these patterns of local-to-global flows are more fluid mobilities of cultural workers (as well as tourists). New media technologies, cheap flights and bilateral agreements for short-term working visas have made enhanced mobility possible for cultural and creative workers, not just within cities or domestic regions, but across national borders. To be sure, this potential not always realized, notably because of visa restrictions. For this reason, Article 16 on “Preferential Treatment for Developing Countries” of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions (2005) enjoins developed country authorities to display a spirit of international solidarity for the creative economy and facilitate the mobility of artists and cultural workers from developing countries who need to travel to developed countries for professional reasons. The Convention’s Operational Guidelines specify that such measures should include the simplification of procedures for issue of visas regarding entry, stay and temporary travel, as well as lower visa costs. These prescriptions are, however, more likely not to be applied than the contrary.

Yet, mobility has characterized professional practice in the cultural and creative industries, especially music, long before present day security anxieties began to make the process increasingly difficult. Musicians and musical forms spread rapidly, often far beyond their apparent origins. Already in the 1930s, Hawaiian music and the rumba were well established in Japan, Indonesian gamelan had become an object of widespread fascination and similar eclecticism occurred elsewhere. The international success of reggae in the 1970s paved the way for increasing integration of international performers and styles into global music industry circuits, from Nigeria, Senegal, Zimbabwe, Mali and Ghana, and the mobility of performers increased accordingly. In more recent years, diasporic migrant links have grown exponentially.

Transnational creative industries have matured into established routes of work and reciprocal aesthetic influence, linking Paris with Dakar; New York with Jamaica and Puerto Rico; Auckland with the Pacific Islands and Darwin with Indonesia, East Timor, the Philippines and Papua New Guinea. Such links provide possibilities for a distinctive form of “multicultural economic development” that is characteristic of cities with dense global connections and large migrant communities.

Their potential can be hampered, however, by the

commercial need for exoticism (which can, against the wishes of artists, unmoor cultural products from their specific origins). There is also the limiting influence of the aesthetic frames, frequently established and policed by global entertainment interests, within which artists from non-Western contexts must present their work in the global marketplace. These limited frames constrain creativity and exclude many nascent expressions. Some artists and musical forms remain totally unknown outside their countries of origin, let alone in the West, for this reason.

9

Message from Mr. Christoph Borkowsy

President of Piranha Womex

For over 25 years, Piranha Womex has been active in promoting diversity and collaboration between small and medium-sized enterprises, be they musical, political, religious, cultural or commercial, across borders worldwide. From our first recording of Stella Chiweshe (an *mbira* player from Zimbabwe) in 1987, via the pioneering summer festival ‘*Heimatklänge*’ presenting world music to a local audience in Berlin, to WOMEX (now the leading world music expo), we have focused on stimulating the development of local creative economies, especially where there is almost none to be found. Ten years after the birth of WOMEX in Europe, we recognized the huge untapped potential and the increasing need for a complementary professional music networking event in Brazil and created the 2005 *Porto Musical* in Recife, Pernambuco, together with local partners. What we have seen in Brazil has now become a worldwide trend. Every year, new events – combining market, conference and festival formats – are being initiated to link-up key local players and connect them with international experts; build capacities and new touring circuits in the region; and boost artist mobility and export. The most recent example is the *Atlantic Music Expo* in Praia, Cape Verde, which was organized in April 2013, to foster cultural collaboration and exchange across the Atlantic between Africa, the Americas and Europe. This was initiated by the Ministry of Culture in Cape Verde and produced by a local company in cooperation with Piranha Womex.

There can be no single universally valid formula to enhance creative industries: a custom-made and hands-on strategy is needed in each case. However, it is crucial that governments understand that culture and the arts are not seen as ‘nice-to-have accessories’, but that they are needed drivers for sustainable business and human development, drivers which lead to income and job generation, better education, social inclusion and positive identity reevaluation. For this reason, integrating *all* actors in a structured policy framework is key. This should take place at the governmental level and in the context of interministerial policies, actions and funding mechanisms, as well as at a local level through cultural entrepreneurship, and finally at a partnership level with experienced international consultants and capacity builders. It is crucial that all actors have to cooperate right from the start of any project. Transparency, a networking process engaging all possible means, and a commitment to a minimum of three initial editions, will be essential elements for sustainability to be achieved.

Surinamese music, for example, was never heard outside Suriname, other than amongst migrants in the Netherlands. Despite being as contemporary and cosmopolitan as any current release aimed at the world music market it has not been taken up at all beyond purely Surinamese markets.¹⁸ Frequently, performers have complained of having to sound and look predictably “exotic” for the world music market. Hence, policy interventions are needed as much (or more) in Western markets as in the developing world itself, to promote the appreciation of cultural diversity as a broader citizenship goal and to educate and enlighten audiences to the pleasures of creative expressions from elsewhere.

The migration of cultural workers from developing world settings also enables culture-led development both in the home and destination countries. The access of African or Latin American musicians to European and North American world music touring markets (usually centred in Paris or New York) has often been a key stage in their career trajectories. In the case of world music, migration has led to the diffusion of work opportunities for performers and recording artists, but also new opportunities as music teachers and as tour guides (the latter exemplified in the phenomenon of expert West African workshop tours to Ghana, led by musicians themselves). The downside to such trends is the risk of artistic “brain drain” through the permanent migration of artistic talent from the places where it was nurtured in the first place. Concern about such cultural impoverishment has declined in recent years, however, as it has become more a question of “brain circulation” than “brain drain.”¹⁹

» 5.7 MECHANISMS, METHODS AND SCALES OF PROMOTION

Specific mechanisms are needed to enable cultural and creative industries to provide meaningful pathways to development at the local level. The specificity of these mechanisms is tied to issues of scale and form of investment, as well as practical opportunities and instruments. These include community initiatives, profit-sharing

schemes, brokering roles and domestic scale enterprises, as well as participatory methodologies for assessing opportunities.

5.7.1 SCALE OF ENTERPRISE

Exactly what scale of enterprise best suits local aspirations is a matter for careful exploration on a case-by-case basis. Unrealistic plans and ambitions can create undue risks. In many cases, successful workshops have remained small, and have resisted entering into debt to upscale production. High prices for carefully crafted goods depend on rarity value – to upscale production otherwise floods the market and undercuts high margins. In addition, increasing production volumes require more credit, advertising, and higher wage bills. Small production units can be run by one or two people, thus lowering overheads and risk. For cultural products and services in wholly electronic format, digital platforms and social media make it possible to access wide markets even from tiny enterprises (or individuals).

In other instances, growth for its own sake can prove problematic. Take the case of indigenous, community-owned enterprises in clothing and fashion, in the form of home-based clothing workshops in Cochabamba, Bolivia. Enterprises drew on the strength of kinship relations to establish production networks; jeans and t-shirts were exported to Argentina and Brazil. The workers in question were *paisano* (young indigenous people from rural communities), who moved to the city, working for low wages while acquiring machine-sewing skills. The domestic scale of enterprise was critical here because few producers appeared to want to expand their businesses, rather they preferred to remain in charge and keep the business in the family. Besides, by confining expansion to the physical limits of the homestead both men and women were able to spend more time with their children. Enterprises nevertheless failed once donor organization credit was accessed to scale up activities to unsustainable levels. A domestic community economy carefully calibrated with kinship networks was supplanted by growth-based credit programmes. Credit agencies increased loans and

¹⁸ Bilby (1999: 256).

¹⁹ ERICarts (2008).

offered more when early loans were successfully paid off, yet the financial crisis (in Argentina in particular), new free trade agreements and customs laws tightening trade of “fake” brand label clothing exposed the micro-enterprises to risk, which was amplified by new levels of indebtedness, adding greatly to the social and economic hardship in the city (Cochabamba) and its rural hinterland. People wanted to use crafting skills at a level that sustained livelihoods and brought in incomes sufficient to improve

domestic environment and quality of life, but instead had become part of a riskier cycle of credit-led growth.²⁰

In other cases, scale necessarily requires substantial investment because of the requisite labour or capital intensity, infrastructure or space requirements, including film and television production. Developing countries stand at a distinct disadvantage when large-scale investment in cultural enterprise is needed. Where the latter is deemed

CASE STUDY

5.5

Fair play for Beninese musicians

Benin’s cultural scene is vibrant and part of the everyday. Small recording studios and music clubs have been popping up around the capital of Cotonou in the last ten years. Influenced by the pulsating sounds of Ghanaian and Congolese artists, Beninese musicians fuse traditional folk with an impressive variety of music, including reggae, hip-hop, funk, jazz, brass band, choral, gospel, cabaret, and rhythm and blues, among others. Their work, however, is highly exposed to piracy and copyright violation. People have difficulty verifying original works and are used to very low prices. Consequently, artists, producers, promoters and distributors do not make a fair profit from their work. World Rhythm Productions (WRP), set up in 2009 in Cotonou, supports audio and video production, distribution, management, promotion, web design and also organizes touring schedules of artists. Its *Proximus Rezo* initiative was supported by UNESCO’s International Fund for Cultural Diversity. The project selected four musicians through a contest and promoted their original CDs. It also created a sustainable sales network by hiring two distributors and setting up 100 display units at hair salons in Cotonou’s popular neighbourhoods where the CDs were sold alongside other local recordings and films, and also promoted through radio and television spots. The project has enabled Benin’s cultural entrepreneurs to promote new talent and create an innovative, sustainable business model. Display units emphasized the value of original works and raised awareness of piracy issues. Bulk production and wide distribution permitted a price tag accessible to locals, which increased CD sales and generated earnings along the artistic production line. Profits are being reinvested in the industry and the approach will be extended to other cultural sectors. Local production companies are also interested in the new network while artists are keen to be associated with it. Sessimé, one of the young musicians selected, says the project “helped me to reach a lot of homes in a short period of time. It gave me confidence in myself, and with the sales proved to me that I could go far with my music.” The first 3,000 copies of her CD sold out in two months. Now busy touring and enjoying her growing success, Sessimé would like to see such support expanded: “I can only pray that the projects which have been set up to develop artistic capacity will receive further support for the benefit of other artists as well.”

Source: International Fund for Cultural Diversity (2012).

²⁰ Laurie (2005).

to be a priority, its promotion needs to be factored into integrated whole-of-government industry and urban development plans, as well as the development aid plans of donor nations, rather than be treated as a discrete initiative. Associated questions are raised of media regulation, freedom of speech and safeguarding pluralism.

5.7.2 TARGETING INVESTMENT ALONG THE VALUE CHAIN

Related to the scale of investment is the question of where investment should be channeled. One option is to prefer sectors, e.g. music, that tend to rely less on sophisticated infrastructure or capital-intensive investment. As digital means of production become cheaper and more widely available, fewer substantial recording infrastructures are required for commercial quality releases, meaning more decentralized participation is possible. The risk is what is known as *strategic overproduction* – the tendency in creative industries with low barriers to entry, notably music, writing and acting, to exploit extreme surpluses of labour given the few available opportunities. If widespread investment occurs it must come with the concomitant recognition that only a very small number of individual artists/creative producers are likely to breakthrough to wider success. Critical mass can be attained by treating cultural and creative work as a distinct category requiring widespread participation (through for instance, income support), and which recognize the intrinsic cultural value of widespread participation in cultural life. The goal is to seed a vibrant local scene, in other words, rather than attempting to “pick winners” (the latter a difficult, if not futile, task). The logic is therefore to develop local music industries for a range of local economic development and intrinsic cultural reasons, rather than investing hope for massive export returns, or success from a limited number of selected cases (as demonstrated by the *Proximus Rezo* initiative described in box 5.6). Here, individual cities or regions could be fruitfully imagined as experimental spaces for the cultivation of grassroots cultural and creative industries.

As the *Proximus Rezo* example shows, it is no longer

always wealthy western audiences or benefactors that provide the most lucrative markets: local people with less disposable income may buy fewer cultural products on a weekly or monthly basis, but paradoxically sustain the market for more expensive items, typically bought for special occasions, such as weddings, gifts, anniversaries and important visitors. In some sectors a smaller number of local customers purchasing expensive, high-value items can be a pathway to more meaningful and sustainable forms of development than seeking high volume export markets, as reflected in the case of handicraft production, visual arts and sculpture.

Investments have tended to be directed towards the content creation and production stages of the value chain, whereas it might have been more effective when targeted towards other segments, especially the role played by cultural intermediaries. When creative industries in developing countries are based upon deeply rooted traditions, the impediments to their flourishing are related so much to entry or production, but rather the packaging, marketing and distribution of their products. In sub-Saharan Africa, for example, sustained financing by the French government of the production phase of film-making has created “an elite category of filmmakers, but a lack of material and infrastructural development in the countries themselves.”²¹ As a result, local distribution structures are weak and post-production takes place in Europe, perpetuating unhelpful dependencies further down the value chain (see box 5.7).

5.7.3 OWNERSHIP AND MANAGEMENT STRUCTURES

The activities and cultural goals of major corporate investors do not often match on-the-ground aspirations. Different forms of micro-enterprise and community ownership are more likely to sustain creative output. The examples of local art centres and community broadcasters provide one template. Other institutions in the developing world provide similar means to community, non-profit or stakeholder ownership and management: in the case of community radio in West Africa, for instance, schools,

²¹ De Turégano (2008: 116).

5.6

African cinema today

As it is everywhere, the current situation of African cinema has been greatly influenced by deep and rapid technological transformations. These changes question an understanding of the form itself. Is cinema to be defined according to format (celluloid, digital, video, etc.), its medium of circulation (theatre hall, TV, DVD), or to the genre that defines a film's content and narrative structure? Any assessment of the state of cinema in Africa today must address these much-debated questions. In terms of celluloid films for theatrical circulation, the situation is dramatic. Most cinemas closed down between the end of the 1980s and the mid-1990s, and have been transformed into churches and shopping malls. In terms of production, apart from South Africa, where relatively stable film industries have long existed, there is next to no ongoing production. France, which used to be the main funder, has dismantled most of its film cooperation programmes, and the European Union film fund and other similar initiatives cannot replace them. In a more up-to-date definition of cinema that encompasses digital productions for circulation via theatre and community halls, informal screening venues and DVDs/VCDs support, Africa on the contrary is experiencing a veritable explosion of film production. Beyond the well-known Nigerian video industry (Nollywood, see box 1.1), digital video industries have emerged, or are in the process of emerging, in Ghana, Kenya, Tanzania, Uganda, Ethiopia, Cameroon, Benin, Côte d'Ivoire, Madagascar, Sierra Leone, Gabon and the Democratic Republic of Congo. While most of the production tends to look more like it was destined for television rather than cinema, it must be recognized that this continental phenomenon is for the first time creating a commercial space for the development of local film industries – a space that is rapidly transforming and which might have unexpected consequences for the future of African cinema in general. In Nigeria, for instance, producers have begun to increase their production budgets in order to target theatrical distribution in the new multiplexes built over the past decade. In Ethiopia, video producers have revitalized cinema-going culture, and commercial competition for attracting audiences is pushing directors toward the sophistication of film aesthetics and contents. Similar processes can be observed in Ghana, Kenya and Tanzania. Hence, the future of African cinema depends on the convergence of the two definitions and the coming together of the professionals operating under each of them. In fact, the conflict between the two is often a generational one between, on the one hand, older, better trained and intellectually sophisticated celluloid film directors and, on the other hand, younger, generally self-trained and highly entrepreneurial producers, directors or distributors. The first have the knowledge and technical skills, but are unable to reach audiences and build sustainable enterprises; the second have created an economically viable system, but are still unable to bring their production to internationally acceptable aesthetic and narrative levels, thus missing the opportunity to modify the global media discourse on Africa.

– Alessandro Jedlowksi

universities, churches, cooperatives and unions have funded local broadcasting initiatives. Another striking example is that of community cinema in Latin America and the Caribbean (see box 5.8). As in the broader

economy, commitment to an enterprise (including its mix of economic, social and cultural goals) correlates positively with forms of member ownership and profit-sharing arrangements.

5.7

Latin America's community cinema

As rapid advances in technology make it easier for local people to create their own audio-visual products, Latin America and the Caribbean in particular have seen the flourishing of community cinema driven by indigenous peoples, women, young people, Afro descendants, migrant workers, people living with disabilities and many others that are far too often overlooked by mainstream media. A groundbreaking study on this phenomenon has recently been carried out on the experiences of 55 communities in 14 countries: Argentina, Plurinational State of Bolivia, Brazil, Colombia, Cuba, Chile, Ecuador, Guatemala, Mexico, Nicaragua, Paraguay, Peru, Uruguay and the Bolivarian Republic of Venezuela. The study was devised by the Cuba-based nongovernmental organization *Fundación del Nuevo Cine Latinoamericano*, with support from UNESCO's International Fund for Cultural Diversity (and is available from www.cinelatinoamericano.org/ocal/texto.aspx?cod=16630). It reveals a dynamic world of audio-visual production, with communities creating documentaries, feature films, television content and much, much more. Likewise, it found that dissemination was diverse through networks, film clubs, cultural centres, churches, unions, festivals, showcases, special events, schools and other educational spaces, electronic means, DVDs, and websites. Often, though, it was not the end product but the production process that was paramount. At the heart of this process is community participation. For example, the Mascaró group in Argentina organized screenings with people who gave their testimonies as part of an audio-visual project they were developing. The idea was to test and discuss different ways of articulating and editing the material. "Community cinema reflects the intimate relation between communication, culture and social change," stresses Alfonso Gumucio-Dagron, the coordinator and one of seven researchers who carried out the study into the region's growing community cinema sector. Community cinema invigorates communities' identity and organization, often improving their sense of self-esteem and self-confidence. Community cinema also reaches beyond the groups themselves. It enables a wider public to identify with stories that are not covered in mainstream media. The study therefore observes that public policies and laws promoting communities' rights to communicate are urgently needed. "The research strengthens the notion that cinema is no longer the privilege of a few professionals ... but a way of communicating that belongs to all peoples and communities of Latin America and the Caribbean," says Gumucio-Dagron.

Source: International Fund for Cultural Diversity (2012).

» 5.8 REALISTIC MAPPING OF LOCAL ASSETS

The 2010 Create Economy Report comprehensively discussed the national challenge of developing a robust evidence base that allows the case for the creative economy to be seriously argued – in the same way, for example as the health or education sectors are able to. It also

benchmarked the tools that are required to monitor the sector's performance and demonstrate its value added.

At the local level, to be sure, such basic data is equally conspicuous by its absence and therefore similar techniques and methods need to be put in place. But at the local level, there is another kind of knowledge gap as well. For creative industries cannot be built successfully out of mere acts of political will and the financial investment that

5.8

Mapping the creative economy of Barbados

The Government of Barbados has recognized the potential of the creative sector to contribute to the island's economic development for some time. The National Strategic Plan 2006-2025 highlighted the importance of culture and creativity to the ongoing economic development and global competitiveness of the island. However, despite this the economic impact of the sector has never been mapped. Consequently, the case for investment is increasingly difficult to make. Without a base point from which to measure the impact of policies and interventions can only ever be anecdotal, especially against the current background of having to carefully husband scarce economic resources. For this reason, the Ministry of Family, Culture Sports and Youth of Barbados sought technical assistance from UNESCO's Expert Facility on the governance of culture in developing countries, funded by the European Union. The starting point became the need to develop a broad understanding of the creative sector, extending beyond economic mapping alone. This meant examining the relevance of telecommunications and broadcast policy as equally critical mechanisms for the development of creative and cultural industries and the preservation and promotion of cultural diversity. Used in the right manner, triangulated policies across the areas of broadcast, culture and telecommunications can stimulate independent production that speaks both to local needs and has the potential to project the local into a global environment. Equally important was an examination of the role of government agencies and how the mandate of those agencies was aligned to contribute to this development. It was apparent that to ensure the needs of creative businesses were properly served requires a business focus that a cultural agency may not be able to provide, without damaging its cultural role. Barbados is now taking forward these recommendations and creating a dedicated agency to support the development of creative businesses, working in tandem with other agencies (cultural development, export, intellectual property, etc.), while taking the lead on the strategic development of the sector in commercial terms.

– Andrew Senior

accompanies it. An essential first task is to map out on a detailed and case-by-case basis the structure and functioning of the local economy along with all the sources of the increasing-returns effects it contains. As in the case of Barbados, for example, is illustrated by box 5.9.

At the grassroots level, the issue is how to map cultural, physical, institutional and economic assets, both existing and potential, that enable effective policy development, as well as the size, once again both existing and potential, of the market. In other words, it is a challenge on both the supply and the demand side.

A particularly useful approach to the audit of local cultural

assets is the technique known as *cultural asset mapping*. This starts from the premise of active control over knowledge generation by communities, who then pursue conversations around assets that could be used or built upon, together with evidence of the strengths and capacities of the community. Collaborative and consultative activities (involving local citizens, municipal officials and NGO representatives) are needed to make these goods and capacities visible, and to determine their volume as well as their vulnerability. Such activities include concentrated workshops and open forums, as well as systematically organized mapping in the literal sense of the word, which has the advantage of rendering what is

elusive or intangible as concrete, tangible “data” in map form. The methodology has been circulated and debated in development studies and practice for nearly a decade, and is now being widely adopted in the sphere of cultural industries research and planning.

Assets include people and practices, heritage and traditions, environmental qualities, business and physical infrastructure, local associations and institutions. Physical assets include built heritage and geographical advantages (where such conditions as remoteness could be either barriers, or assets, depending on the context). In most developing country cities the absence of old or dilapidated industrial buildings means that creative re-invention along

the lines of the European model is not appropriate. Instead, as cultural mapping often reveals, cluster assets exist in lower-density suburbs around prosaic spaces of intercultural exchange, including migrant food markets. In mapping exercises conducted with the San people (Botswana) and the Ogiek (ex-hunter gatherer people in Kenya), both the process of mapping and its results became a “means to reinvigorate intergenerational and inter-gender dialogue and – most importantly – a way to bring tacit knowledge to the surface that may not have been taught or even verbally expressed before.”²² Such methods are time intensive, and have the potential to create disagreement and division over what constitutes an “asset”. Some still see community practices not as assets

CASE STUDY

5.9

The Gauteng Creative Mapping Project

The *Gauteng Creative Mapping Project*, a study commissioned in 2008 by the government of South Africa’s Gauteng province in partnership with the British Council, quantified the contribution of the creative industries to the economy. A secondary aim was to gather information on perceived needs and obstacles to ensure the alignment of policy and programmes to the needs of the sector. Owing to the lack of official statistics or across-the board industry figures, the mapping was based on in-depth and firm-level surveys across the following sectors: visual arts, performing arts, cultural heritage and tourism, multimedia, music, craft, audio-visual, publishing, design and fashion. It revealed that these sectors contributed over US\$ 3.5 billion (at today’s rate of exchange) annually to the province’s economy, and created direct employment for more than 60,000 people in over 11,000 firms and organizations. The cultural tourism and heritage, design, audio-visual, craft and publishing and print media sectors were the largest employers. The majority of them are owned by white South Africans; over 35 per cent by people under 35 years of age and slightly less than 70 per cent by 1 or 2 people. Only 54 per cent reported that they were members of professional and/or industry associations and 86 per cent report that the majority of their workforce was not unionized. Slightly more than a quarter operated from home-based studios or workshops, 46 per cent from rented premises and 23 per cent from premises that they own. The design and sectors made up a significant proportion of this figure. It was noteworthy that 53 per cent of the creative workers were women, 47 per cent young people and 15 per cent of firms employed people with disabilities. Forty-seven per cent of all employers were under the age of 35 and 15. Most workers were employed full-time, yet many were freelancers. Compared with general employment in Gauteng and the tertiary sector in particular, the sector showed a more equitable work environment for women. Of the total number of people

²² Crawhall (2009: 22).

5.9

The Gauteng Creative Mapping Project*continued*

employed in the tertiary sector, 50 per cent were women primarily concentrated in the wholesale and retail sector and in private households. In terms of organizational stability, 44 per cent had been trading for 10 years or longer. Significantly, 34 per cent were less than 4 years old, an indication of the rapid growth of enterprises particularly in the sector. The creative industries are generally regarded as being dependent on government grants as a source of income, however only 25 per cent of firms and organizations indicated that they had applied for funding over the last two years. When asked why, 63 per cent indicated that there was no need and 18 per cent that they did not apply because they were certain of failure. The study also found that creative workers lacked access to capital, and were constrained by high telecommunications costs, as well as other overheads. More than half the companies that participated indicated that they needed help with marketing their products and with expansion. Income was primarily derived from direct sales and services, while grants from government and funding agencies contributed 7 per cent of primary income and 9 per cent of secondary income. Hence, the sector was not as dependent on government grants as generally thought. All its segments showed reasonably high levels of export activity focused primarily on the large consumer markets of the European Union, the United States and Canada. Over a quarter exported to the African continent. The performing arts and multidisciplinary sectors benefited the most from funding allocations by the National Arts Council (NAC). Over 40 per cent of these funding allocations was awarded to Gauteng-based artists, companies and organizations, and over 60 per cent of the organizations reported that they had no debt. The visual arts reported the least debt and the print media and publishing the most. Over 70 per cent had not applied for credit from a financial institution in the craft previous two years; entities in the audio-visual, cultural tourism and heritage, craft, music and design sectors were the most likely to apply and 77 per cent of those applying were granted loans. Both the applications for loans and the success of these applications increased with the size of the company, although both levelled out once a firm became larger than 20 employees. Hence, the probability of success for firms with more than 20 employees is approximately twice that of smaller firms.

– **Avril Joffe**

but as obstacles (and in any case ancient customs should never be viewed as an uncontested essence of village life). The challenge is to develop frameworks where the process of seeding creativity is not too sanitized or pre-ordained, and where new views can be accommodated. Cultural asset mapping involves drawing “people into an active engagement with broader possibilities based on their existing resources. They are no longer just statistics or beneficiaries, but are men and women whose rich cultural

and social lives define them far more than their narrow economic roles.”²³ We need to think less in terms of “needs” (with its implied connotation of passivity and dependence) and more in terms of positive capabilities. Another benefit is in creating opportunities to generate a community debate on the value and purpose of culture for development, situating the creative industries within a broader mix in which aspirations and goals are articulated. Box 5.9 explores such a process.

²³ Kelly (2005: 39)

A number of reasons have been suggested for the different success rates seen in the Gauteng Creative Mapping Project. First, the nature of small firms, which are less likely to have collateral are more risky as a group (small firms are more likely to fail than larger firms), and may not have the resources or time to apply for a loan. These factors will all discourage loan applications, either because the firm believes the process is too time consuming with little financial benefit, or because they may not be able to afford the higher repayments that are required to compensate the banks for the increased risk. The second set of reasons may be because the banks do not understand the risk profile of small firms in the creative sector. They may assume that these firms are more risky than they actually are and thus not lend to them. The third reason is that small firms may not view themselves as needing a loan or being able to productively use a loan; they are likely to be focused more on survival rather than expansion. In terms of obtaining capital from sources other than financial institutions, 22 per cent indicated that they had approached informal sources, such as family and friends, and 75 per cent of these approaches were successful. Informal loans, from friends, relatives or other informal sources, were a less common source of funding than bank loans. However, close to one-fifth of the sample had applied or asked for an informal loan. The fashion, music and design sectors were those with the highest proportion of informal loan applications. The Project has helped support creative industry programmes run by Gauteng's Department of Sports, Arts, Culture and Recreation, as well as to develop content for these programmes based on needs and opportunities. But as its report has never been formally launched nor its findings officially reported by the authorities, it has yet to help individual sectors or cultural workers and artists to strengthen and grow their enterprises.²⁴

As regards the demand side, each place needs to reach out to consumers, in other words to market locally, nationally, regionally and increasingly globally as well. This is a special challenge when it comes to cultural products, which are subject above all to *symbolic* rather than utilitarian criteria of consumer evaluation, and in many cases are dependent on peculiar kinds of infrastructure and

organizations for their transmission. As global competition intensifies, effective distribution is critical to survival and indispensable for growth.

>> 5.9 DEVELOPING SKILLS AND CAPACITIES

What makes creativity prosper? To be sure, many generic industry policy precepts for small and micro-enterprises could apply. A better answer, however, is that because the creative industries are so new in many ways that there is no existing branch to “borrow from”. Questions of scale are also important here: because creative enterprises start from such a low base (although their growth rate is significant) they do not generally benefit from critical scale economies. Take the typical focus on strategic domains such as: (a) trade liberalization; (b) removal of barriers to human mobility; (c) tourism enhancement; (d) promotion and protection of intellectual property; (e) trade facilitation; and (f) development of physical infrastructure. A certain scale is required before most of these strategies can even begin to come into play; the challenge then is to provide a stepping-stone to allow these small and micro-enterprises to reach that stage. Local capacity-building, therefore, is about investing in skills, education, training and infrastructure so as to allow the creative industries to grow and operate in a wider context. Targeting resources where they will have the greatest impact requires an in-depth understanding of particular organizational forms, economic and cultural challenges and opportunities. The critical factors hinge on three domains: skills, networks and community.

5.9.1 SKILLS

An essential building block of any creative or economic activity is skill or human capital. Whilst some generic business organization skills are likely to be already present in many economic domains, the specific needs of the creative economy are not so easily met. A common challenge for firms or entrepreneurs is that of not being able to benefit from the economies of scale that underpin

²⁴ Based on communication with Avril Joffe

the availability of more generic skills. This problem is faced in the global North as well. Moreover, even if creative industries training or education was available, access is often difficult because of cost or location. The types of skills needed and the support mechanism to deliver them relate to technical, entrepreneurial and leadership skills.

Technical skills

The range of technical skill development is as wide as the local creative economy, and potentially wider if new developments are to be encouraged. It includes among others the performing and visual arts, crafts, audio-visual, design, advertising, publishing, fashion, music and new media. Some of these have a correlate in the normal school system, and the few institutions that specialize in post-compulsory education in the arts. At the Institute for Music and Development in Accra, Ghana for example, the Orff Africa technique represents a new approach to the teaching and learning of music.²⁵ Combining music, drama, movement and speech into lessons, it provides musical education in a natural and comfortable environment. The Institute organizes annual lectures, workshops, and seminars using this approach and has attracted musicologists, music teachers, musicians, academics, students and other professionals. The Liberia Visual Arts Academy, a non-profit organization, works with the Ministry of Foreign Affairs and the Ministry of Education to train young Liberians in the visual arts as a means to empower themselves, contribute to the creative vision of their communities, and promote understanding across cultures.²⁶ Courses currently cover drawing, painting and photography but will be expanded to include modern communication and design technologies. Students are taught about historical practices of indigenous art of the region, as well as international trends in contemporary art and design. In Burkina Faso, there are two training programmes that specifically focus on the arts. One of these is a professional three-year theatre training programme launched in 2009 in Ouagadougou by the *Espace Culturel Gambidi (Centre de Formation en Arts Vivants – CFRAV)* to train professionals and improve the artistic quality of theatre

productions.²⁷ The school has attracted students from Mali, Chad and Cameroon. To date the entire first graduating class is employed in the theatre sector and several graduates have even been able to work abroad in Europe.

However, the entire creative economy skill set is only covered in a few cases, especially in the digital field that often has the most economic potential. The range of technical skills that are in demand, include stage and lighting design, marketing, sound engineering, gallery management and curatorship. Aside from the obvious skill gap, the lack of these activities may create reliance on out-of-country solutions. For example, the lack of recording engineers in Senegal has held back its music industry; engineers had to be imported or artists had to travel abroad to record. Not only does this break a vital feedback and learning route, but also undermines an opportunity of local skill development.

Based in Pikine, Senegal, the association Africulturban has recently created a “Hip Hop Akademy” that offers training for young people in information and communication technologies.²⁸ Focusing on digital skills, it offers a training workshop in graphic design, sound design, music and video production, promotional management and marketing, DJ-ing and English language. The objective of this original programme is to train future professionals in hip hop music, and more generally urban culture, so that they can perform in a market that is in perpetual artistic and technological evolution. With the support of both local and international partners, the training offers both theory and practice, through empirical case studies, such as making of a video clip for training in video production, or the production and recording of a music compilation album. Established a decade ago in Dakar and supported by UNESCO’s IFCD, the Kër Thioassane multipurpose centre has become a hub for digital creativity. The NGO has trained some 100 African artists to integrate multimedia into all art forms. An online platform, *Ci*Diguente*, where African and Caribbean emerging digital artists can network and showcase their work, has also been set up by the project, promising the sustainability of the initiative long after its completion.

²⁵ <http://www.imdgghanaonline.org/whatwedo.html>

²⁶ <http://livarts.org>

²⁷ http://www.defasten.com/ecg/_htm/cfrav.htm

²⁸ <http://africulturban.wordpress.com/>

Entrepreneurial skills

Entrepreneurial skills development is also essential. In the context of a developed economy the notion of entrepreneur denotes a successful self-made businessperson. However, in the global South it is used to describe pioneering artists and those creating opportunities for themselves and others. Hence, the idea of social and economic entrepreneurship is key, particularly in the cultural sphere where innovation in cultural forms is as important as in the economic and the social. Moreover, social and cultural entrepreneurship works across the boundaries of the for-profit and not-for profit sectors, as well as the formal and the informal sectors, often providing a bridge between

them. Of all areas of local capacity-building, entrepreneurship training is probably the best recognized and most commonly found. In many respects it is allied to the technical skills needed to support creative business. It includes strengthening the role of artists, creators and cultural agents through awareness-raising, training, greenhousing of entrepreneurial projects and providing specialized advice. It is also a strand of activity supported by the European Union and national agencies. The British Council has a notable Young Creative Entrepreneurs programme. At the GoDown Arts Centre in Nairobi described in box 2.4, the programme seeks to equip creative individuals with skills, knowledge and networks to take

CASE STUDY

5.10

Buenos Aires supports content producers

Following Argentina's 2008 ratification of the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions, in 2010 the government adopted legislation requiring TV channels to broadcast three hours of content for children each day, 50 per cent of which must be Argentinian. Whilst the cultural diversity objectives of the legislation were praised, the impact was predicted to be somewhat different from that envisaged, as the legislation was likely to diminish the audience for local content rather than enhance it. This was for one simple reason: the production capacity of the sector wasn't great enough to match the need for contemporary content that spoke to the interests of the local audience. The situation was exacerbated by the paucity of commissioning budgets of local channels. Quite simply, the demand created could only be filled with low-quality content that could never satisfy the current cultural appetite of children and young people. The situation was further compounded by a failure of policy to reflect the changes in patterns of consumption that are changing the nature of industry and the business models that underpin successful production. Research clearly shows that young people are choosing to consume content on mobile platforms, with a blurring of the line between digital content forms as they segue from movie to music to game to book.

As a result, the City of Buenos Aires requested technical assistance from UNESCO's Expert Facility on the governance of culture, funded by the European Union, to elaborate a new programme of support for content producers tailored both to real market opportunities and to stimulate the development of future-focused creative businesses that take advantage of new mechanisms for distribution and consumption. The first stage in this process, which began in November 2012, initiated a dialogue with the industry and has created a network for creative audio-visual content for children and young people in the city.

– **Andrew Senior**

their practice to the next level. It seeks to build skills and develop entrepreneurial capability by imparting a better understanding of the creative industries, share experiences and knowledge for the networks and partnerships necessary in order to create and sustain creative projects and the provide tools and the technical vocabulary to function in the industry.²⁹

Critical business skills include the capacity to elaborate a convincing business plan, to develop a marketing strategy, to be able to negotiate with banks and other funders, or envisage public-private partnership arrangements. Under the Promotion of Cultural and Creative Industries (FOMECC) Programme in cities located in Colombia, Honduras, Niger, Peru and Senegal, about 100 cultural and creative businesses have been launched.³⁰ An even larger number of already existing enterprises have benefited from training (on financial and cultural management, communication and marketing, legal environment), support (for professional structuring and management over a six-month period), and advice (occasional and free expertise for business plan development, strategic orientation, technical assistance). Box 5.10 describes a recent initiative developed by the city of Buenos Aires.

Leadership

Leadership is also a critical requirement for cultural enterprise. Africa's Arterial Network has initiated a three-year cultural leadership programme supported by the European Union comprising of cultural leadership, train-the-trainer and entrepreneurship programmes with its partners in each of the five Africa regions, namely AFAI in South Africa serving southern Africa; Casamémoire in Morocco, serving North Africa; Groupe 30 Afrique in Senegal, serving West Africa; Doual'art in Cameroon, serving Central Africa; and the already mentioned GoDown Arts Centre in Kenya, serving East Africa. The programme aims to develop skilled leadership able to effectively formulate and implement policies and strategies, and to manage civil society organizations and public institutions. The intended beneficiaries include arts professionals and government officials

responsible for culture. Its "train-the-trainer" component covers the topics of fundraising in the arts, marketing in the arts, project management in the arts and networking and advocacy in the arts. Courses are designed to develop regional training hubs.

5.9.2 NETWORKING

The train-the-trainers initiative illustrates the link between individuals and networks, where the latter offer not only networked training but also new opportunities for peer learning. Networking involves linking individuals and communities, both in places and across places. It is a prerequisite to the "scaling" of economic activities, something that small-sized creative enterprises need in order to grow. This does not simply include just identifying export markets, for example, but also finding paths to enter them, and the means of developing demand for new, or unfamiliar products. Three forms of support for networking can be identified.

Buildings and clusters

The first of these is deceptively simple: finding buildings to serve as the core infrastructure where creative workers can meet, network, or be trained and can themselves practice, perform or exhibit. Gaps in provision need to be identified. Many new art forms cannot develop without the creation of some new specialist provision. Support for the growth of cultural activities requires a range of spaces. Moreover, clustering such activities in one place or building creates a sense of community and stimulates peer-to-peer learning. A number of initiatives have recognized the critical role of spaces, often as workplaces, for example the Reemdoogo music garden in Ouagadougou (see box 5.11).³¹ Such initiatives are also common in disadvantaged settings in the industrially developed world, as described in box 5.12. Another example is The Creative Space, a free, non-profit educational programme in fashion design, based in a workshop in Beirut.³² Combining work and education in order to provide opportunities to those who lack such resources, the Creative Space allows fashion

²⁹ <http://creativeeconomy.britishcouncil.org/creative-entrepreneurship/young-creative-entrepreneur-programmeme/>

³⁰ <http://www.fomecc.org/>

³¹ <http://www.reseauculture21.fr/wp-content/uploads/2009/11/Reemdoogo.pdf>

³² <http://creativespacebeirut.com/>

designers the rare chance to collaborate in creating a fashion collection. It offers them a place where they can not only further their experience, but also practically earn a basic living. An exhibition showcasing the work of its students at the end of each cycle also involves an auction in which the proceeds are divided between the

students and the programme. Besides these streams of revenues, this educational initiative is supported by donations and individual cooperation of private designers and artists, as well as by the New School of Design in New York City.

CASE STUDY

5.11

The Reemdoogo Music Garden, Ouagadougou

Social and economic development in the capital of Burkina Faso, together with the communications revolution had led to a range of contemporary cultural activities involving libraries, video clubs, concert halls, cinemas, art galleries, etc., as well as significant digital audio-visual production. The cultural vitality of the city's 1.5 million people had also led to the creation of a number of festivals, notably the FESPACO (box 2.5), which have made it something of a cultural crossroads, not to speak of the jobs created or the income earned. The *Salon International de l'Artisanat de Ouagadougou (SIAO)*, for example, is thought to bring in more than US\$ 1.5 million in annual receipts. City authorities have exploited these cultural assets and have put in place well-thought out heritage preservation and presentation programmes together with support to contemporary artistic work. It has also put in place several innovative mechanisms. The first was a central *médiathèque* networked with six other access points across the city. Recognizing the potential for enhanced development of the music sector and with the help of various foreign partners, including UNESCO and the city of Grenoble, they started work in 1999 on the establishment of the Reemdoogo as the second core infrastructure project. It now supports and structures urban music-making by allowing musicians and music sector entrepreneurs to meet, professional information to circulate and networks to be built around music production. It offers rehearsal and production spaces, for live performance, and a resource centre and music shop, together with a garden and restaurant as well to allow participants to meet and mingle. It has also created an entrepreneurship incubator in cooperation with the local chamber of commerce and the country's ministry of culture. Apart from its capacity-building and revenue outcomes, the Reemdoogo has also had a positive impact on the neighbourhood by providing a near permanent musical offering, as well as street lighting and paving. Its success has stimulated the idea of a third infrastructure project: a multi-arts centre. Together they will constitute a vital arts production cluster.

– Francisco D'Almeida

Networking for financial services

Small enterprises cannot benefit from the economies of scale that larger companies enjoy, allowing them to afford in-house specialist administrative and management skills,

such as accountancy, legal advice or logistics. The principals of many micro-enterprises are often artists whose own work comes first and who often go into business to have a hands-on approach, not to get engaged in administration. But these skills are often in short supply

5.12

Creative Factory Rotterdam

Rotterdam's *Creative Factory* project, established in 2008 in an abandoned grain silo, has created a raft of new full-time jobs in one of the most deprived areas of the city and has provided a working space for over 180 small companies over the last five years. The project is a public-private partnership between the government, private businesses and educational institutions that aims to house a range of creative industry companies in a single building. Most of these companies are housed in shared open spaces, and desks can be rented at rates as low as Euros 110 per person per month for all services: Heating, electricity, Internet, security, reception, meeting rooms, coaching and business match-making. No subsidies are involved; the company that manages the project is privately owned and rents the building from the city of Rotterdam. Its impacts include the rapid growth of creative companies, including affordable office space for start-ups, the enhancement of the surrounding inner-city area, stimulation of career development, collaborative cross-overs between different industries and increased visibility for the sector.

Source: EUROCITIES (2010).

in the economy at large and external economies of scale (many other companies doing similar things and creating sufficient demand for independent intermediaries and services) may not exist. Hence, opportunities for growth and development may not be found inside every firm, but as part of a community economic resource. Set up in collaboration with the Danish Centre for Culture and Development and the Institute for Music and Development and managed by the ARB Apex Bank in Ghana, the Ghana Cultural Fund is a micro-credit fund for the music industry.³³ It can be accessed by musicians and music professionals for viable projects, strengthens intercultural relations, mutual understanding and promotion of democratic values through contemporary arts and preservation of common cultural heritage. A number of initiatives have been supported by WIPO to raise awareness, and help support local collecting societies and artists' rights societies. These initiatives, such as one developed in collaboration with CERLALC in Ecuador and Paraguay aim to build expertise in copyright protection, support the

operation of collecting societies, and help content creators engage with new technologies of distribution and sales.

Trade fairs/showcase events

The creative industries always need to develop new audiences and markets. The means to do so, as cited in Chapter 4, include trade fairs and showcase events (often festivals) that bring together intermediaries or consumers together with aspirant market entrants, often acting as gatekeepers to important new markets and audiences. In Latin America, the UNESCO-supported *Centro Regional para el Fomento del Libro en América Latina y el Caribe* (CERLALC) has, amongst other activities, worked with UNESCO to produce a series of guides to draw benefits from book fairs and how to deal with new online publishing channels.³⁴ Similarly, the already mentioned African Music Export Office (BEMA) supports and nurtures the career of local operators and the circulation of African music within African and worldwide. Under UNESCO's Global Alliance for Cultural Diversity, the partnership

³³ <http://www.gdcfonline.org/projects.html>

³⁴ <http://www.cerlalc.org>

between BEMA and the World Music Expo (WOMEX) is being strengthened in various ways: a dedicated conference at WOMEX and coordination meeting with music export offices and national promotion agencies, promotion of African music albums, etc.

5.9.3 COMMUNITY

While the role of culture in promoting community cohesion and well-being has been amply recognized, the converse is equally important: how the community context enables or constrains the creative economy. Trade rules and regulations may inadvertently disadvantage cultural enterprise. The social sphere may as well. Hence, attention needs to be paid to policies that concern welfare, work conditions and pensions as well as to the commitment and leadership of civil society organizations that work across the for- and not-for-profit, the formal and informal, or the public and private sectors.

Civil society

Since civil society energies drive community action and are often the source of much cultural activity, supporting civil society activities have a capacity-building impact in their own right. One of the challenges is funding such programmes. Africulture, for example, is supported by public institutions (local and national), European donors, as well as not-for-profit organizations, as well as the private sector. In Burkina Faso the financial sustainability of the *Espace Culturel Gambidi* programme is fragile as most students are not able to pay fees. Yet the programme allows them to participate in the international theatre festival organized by Gambidi. The *Ecole de Danse Irène Tassebedo* was launched by a Burkinabè choreographer who had a very successful international career before deciding to return and it supports itself by offering a range of classes for wealthy local amateurs. In Cambodia, *Phare Ponleu Selpak*, established in 1994 by young Cambodians that practised art in the refugee camps, is a cultural organization that empowers young people and combats poverty by providing multidisciplinary arts training and opportunities. It teaches circus skills, dramatic arts,

music and a range of visual arts. It was one of the 2012 awardees of the Prince Claus Fund for Culture and Development. As the latter's Awards Committee reported, the organization has become a cultural and educational resource with far-reaching impact. Its art gallery in Pnomh Penh and its public performances inspire people whose memories are fraught with the images of war and destruction; its graduates have acquired income-generating skills and are now also able to teach, perform or launch new initiatives.

Education

As it has in the global North, but even more so, the provision of specialized educational and training programmes has lagged behind needs in the developing countries. We have already noted that basic skills and advanced training is an emergent part of many local capacity-building activities. As the Africulturban example illustrates, one of the significant challenges to skills development, especially in the creative sector, is relatively high cost, which puts it out of reach for the majority of young urban citizens. An organized and networked civil society organization is capable of drawing together complementary energies to open up what might otherwise be elite educational programmes (such as graphic design or video/music production) to a wider section of the population.

Whilst international training programmes are generally useful, in-region education is preferable. There are few local arts management or training programmes in developing country settings. A prominent example of such a programme is a joint initiative of Business and Arts South Africa (BASA), the South African government and the private sector that recently published an Arts Sponsorship Management Toolkit, freely available online.³⁵ BASA is also supporting organisations in Zimbabwe, Botswana and Zambia. Within Africa, other examples are The Higher Institute for Arts and Culture in Mozambique and the University of the Witwatersrand's postgraduate programme in cultural policy and arts management; the Aga Khan University is developing a course in the development of the creative economy in East Africa, while The Great

³⁵ www.basa.co.za

Zimbabwe University is developing an arts and culture management programme.

The challenge of education must also be seen in a broader compass. The challenge is largely but not only a matter of reorienting higher education as a whole to better prepare the next generation of university graduates with skill sets that enable them to function effectively in and for the cultural and creative industries. How to put in place locally-grounded arts education that right from the primary level nurtures aesthetic, socio-emotional, socio-cultural and cognitive skills of the sorts that foster the multi-faceted forms of cultural awareness and creativity this Report advocates? According to the Dakar Framework for Action adopted in 2000 under the “Education for All” programme, learning in and through the arts can enhance active learning, a locally-relevant curriculum, respect for and engagement with local communities and cultures, and trained and motivated teachers. This reasoning was carried further by the 2006 World Conference on Arts Education, and the “Road Map for Arts Education” underlined the need for arts education curricula and methods that not only equip young people with creativity-linked aptitudes, but also enable them “to express themselves, critically evaluate the world around them, and actively engage in the various aspects of human existence.”³⁶

Welfare issues

The question of income is central to the development of sustainable and resilient businesses. In addition, developing countries also face basic administrative challenges. For example, the distribution of small payments is expensive; however, it is these that are most vital to the livelihoods of content producers. A common response from performers is to bypass a failed system and rely on live performance incomes instead. This can work, but it has a significant downside, for money is only earned when performing. This highlights the question of welfare and sickness. Simply being employed as a cultural worker is a precarious and risky activity. Few can develop a career solely on this basis. For most, a creative industry career is not a viable choice if combined with caring responsibilities.

³⁶ UNESCO (2006: 5).

Clearly there is a need to create ways whereby artists can secure a continuing income. Copyright is one means to sustain this, and systems must be made efficient (currently they are often biased towards larger users). In parallel, local welfare and sickness benefits might be tailored to the needs of artists. Associated with this challenge, a number of musicians unions, as in Senegal for example, have been pressing their governments to take these issues on board. The overall challenge is to create the right incentives: If people are to invest in education and training, they need to know that they have a chance of longer-term benefit. This is a critical element of the fundamental sustainability of the creative economy, and of the arts and culture more generally. Of course traditional arts and cultural policy plays an important supporting role in this by providing public culture and art funding. The challenge is to make the commercial and state systems work together.

5.10 WAYS FORWARD

This chapter has highlighted several critical factors providing new pathways for development. The role that each of these can play in the creative economy of the global South is not only a stepping-stone to successful growth, but also to achieving broader, non-economic values. Some of the best-developed initiatives that have been cited in this Chapter have concentrated on human capital development, on building connections – either locally or globally – on new models of revenue generation and financing, and on the community.

As a field, capacity-building is still in its experimental stage. The main focus to date has been on entrepreneurial skills and training to enable creative activities to be marketed. The development of these support programmes has incorporated important regional dimensions. Perhaps the foremost amongst these is the social dimension of entrepreneurial activity, which often provides a bridge between the formal and the informal. Additionally, the programmes have clearly identified that special skills are required. Here, it has been noted the agenda is not only “front line” creative activities, but the entire range of support skills without which many creative events and

processes cannot take place. Often access to such training is limited by the capacities of local educational systems, and the simple but critical concerns of cost and distance. Digital platforms can help overcome these concerns, but there is no substitute for face-to-face training and networking. Mobile outreach examples provided in this chapter, such as touring local and rural areas, can be a solution.

Training also needs to take into account the limited resources of the majority of the population in order to achieve the benefits of diversity. Thus, the embrace of young people's cultural forms has been vital. The challenge to trainers is that these new forms generally rely on cutting-edge digital technologies. At present the lack of up-to-date digital training and resources is a barrier; it is doubly unfortunate as it is precisely these areas that are most likely to result in income-earning operations and have most potential for export earnings. Overall, this presents a difficult double challenge, not only that of increasing training and skills to a basic level, but that of embracing cutting-edge skills.

Equally important, we have argued, is cultural leadership in the public sector. If the creative economy is to be sustainable it will also need leaders in the public sector who are aware of current trends and challenges. Programmes to develop this skill are extremely rare. Another area of under-skilling is the public sector capacity's to monitor, evaluate and manage policy initiatives. In this respect, the already mentioned domain of "cultural asset mapping" clearly has a capacity-building dimension.

These lacunae point to a field of activity that has yet to properly come onto the creative economy agenda, namely global production chains. Many countries have begun to explore how to manage commodity production chains so as to improve the position of dependent nations and producers. Policy debates in other industries have underlined the importance of building capacity to produce goods and services that come up to international standards and quality controls as prerequisites to playing a full role in production chains. Trade fairs and showcase events would be the likely point of delivery of information and advice on standards, compliance, and creating new market niches.

Currently little growth of micro-credit and business support is visible. The experience from the global North has been that specialized schemes are needed for advice and loans due to the unique risk structure of creative businesses, and the relative unfamiliarity of general business advisors and banks in assessing creative businesses. There is clearly potential for similar schemes to be developed in the global South as well, similar to the example from Niger presented in this Chapter.

We have noted how dedicated buildings allow creative business to find a stable place to pursue their activities, and to engage in networking and peer-to-peer learning. Such sites also perform the function of creating a critical mass of cultural workers and hence create the market for provision of other services by for- or not-for-profit agents. It is critical that this type of provision is separated out from the "flagship" development of prestige projects that are based upon regional aspirations rather than linked to local creative industry needs. This has been a hard-learned lesson in the Global North. It is not simply the provision of space that is critical, but the curation of that space, so that users can really benefit from the synergies generated. However, it is clear that property-based solutions are not the only tools to be used.

The final set of issues covered in this section related to community, education and welfare. These are in many ways the least developed, but may well have the most potential. Advanced training programmes at the MA level are clearly important if understanding and a high level of participation are to be extended, perhaps including PhD training and research centres. Moreover, the legitimacy and prestige associated with such an acknowledgment of university programme status for the creative industries is important. Access for the whole population will continue to be a challenge here. In-region education is preferable to international training programmes. Many of the examples that have been cited have civil society partners, and some are wholly supported by civil society. As noted above, the critical bridging role of civil society organizations is about inclusion and diversity, but it is also vital since so much economic activity takes place in the informal sector. Finally, national social, welfare and labour policies impinge on the creative sector in sometimes fraught ways. The creative sector thus presents a number of challenges to

normative social policies. For many, the creative economy is not a viable career choice unless they already have financial resources. In effect, others are excluded from participation. Ways still need to be found to ensure that workers in the creative economy can achieve the same rights and opportunities as those in other sectors.

5.11 THE NEED FOR MULTIPLE STRATEGIES

The mindset advocated throughout this Report is to eschew singular yardsticks for success: Successful cultural and creative industries, whether in the developing or developed worlds, are not necessarily those that maximize exports, or generate significant royalties or wages. They may in fact do both, but neither of these outcomes is necessarily a prerequisite for success – or wellbeing – in the eyes of the people concerned. A more relevant question is: what are the appropriate strategies and pathways to develop cultural expressions, the more suitable forms of expertise and the more culturally sensitive ways of ascertaining value and reward? This does not mean abandoning judgments about better or worse forms of

enterprise, but rather recognizing that the communities concerned have a stake in setting the terms of what is deemed success. More ethical or appropriate forms of culture-led development will need to be both strategic and contingent. They would need to fully recognize strategies such as the following: trade-offs between a person's "ideal" creative work and "bread and butter work" (that which pays the bills); the pursuit of complementary employment (especially in education/teaching) to provide more stable income streams (a side-effect of which is that cultural and creative workers become important educational/training resources in the broader regional development equation); small-scale work; pooling resources (local collaborations and reciprocal support, in the interests of survival); establishment of community spaces that are a hybrid of studio space and shop front (thus saving on rents, and maintaining a visible selling presence); home studio work (a similar tactic in rent reduction); and "making-do" with reduced work and income in combination with other life needs (such as bringing up children) as indeed millions of culturally creative people across the world are doing every day.

critical success factors providing new pathways for development will emerge from both organic processes and

deliberate policy and programme

initiatives



Towards indicators of effectiveness and success



It has been argued throughout this Report that the creative economy generates incomes, employment and other economic benefits, while at the same time providing an avenue for social progress and cultural fulfilment. We have also emphasized that it is at the local level that the relationships between culture and the broad-ranging concept of development are most immediately observable. We have cited evidence that demonstrates to policymakers, as well as corporate and community leaders, the diverse ways in which the cultural and creative industries contribute to the growth of local and regional economies and to the overall wellbeing of the local population. However, as we have also argued, it is one thing to recognize potential, but quite another to apply the knowledge and skills necessary to harness that potential to bring about beneficial change. How are we to identify the specific dimensions of the cultural and creative industries that should be the focus of investment and measure the sorts of economic and social impacts that might be expected?

The purpose of this chapter, therefore, is to put issues such as these into some sort of systematic order. Hence, indicators will be suggested that will assist in illuminating them for the benefit of city mayors, urban planning officials, etc. These indicators will make it possible to identify, recognize and exploit the areas where the creative economy can play a role in sustainable development and initiate a beneficial transformation of the local economy and community. Recapitulating points made and illustrated in the previous chapters, we now propose a series of indicators to identify the factors that might be taken into

account in assessing the capacity of the city or region to implement culture for development strategies, and in particular to highlight the sorts of outcomes that might be sought. The indicators, which include both quantitative and qualitative measures, can serve as an overview of the current state of play, and also as a “wish-list” for future aspirations.

>> 6.1 QUESTIONS WHEN CONSIDERING INDICATORS

Before considering the questions that city officials are likely to ask, we need to outline a logical way in which this challenge can be approached. Essentially, it can be argued that cities possess a collection of resources – i.e. natural, human, physical and cultural capital assets – that contribute to the development process. These resources are used to create economic value (material and non-material wellbeing); social value (the benefits of social cohesion, social stability, etc.); environmental value (benefits derived from natural resources and ecosystems); and cultural value (the intrinsic and instrumental benefits from art and culture that contribute to individual and collective fulfilment). The processes that generate these values from the cultural production chain are supported and facilitated by a range of services provided by public and private sectors and by civil society.

Against this background, we propose four groups of questions that local planners might ask when considering the different sets of indicators.

1. What is the current situation? What are our cultural resources? What are our capacities to support the arts and culture in their contribution to sustainable development?

As argued in chapter 5, review of existing cultural assets is an essential starting point. It bears repeating here that in considering how cultural assets can be a development opportunity, we need to know what we have to work with in the form of stocks of cultural capital, including both tangible cultural assets, such as heritage sites, and intangible forms of cultural capital, such as traditions and rituals that may find expression in fairs, festivals and other cultural events. In addition, an important cultural resource available to a city or region lies in its human capital – e.g. the artists and other creative workers who live and work in the area. Equally important is the infrastructure that supports cultural activities, such as public and private cultural funding, etc. In short, an essential requirement at the outset is some sort of inventory or mapping exercise to reveal the levels of cultural resources and capacities available to the planning process. Not all of these are easy to map, however, for much of the creative economy in developing countries exists in the informal sector. Although the informal economy is by definition very difficult to measure, any audit of local cultural assets should include at least a rough estimate of what the informal components may be.

2. What is our potential? Do we have any particular strengths in the cultural area that can be used to fix existing problems or to create new development opportunities? Do we have cultural assets, such as heritage sites that give us a unique cultural identity or brand?

These questions focus attention on positive opportunities. For example, many cities look to cultural tourism as a source of revenue, so the question is how to assert a distinctive cultural attractiveness through the promotion of heritage, cultural institutions, cultural events, and so on. Another opportunity may lie in local industrial development through encouraging the formation of creative enterprises or districts to produce goods and services that draw on the local cultural identity in their design and manufacture.

Cities frequently see themselves in competition with other cities for investment or tourists, so these questions are all about determining areas of specific comparative advantage.

3. What are the areas in which serious problems might be addressed through cultural industry development? What are the gaps in our capacity to deal with such issues?

Local planners will need to address any existing economic and social problem: Economic problems are likely to relate to high unemployment and a weak economic base due to, for example, the long-term decline in traditional (e.g. manufacturing) industries. In these circumstances the creative industries might be seen as a source of renewed economic dynamism and job creation. Social problems, sometimes connected with unemployment levels, include inter-ethnic conflict and social disintegration leading to instability and violence. Given the important role that cultural activities, arts education and community cultural engagement can play in promoting social cohesion and urban liveability, it is not surprising that arts-related initiatives can form a significant component of strategies to address these sorts of social problems.

4. What will be the indicators of success? Are there benchmarks against which we can calibrate our performance? How will we know whether we have achieved what we hope to achieve?

These questions refer to monitoring and evaluation processes. It is important to be clear not only about what outcomes are to be expected from a given project or strategy, but also about how those outcomes are to be measured and assessed. The latter issue is one of designing relevant indicators to demonstrate levels of achievement. Benchmarks for comparison are difficult to specify because the conditions for success in one location may be very different from those in another. Nevertheless, if a process of monitoring relevant indicators over time can be put into effect, it may be possible to identify success by reference to improvements in these indicators over successive time periods. It is important always to include a monitoring component into any project or strategic plan to ensure that eventual outcomes can be adequately evaluated.

>> 6.2 USES OF THE CREATIVE ECONOMY

Urban development planners may come to deal with the issue of creative economy development in a variety of ways. The city may be considering a comprehensive future urban development plan; typically, such a plan will be oriented around principles relating to the economic, social and environmental sustainability of the urban system. The cultural or creative sector may form one component of such a plan, or it may be left out altogether. In these circumstances the challenge facing planners would be how to integrate arts and culture more effectively into the large-scale macro-level development plan, so that the full benefits of the creative economy can be realized.

Alternatively, the potential of the creative economy may be recognized as a particularly promising target for policy intervention in its own right, in which case a strategy may be designed specifically for the creative or cultural industries, or for an individual sector within these industries, such as the film industry, the tourism industry, the heritage sector, etc. At a more focused level, planners may simply be considering one or more specific projects that could be implemented to support some creative initiative that will yield economic, social and/or cultural benefits for the local community.

Whatever the origins of planners' interest in the creative economy, and regardless of whether that interest is focused on a single project or an entire development strategy, the questions discussed in the previous section are likely to guide their approach to their task. As we have noted, any consideration of these questions cannot proceed in the absence of data or information as these questions require a systematic understanding of the resources and capacities available in the town, city or region under consideration, together with an indication of the nature and level of the outcomes that might be expected or achieved.

In this section we propose a range of indicators that will assist in addressing these issues. Not all indicators will be relevant in every case; in fact, it is likely that in most situations only a relatively small number of indicators will apply. The term "indicator" implies some sort of

measurement, but "measurement" in this context can be interpreted very broadly. On the one hand, an indicator may be quantified in terms of exact statistical data, such as might be assembled to describe the numbers and categories of creative workers in a given location. At the other end of the spectrum "measurement" may entail nothing more than a subjective qualitative judgement, such as might arise in assessing the level of some characteristic describing the degree of social cohesion in the community: is it high, medium or low? It should also be borne in mind that, whilst a group of indicators might be identified as being relevant in a given situation, it may not be possible to collect information about them all. In such a case the desirable group of indicators can be seen as a "wish list" which may have a role to play in guiding future data collection activities.

The indicators below are listed under three headings, corresponding to the three major groups of issues to be considered – resources, capacities and economic, social, cultural, environmental outcomes. Some indicators are listed under more than one heading where appropriate.

>> 6.3 RESOURCES

The cultural resources that are available in a city or region are in essence comprised of the human and cultural capital whose services provide a range of benefits over time. Investment in the maintenance and enhancement of these assets yields an ongoing rate of return that can be valued in economic, social and cultural terms. We identify some possible indicators relating to the cultural resources on which a town, city or region can draw, classified into five groups, as follows:

(a) *Creative workforce*

- Number of professional artists, by art form
- Number of creative workers, by occupation and industry
- Artists/creative workers as proportion of total workforce
- Sociodemographic characteristics of the creative workforce:
 - gender distribution
 - age distribution

- educational qualifications, etc.
- Identifiable skills gaps in creative workforce
- Identifiable losses of resources due to emigration, piracy, etc.

(b) *Creative businesses*

- Small and medium-sized enterprises (SMEs) in the creative sector, by industry or product group:
 - number
 - size
 - turnover
 - number of employees
 - creative SMEs as a proportion of total businesses
- Large domestic businesses producing cultural goods and services, e.g. film studios or publishing houses:
 - number
 - size
 - turnover relating to cultural output
- National/local subsidiaries of transnational cultural corporations:
 - number
 - size
 - turnover relating to cultural output

(c) *Cultural institutions*

- Museums, galleries, libraries, archives, cultural centres, etc.:
 - number
 - number of visitors, by category
 - size, turnover, budget
 - programmes for education, outreach etc.
- Theatres, cinemas, performing arts venues:
 - number
 - number of attendees, by category
 - size, turnover, budget
 - education and outreach programmes, etc.
- State arts companies: dance and/or theatre companies, orchestras, etc.:
 - number
 - public funding, total and as a proportion of revenue
 - attendances
 - education and outreach programmes, etc.

(d) *Heritage buildings and sites*

- Number of buildings/sites accessible/not accessible to public:

- on World Heritage List
- on national list
- on local heritage register etc.

- Significant heritage clusters, such as historic town centres
- Number and type of visitors to publicly accessible buildings/sites:
 - from within the region
 - from outside the region
- Condition of heritage buildings/sites: proportions in good condition, needing restoration, etc.

(e) *Intangible cultural heritage*

- Traditional creative skills
- Rituals, fairs, festivals:
 - number
 - frequency
 - visits
- Traditional knowledge of indigenous inhabitants:
 - stories, images, music, etc.
 - land management
 - biological resources and their use

>> 6.4 CAPACITIES

In delivering economic, social and cultural benefits to the urban or regional community, the resources listed above will be supported by an infrastructure that enables and facilitates the implementation of these processes and putting these resources to good use. All towns and cities have a range of general infrastructure that is essential to the efficient functioning of the urban systems in areas, such as transport and communication, housing, health, water, sewerage, energy supplies, law and order, financial services and so on. The creative economy depends as much on the provision of this infrastructure as any other sector. Here, however, we shall list those aspects of infrastructure in an urban or regional complex that are specifically relevant to the creative economy and the cultural sector. These capacities include the extent of public and private support for and participation in: cultural activity; levels of social capital existing within the community; civil society institutions; the capacities of the education system to deliver cultural benefits; and the importance of media and communications infrastructure in

supporting cultural production, distribution and consumption. Relevant indicators can be found below:

(a) Government participation

- Levels of public funding for culture, by purpose or recipient area:
 - total funding from national/local budgets
 - funding per head of population
 - funding as a proportion of total government outlays
 - funding for capital/operating expenditure
- Indirect financial support for culture:
 - tax concessions in place for artists
 - tax concessions for donors
 - tax revenue forgone
- Support for creative businesses:
 - investment incentives
 - allowances for research and development
 - business incubators for creative SMEs
 - marketing assistance for businesses the creative sector
 - matching funding for sponsorship programmes etc.
- Regulation affecting the cultural sector:
 - copyright legislation and enforcement
 - local content rules for media
 - requirements for cinemas to show certain proportions of domestically-produced films
- Public governance:
 - existence of a municipal department of culture, Arts Council, etc.
 - existence of a municipal cultural policy
 - adherence to international cultural conventions

(b) Private sector participation

- Businesses outside the cultural sector engaging with the arts/creative economy:
 - levels and types of cultural sponsorships undertaken
 - levels and types of cultural philanthropy
 - innovation in non-cultural businesses stimulated by employment of creative workers
- Individual philanthropy towards culture:
 - levels of cash and in-kind contributions
 - proportion of cultural to total levels of giving

- Volunteering in the cultural sector:
 - number of volunteers, by areas of the cultural sector
 - time commitment
 - estimated value to cultural organisations

(c) Social capital, civil society

- Number of cultural nongovernmental organizations
- Levels of trust in community
- Participation in community governance
- Number of clubs, societies and other membership associations in the cultural sector
- Community cultural centres:
 - number
 - facilities provided
 - usage

(d) Education/training in arts and culture

- Arts training institutions: art schools, drama/dance schools, music conservatoria, film schools, etc.:
 - number, by area of the arts
 - number of staff, by category/type
 - number of students
 - number and type of graduates
- Arts and culture in school curricula
- Number of professional artists working in schools
- Private teachers in music, dance, drama, visual art, etc.:
 - number, by area of the arts
 - number of students
- multilingual training in schools

(e) Media and communications

- Internet access:
 - number and proportions of community with broadband access
 - usage of internet for arts and cultural production, marketing, distribution
 - usage of internet for consumption of local cultural product
- Social media: Availability and usage for cultural purposes
- Culture-related programmes on radio and television:
 - number of local creative productions broadcast
 - proportion of local content in total output
 - arts/cultural programming for children

>> 6.5 OUTCOMES

Any project or strategy involving investment in some aspect of the creative economy will be predicated on its achieving a *rate of return*, whether that return is measured in financial terms or another metric. In other words, the outcomes that are expected to be yielded by the investment could be valued in terms of the various benefits expected to accrue to the local economy and community. The indicators proposed below define the factors or variables to be taken into account in assessing actual or potential outcomes, but it should be borne in mind that it is the *improvement* in the levels of these factors that constitutes a net benefit; for example, it is the *increase* in the value of cultural output, or the *decrease* in crime rates, or the expansion of multilingual programmes in schools, that comprises the benefit that might be expected or aimed for as an outcome resulting from policy intervention in each of these areas.

Indicators relating to these outcomes can be grouped according to the broad categories of benefit that a policy initiative or strategy has been designed to achieve. How can these hoped-for benefits be interpreted within the overarching context of the contribution of culture to sustainable development, and why are the indicators listed below relevant? We can distinguish a number of different outcomes for a policy initiative; in fact, many initiatives might have multiple objectives, and in these cases more than one outcome might be important. The outcomes and their corresponding indicators may be grouped into the four following sustainable development categories:

- **Economic:** An outcome of primary importance may be the boost to the local economy generated by the cultural industries, reflected in such indicators as the value of regional output, employment, business investment, skills development in the workforce and growth in tourism; in addition, outcomes relating to the distribution of the benefits of economic growth might be of concern, such as progress towards poverty alleviation.
- **Social:** Indicators relating to social outcomes revolve around the central notion of social cohesion and the contribution that the creative economy can make to pro-

moting an intercultural dialogue, celebrating cultural identity, strengthening social capital and protecting human rights; education can also be seen as an indicator of outcomes laying the foundation for future social progress.

- **Cultural:** Advancement of community well-being through the active participation of citizens in artistic and cultural consumption, production and participation may be an important outcome from development of the creative economy; indicators in this group also relate to the sorts of intrinsic benefits that the arts can yield.
- **Environmental:** The indicators in this category highlight the important links between culture and the environment in the context of sustainable development; these outcomes reflect not only awareness-raising in the community, but also benefits to be derived from the close relationships between culture, traditional knowledge and the management of natural resources.

The outcome indicators classified under these four headings are:

6.5.1 ECONOMIC OUTCOMES

(a) *Output of cultural goods and services*

- Volume and value of local production of cultural goods and services:
 - by product group
 - by industry
- Value added in local production of cultural goods and services:
 - by product group
 - by industry
- Value of cultural production per head of population
- Value of cultural production as a proportion of gross domestic product:
 - at regional level
 - at national level

(b) *Employment*

- Number of new jobs created for artists and creative workers:
 - in core arts industries
 - in wider and related cultural industries

- in industries outside the cultural sector
- Increase in wages, salaries, incomes of creative workers
- Reduction in the need for artists to access unemployment assistance
- Increased opportunities for artists to work full-time at their creative work

(c) *Exports*

- Volume and value of net exports of cultural goods and services from the city/region:
 - to other parts of the country
 - to other countries
- Proportion of cultural to total exports
- Import replacement by domestic production of cultural goods and services

(d) *Business development*

- Number of new creative business start-ups
- Improvement in entrepreneurial skills in creative SMEs
- Creative clusters and hubs:
 - establishment
 - expansion
- Inward investment stimulated by cultural attractiveness of the city or region:
 - in cultural industries
 - in non-cultural industries
- Cultural content in city branding attractive to incoming business investment

(e) *Tourism*

- Number of tourists whose visit involved some cultural consumption:
 - coming from inside the region
 - coming from the rest of the country
 - coming from abroad
- Tourist expenditure on admissions to cultural events or for participation in cultural activities:
 - heritage visits
 - performing arts venues
 - museums and galleries
 - other cultural tours and attractions

- Ancillary expenditure directly attributable to cultural tourism:
 - hotels, restaurants
 - transportation
- Attitudinal data:
 - tourists' interest in local culture
 - cultural interactions with local community

(f) *Equity in economic outcomes*

- Distribution of income and wealth:
 - trends in Gini coefficient¹
 - gap between richest and poorest members of society
- Poverty alleviation facilitated by creative economy development:
 - number of jobs created
 - increase in income levels
- Economic initiatives to ensure equitable community access to cultural participation and enjoyment:
 - free admission to public cultural institutions
 - affordable prices for admission to paid cultural events
 - programmes to assist low-income or disadvantaged groups to access cultural resources.

6.5.2 SOCIAL OUTCOMES

(a) *Social cohesion, cultural diversity*

- Cultural identity:
 - proportions of different ethnicities in the local population
 - shared/common elements in local cultural identity
 - distinctive features of cultural identity unique to city or region
 - languages spoken at home
- Intercultural dialogue and engagement:
 - platforms for inter-ethnic contact and exchange
 - multicultural clubs, societies, associations
 - festivals, fairs, etc., celebrating cultural diversity
 - valorization of “interculturality” in schools
- Social capital, peace and security:

¹ Developed by the Italian statistician and sociologist Corrado Gini, the “Gini coefficient” measures the inequality of values in a frequency distribution, for example levels of income.

- trust towards individuals and institutions
- lack of crime, violence
- lack of inter-ethnic conflict
- tolerance, openness in social interaction.

(b) Human rights and non-discrimination

- Gender equality:
 - proportion of women working in cultural sector
 - proportion of women in decision-making or gatekeeping positions
 - equity in women's access to cultural participation
 - non-discrimination against women on cultural grounds
 - male/female earnings gaps
- Minority rights:
 - recognition of appropriate cultural rights and consistency with basic human rights
 - freedom of religion
- Freedom of expression, no arbitrary censorship

(c) Educational outcomes

- Number of children studying arts/cultural subjects in school
- Number of children engaged in extra-mural artistic activities, including:
 - learning a musical instrument, singing
 - art classes, ballet classes, drama classes
 - creative writing programmes
- Number of artists employed as teachers in schools
- Number of graduates from arts training institutions.

6.5.3 CULTURAL OUTCOMES

(a) Cultural consumption and engagement

- Attendance at cultural events and cultural institutions:
 - Number of attendees, by event/institution type
 - number attending cultural events/institutions, as a proportion of population
 - composition of audiences, by age, gender, etc.
- Expenditure on cultural goods and services, by type:

- by individuals
- by households
- cultural expenditure, as a proportion of total consumption expenditure.

(b) Cultural participation and creative activity

- Number of people engaged in active artistic pursuits including (indicative list only):
 - creative writing
 - amateur theatricals
 - music-making
 - visual art, craft, photography
- Time devoted to cultural activities, by type:
 - passive consumption
 - active participation
- Volunteering in cultural institutions:
 - number of people volunteering
 - proportions of time spent

(c) Art-form development

- New work produced, by art-form
- Public art:
 - number of new commissions
 - expenditure
- Innovative use of new media in the arts:
 - in production/distribution
 - to expand and extend consumption
- New ways to express local cultural identity in art works
- Cultural maintenance:
 - restoration of built heritage
 - conservation of art works and artefacts
 - maintenance of locally-based cultural skills and traditional knowledge.

(d) Culture in external relations

- Touring outside the region by local artists and groups:
 - Other parts of the country
 - abroad
- Representation of local artists in foreign art fairs, etc.
- Visits by artists and groups from outside the region
- Artists' exchanges
- Twinning with other cities to improve cultural branding

6.5.4 ENVIRONMENTAL OUTCOMES

(a) *Educational strategies*

- Use of arts to raise public awareness of environmental issues:
 - visual art exhibitions on environmental themes
 - drama, music, dance with environmental content on stage
 - creative content in film, television, social media to convey environmental messages
- Active engagement by children in creative activities dealing with environmental questions:
 - at school
 - in the community

(b) *Arts as an exemplar of green practice*

- Environmental responsibility in arts organizations:
 - environmentally aware design principles for theatres, galleries etc.
 - energy efficiency in building operation and maintenance
- Individual artists:
 - demonstration of environmental responsibility in creative practice
 - promotion of sustainability principles through art

(c) *Traditional knowledge*

- Management of natural ecologies and landscapes by indigenous communities:
 - maintenance of skills
 - demonstration of best practice
- Access to traditionally-recognized biological resources:
 - protection from exploitation
 - possible intellectual property benefits

>> 6.6 MAKING A START

Sound decision-making relies on a strong and systematic information base. But as is well-known and as has already been stressed in this Report, the construction of such an evidence base is an art that is still in its infancy in the developing world. For this reason, it would be unrealistic to expect that the indicators we have set out can be easily conjured into existence. But a start has to be made somewhere. We suggest that the framework we have provided may be usefully deployed, even if only partially to begin with, to make mayors, urban planning officials and others aware of the range of issues that are relevant to the decisions they are called upon to take with regard to the creative economy. It is also designed to help them assess the significance of the factors they should be taking into account, and how to measure the impacts of decisions they take and policies they put in place regarding the creative economy. The indicators outlined above cover the key factors and their effects, organized within a logical framework. The list of indicators is by no means exhaustive, but simply suggestive of the areas and variables that need to be taken into account. As we have mentioned already, only a relatively small subset of indicators is likely to be relevant in any particular application. It is hoped that this tool will be helpful at a practical level in the development of policies to realize the multiple benefits to be derived from the creative economy in cities where it is not significantly supported.

sound

decision-making

relies on a strong and systematic
information base



The United Nations as a strategic partner of local creative economy development

This chapter continues to build upon the critical factors of local level creative economy successes presented in Chapter 5. These critical factors are not simply items that can be implemented wholesale in any local setting. The diverse pathways that lead to human development at the local level must reflect the local contexts for which they have been designed.

To understand how these diverse pathways for local development are constructed in practice, this chapter further explores the following question: what do creative and culture-sensitive sustainable development interventions look like in practice? It does so by examining the practical choices made by programme and project managers when seizing the opportunity to invest in the creative and cultural sectors for development. The portfolio analysis¹ uncovers trends in the structure of these pathways and provides decision makers with the evidence necessary to move beyond attempting to combine a selection of idealized building-blocks as often presented in standard toolkits.

This analysis is based on the considerable amount of information generated by the assessment of programmes and projects supported by organizations of the United Nations system. Looking at local-level action through this wide angle United Nations lens offers a storehouse of knowledge capable of enabling decisions to be made with a higher order of understanding of available options and can lead to greater insight for decision-making and strategic planning.

As this Report has shown, cultural creativity is being harnessed in rapidly growing and increasingly diverse ways as a driver and enabler of cross-sectoral, social and economic development. This diversity results in a level of complexity that makes it very difficult for local decision makers and project managers to keep abreast of the state of the art in practice. As key stakeholders, they are faced with two seemingly contradictory challenges: The apparent paucity of a sound evidence base available, the apparent over-abundance of information produced by the knowledge-based economy. Hence, they require information that enables them to learn from the knowledge available on the myriad of options open to them, to shorten their learning curves and even reduce costs by leveraging previously invested resources, notably time and money. Such actionable information emerges from the many cultural- and creative-sector programmes and projects that have been undertaken across the developing world.

The two portfolios that are the object of the analysis in this chapter consist of over 75 initiatives from 50 developing countries carried out under the aegis of the UNESCO International Fund for Cultural Diversity (IFCD) and the UNDP-Spain Millennium Development Goals Achievement Fund (MDG-F) Thematic Window on Culture and Development. In order to extract and analyse the knowledge embedded in both, techniques of text analytics² have been applied to examine a broad range of experiences. This has made it possible to

¹ This portfolio analysis builds upon the methodological approach developed and applied by the United Nations Office for South-South Cooperation for other funds under its management, in particular through the Global South-South Development Academy Discussion Paper Series featured issue which reviews the India, Brazil and South Africa Facility for Poverty and Hunger Alleviation (IBSA Fund) project portfolio.

² In this context, text analytics refers to the process of deriving high-quality information from text through the identification of patterns and trends.

establish structure from unstructured data. In addition, the data has been decontextualized so as to establish correlations with related information from multiple sources.

The information has been extracted from official sources (e.g. national strategic planning documents, and post-implementation evaluations and assessments) and has been analysed based on the following three questions:

- (a) what types of initiatives were designed and implemented?
- (b) What activities were prioritized by decision makers? and
- (c) What are the key impacts?

The ways in which managers and decision makers have tackled the broader challenge of engaging the cultural and creative sectors in and for development are identified. There is no silver bullet that provides solutions for all practitioners everywhere. The conclusions presented are

therefore not intended to be prescriptive but rather to highlight key trends on the ground.

>> 7.1 PORTFOLIO ANALYSIS OF PARTNERSHIPS WITH THE UNESCO INTERNATIONAL FUND FOR CULTURAL DIVERSITY

The evidence base in this section has been culled from 61 small to medium-sized projects undertaken in partnership with the UNESCO International Fund for Cultural Diversity (IFCD) that have been implemented during the period January 2011-June 2013 (see box 7.2).

Over half of the projects have been implemented in Africa and about a quarter in Latin America and the Caribbean. The majority of the projects have been implemented by national NGOs, the rest by government actors or international/nongovernmental organizations. The average

BOX

7.1 Prioritization of cultural creativity in international development partnerships

The role of culture for development has in recent years become increasingly central in the global development discourse both within and outside the United Nations system. A review of United Nations strategic partnership framework plans (UNDAFs) shows that over the last decade, Member States have increasingly called upon the United Nations system for more assistance on ways to include culture in their national development strategies and action plans. The review of culture within the UNDAFs reveals that the United Nations system is responding to this demand from Member States with a more coherent vision and strategy for joint action. The result is that the place of “culture” in the UNDAFs has more than doubled over the past ten years, reaching 70 per cent in 2012, up from only 33 per cent in 2002. Joint actions undertaken within countries have associated culture with all thematic areas under the UNDAFs, including social and economic development, human rights and governance, particularly through programmes to safeguard intangible cultural heritage and to promote cultural industries (besides crafts).

Source: UNESCO (2013)

³ The IFCD was established under Article 18 of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions (2005). Its main objective is to invest in projects that lead to structural change through the introduction and/or elaboration of policies and strategies with a direct effect on the creation, production, distribution of and access to a diversity of cultural expressions, including cultural goods, services and activities. Another important objective is the reinforcement of institutional infrastructures, including professional capacities and organizational structures, deemed necessary to support viable cultural industries at the local and regional levels.

Figure 7.1 Intended Results:

Analysis of Projects of the INTERNATIONAL FUND FOR CULTURAL DIVERSITY (IFCD)



- Core Bubbles identify domain of activity
- Subsidiary Bubbles identify the results obtained
- Bubble Size indicates relative number of results obtained to other areas of intervention

Figure 7.2 Transformational Impact:

Post-implementation Assessments of the MDG-F Thematic Window on Culture and Development

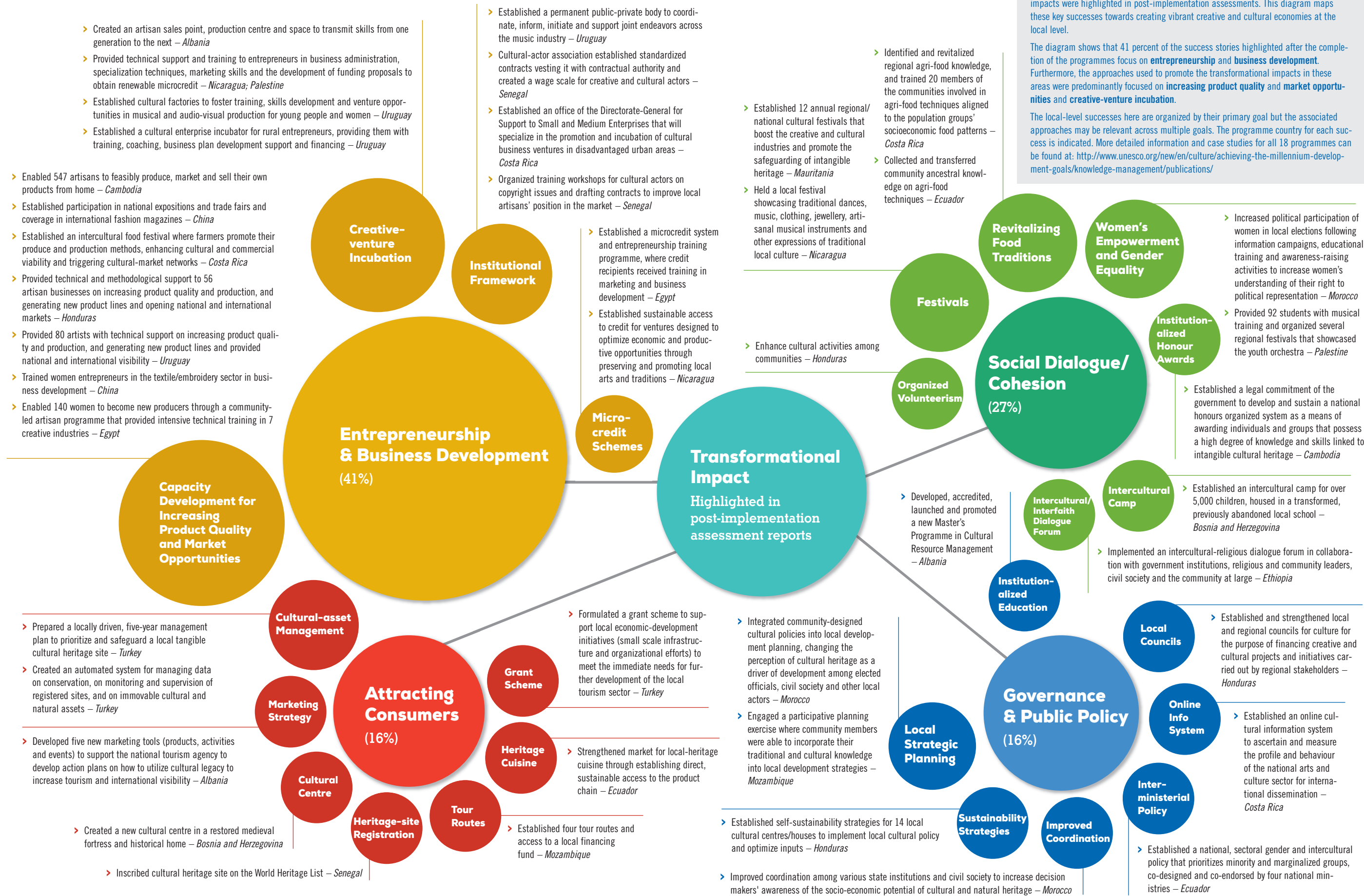
- *Core Bubbles* identify transformational goals
- *Subsidiary Bubbles* identify the approaches used to promote successes
- *Bubble Size* indicates relative number of highlighted successes represented
- *Entries* identify specific achievements at the local level

The challenge of creating vibrant creative and cultural economies at the local level: Transformational Impacts from the MDG-F Thematic Window on Culture and Development

When asked to identify the key successes coming out of the implementation of the 18 programmes in the MDG-F Thematic Window, over 50 local-level, transformational impacts were highlighted in post-implementation assessments. This diagram maps these key successes towards creating vibrant creative and cultural economies at the local level.

The diagram shows that 41 percent of the success stories highlighted after the completion of the programmes focus on **entrepreneurship and business development**. Furthermore, the approaches used to promote the transformational impacts in these areas were predominantly focused on **increasing product quality and market opportunities and creative-venture incubation**.

The local-level successes here are organized by their primary goal but the associated approaches may be relevant across multiple goals. The programme country for each success is indicated. More detailed information and case studies for all 18 programmes can be found at: <http://www.unesco.org/new/en/culture/achieving-the-millennium-development-goals/knowledge-management/publications/>



budget across this portfolio is just under US\$ 70,000. The portfolio reflects the priorities assigned by the IFCD to initiatives that: (a) demonstrate how civil society can be involved in cultural policy-making; (b) promote cultural industries and exemplify good practice in working towards structural change; (c) show how new challenges, such as that of using technology can be addressed; and (d) foster socioeconomic wellbeing and social inclusion through support for cultural diversity as a key driver for development. Almost two thirds of the projects have dealt with creating new, or strengthening existing cultural industries, while the rest are in the cultural-policy field. While the IFCD gives shape to projects and defines their contours through a clear definition of its priorities, the supported

projects are all locally designed, led and owned. This rather singular bottom-up approach generates an excellent diversity of experiences in cultural-industry and cultural-policy development and reinforcement.

7.1.1 KEY PLANNED IMPACTS IDENTIFIED

The portfolio analysis (summarized in Figure 7.1) reveals that the IFCD projects implement a broad diversity of activities, even though the average budget is less than US\$ 70,000. Project objectives are shown in the map presented as core bubbles, while the approaches used by the national and local-level stakeholders to achieve these objectives are presented in the *subsidiary* bubbles. Furthermore, the

BOX

7.2 The International Fund for Cultural Diversity (IFCD)

The International Fund for Cultural Diversity (IFCD) is a multi-donor fund established under Article 18 of the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions. Its purpose is to promote sustainable development and poverty reduction in developing and least developed countries that are Parties to the 2005 Convention. It does this through support to projects that aim to foster the emergence of a dynamic cultural sector, primarily through activities facilitating the introduction of new cultural policies and cultural industries or strengthening existing ones.

The use of the IFCD may take the form of legal, technical or financial support or expertise and must be consistent with the objectives of the IFCD.

The IFCD is notably used to promote South-South and North-South-South cooperation, while contributing to achieving concrete and sustainable results, as well as any structural impacts, in the cultural field.

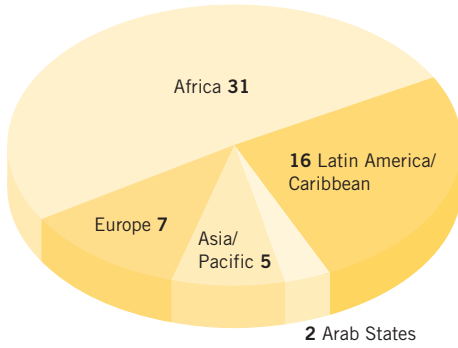
Since the IFCD became operational in 2010, it has provided more than US\$ 3.5 million in funding for 61 projects in 40 developing countries, covering a wide range of areas from the development and implementation of cultural policies, to capacity-building of cultural entrepreneurs, mapping of cultural industries and the creation of new cultural-industry business models.

For more information, please visit the IFCD site at: <http://www.unesco.org/ifcd>

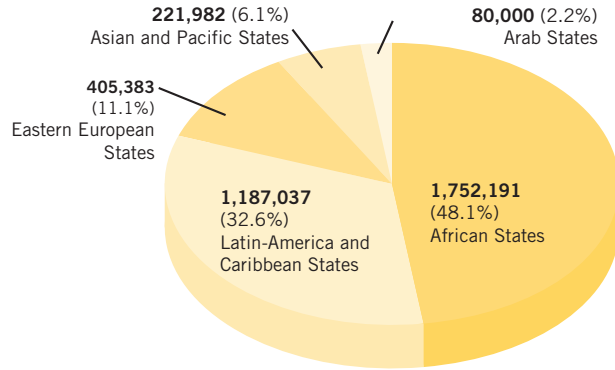
7.2 The International Fund for Cultural Diversity (IFCD), *continued*

BY REGION:

Number of Projects

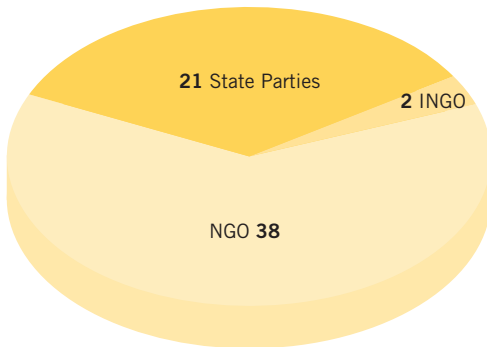


Total Project Funding in US\$

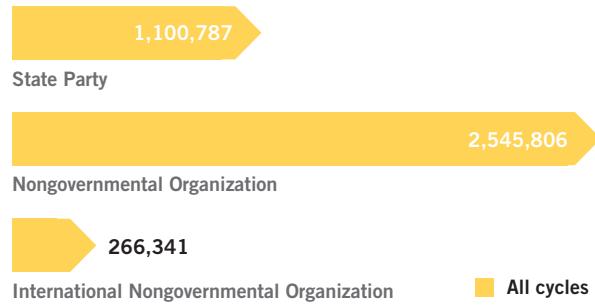


BY TYPE OF BENEFICIARY:

Number of Projects

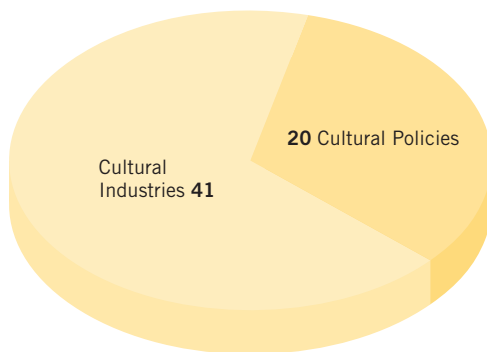


Total Project Funding in US\$

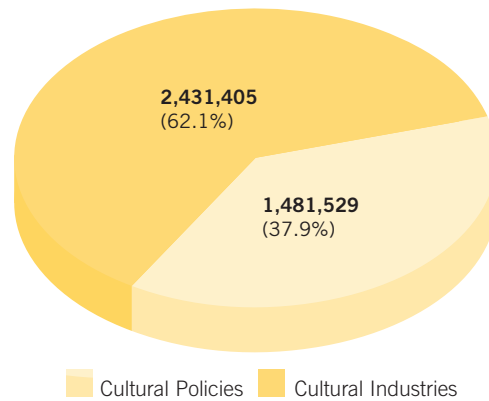


BY ACTIVITY:

Number of Projects



Total Project Funding in US\$



portfolio analysis highlights a number of project experiences that have been linked to each of the goals and approaches. The portfolio activities identified fall into the following three categories:

- (a) support to entrepreneurship and business development in the cultural and creative industries (49 per cent);
- (b) support to strengthening governance and public policy that is adapted to the specificities of the creative economy (38 per cent); and
- (c) support to the social inclusion of individuals and groups through their participation in the culture-for-development programmes (13 per cent).

These three sets of priorities are closely interlinked: supporting the elaboration of new policies or reinforcing existing ones creates the conditions for the emergence of dynamic cultural sectors, in particular when practitioners are involved in the policymaking process. The participation of a broad spectrum of stakeholders contributes to sustainability. Furthermore, support to the establishment of networks and professional associations invariably empower stakeholders and improve coordination. The portfolio activities are further analysed below. Examples of projects that report planned impact for these objectives are presented in boxes 7.3, 7.4 and 7.5.

Entrepreneurship and business development

Across the portfolio, projects have been designed to support cultural actors to be equipped with the skills and techniques to run successful creative enterprises. The analysis reveals that initiatives designed to address the need for strengthening local capacities for business development included workshops and training courses either in specific cultural industries or in fields of importance across sectors. A complementary, sustainable approach consisted of developing professional training and education in management and marketing for young cultural actors and supporting creative- and cultural-venture incubation schemes for cultural-industry entrepreneurs.

Two types of approaches towards increasing market access were identified: Enhancing the visibility of creative and cultural goods and services; and strengthening local distribution and sales networks. A number of projects supported the establishment of professional networks and associations for creative and culture professionals or stakeholders in the audiovisual industry or as an open-source platform for information-sharing among public administrators and cultural entrepreneurs. In some cases, networking has targeted cooperation and partnerships at the regional level. Two initiatives relating to seed funding and grant schemes are worth noting for their inspirational value. Box 7.3 presents project-specific examples supporting entrepreneurship and business development.

BOX

7.3 Examples of projects supporting entrepreneurship and business development objectives

Strengthening local capacities for business development

A project in **Tajikistan** focused on workshops to train musicians and music promoters in business management and fundraising. In **Mozambique**, governmental authorities trained young people in cultural management to enhance product commercialization and promote self-employment. The NGO Bal'lame in **Niger** launched a programme to train theatre administrators and managers in cultural management. The project by the research and development association ACADEMIA in **Serbia** provided capacity-building and mentoring to entrepreneurs from rural and least developed municipalities. A toolkit to develop strategies for business partnership was produced by the NGO BASA in **South Africa**.

7.3 Examples of projects supporting entrepreneurship and business development objectives, *continued*

Professional training and education

A new vocational school for performing arts was established in La Plata, **Argentina**, to develop the skills of unemployed youth and adults. Similarly, the new Technical Training Institute in Kisii county, **Kenya**, has been established to deliver courses in the management of creative and cultural industries. Stage managers received training in **Senegal** at the newly established Yakaar Centre for the Performing Arts. In **Guatemala**, a training centre – INCREA LAB – hosted training, coaching and mentoring programmes for young cultural entrepreneurs, while in the **Congo**, working space and equipment to train artists in the use of ICT were provided.

Incubation of creative and cultural ventures

In **Indonesia**, a “creative workspace” within the local Intercultural Multimedia Centre is geared towards the development of a competitive, indigenous-led creative micro-industry. Business ideas of young cultural entrepreneurs in **Serbia** were supported by a pilot regional fund established to promote small cultural and creative enterprises. In the same spirit, young, indigenous cultural entrepreneurs in **Guatemala** received technical counselling and monitoring to support the viability of their business ideas in the audiovisual sector.

Increasing market access

In **Cameroon**, a regional database of central African film and audiovisual productions was established to promote their distribution and commercialization. The distribution on digital public television of short films produced by youth was one of the major objectives of the Film Festival for Young Talents in **Argentina**. **Barbados** also targeted young audiences to promote greater participation of Caribbean music abroad. New markets for a local textile-based creative industry, *lamba hoany*, in **Madagascar** have been opened for the promotion of products designed by local artists through business links with a local textile company and sales exhibitions in art galleries and on urban billboards. The Proximus Rezo project in **Benin** created a sustainable sales network for the CDs of selected musicians through display units at hair salons in the popular areas of the capital city, Cotonou.

Professional networks and associations

As part of its national cultural policy reform, the Ministry of Culture of **Saint Vincent and the Grenadines** facilitated the creation of cultural-industry associations at the grass-roots level for greater participation of the local actors in development programmes. In **Cameroon**, the Network of Cultural Actors promotes the exchange of best practices and experiences in the creative industries. The Association of Fine Arts of **Montenegro** developed connections among stakeholders in the cultural-industries sector in the Balkans (Serbia, Bosnia and Herzegovina, and the former Yugoslav Republic of Macedonia). U40 Mexico, a network of cultural professionals and experts under the age of 40, was established in **Mexico**.

Seed funding and grant schemes

Under the project for the professional development of cultural entrepreneurs in **Serbia**, a seed-funding programme was set up through a call for proposals for the benefit of selected young entrepreneurs. A grant scheme was established in **Guatemala** for young indigenous cultural entrepreneurs.

Governance and public policy

The portfolio analysis reveals that engaging in a participatory and cross-sectoral approach was a common feature of most of the funded projects, as was the establishment of public-private partnerships. A good level of information and communication between a diversity of stakeholders was often achieved through media campaigns, as well as seminars, conferences and meetings with the public aimed at raising awareness as well as at creating long-lasting partnerships. Institutional decision makers in the majority of developing countries do not have the information and/or data essential for strengthening and/or reviewing existing cultural policies. Many projects were therefore geared to creative and cultural mapping activities, either at a sectoral level or across all sectors of

the cultural industries. Within the portfolio, creative and cultural mapping also occurred on an ad hoc basis or the mapping was institutionalized as an ongoing process to continually elaborate policies and strategies adapted to the specificities of the creative economy.

Another recurrent approach was the capacity-building of cultural managers for the implementation of policies at the national and local levels, as seen in previous chapters. Importance was given in several projects to the establishment of networks for knowledge- and information-sharing among decision makers and to activities aimed at raising the awareness of national and local authorities as to the need for policies in the field of creative and cultural industries. Box 7.4 presents project-specific examples supporting governance and public policy.

BOX

7.4 Examples of projects supporting governance and public policy objectives

Cultural mapping

To spark a new awareness of the economic importance of creative and cultural industries in **Zimbabwe**, the Culture Fund of Zimbabwe, an NGO, carried out a statistical survey, identifying important market structures, industry value chains, import/export trends and opportunities for job creation. With this same objective, the African Cultural Regeneration Institute collected empirical data to illustrate the potential of the creative economy in **Kenya**, with a team of local researchers and 8 Senior Ministry of Culture Officers working in the 47 counties of the country. In **Cuba**, a regional study on community cinema in the Latin America region that prioritized audiovisual productions by minority groups was produced.

Strategic plans for policies for culture and development

In **Saint Vincent and the Grenadines**, the Ministry of Culture initiated its reform of current national cultural policies so as to reflect current trends and needs of the local cultural industries with a consultative process involving representatives of public-, private- and civil-society sectors. A similar process was adopted by the **Togo** Ministry of Arts and Culture through workshops and regional meetings with decision makers, university researchers and cultural actors. On the basis of a mapping exercise in **Bosnia and Herzegovina**, a national conference gathering all concerned public and private stakeholders developed the “Action Plan for the development of the film industry”. In **Grenada**, in light of the results of a country-wide consultation with cultural actors and civil society, the Government developed a cultural policy reflecting the concerns of stakeholders and integrating culture into all development sectors.

7.4 Examples of projects supporting governance and public policy objectives, *continued*

Strengthening organizational capacities

The NGO Nhimbe Trust equipped the leaders of **Zimbabwe**'s top arts and culture associations with management and corporate governance skills, while in **Mexico**, the NGO CONAIMUC trained directors of cultural organizations in business, legal and organizational skills.

Strengthening institutional capacities

In **Senegal**, the African network, Groupe 30 Afrique, launched a mobile educational programme to deliver intensive courses on cultural policies, creative industries, the creative economy and African art. In **Cameroon**, training workshops and exchange sessions were designed for the capacity-building of cultural officers in ministries/departments and local municipalities. In **Mexico**, too, Directors of Culture of city councils and in municipalities were trained in management, organizational skills and legal issues associated with the cultural and creative industries.

Knowledge-sharing for decision makers

In **Croatia**, cooperation between stakeholders of the publishing industry was strengthened through the creation of professional organizations. On the initiative of the **Cuban** NGO, Fundación del Nuevo Cine Latinoamericano, a network of researchers, audiovisual professionals and decision makers gathered and exchanged information on the state of community cinema in 14 Latin American and Caribbean countries. The creation of the Cultural Statistics Observatory in **Mongolia** promotes information-sharing and transparency regarding the economic structure and dynamics of cultural industries in the country.

Awareness-raising

In **Bosnia and Herzegovina**, a media campaign was planned to raise awareness among public and private stakeholders about the film industry. The Latin American Faculty of Social Sciences (FLACSO) in **Uruguay** organized a workshop with government officials and Municipal Councillors to incite cultural policy debate and reform concerning the access of the disadvantaged group of Afro-Uruguayan youth to cultural spaces. In **Niger**, a seminar was held to advocate for the strategic support of authorities to the performing arts.

Social inclusion

The analysis of the portfolio with regard to social inclusion reveals a common concern of public authorities and NGOs: to plan and situate cultural activities in the context of the social development of individuals and communities. In this connection, it is notable that activities aiming at the development of artistic and creative skills give a clear priority to young people and focus on forms of cultural expression that can be nurtured to form part of a dynamic creative sector. This emphasis on the next generation, as

previously mentioned in chapter 4 with regards to Africa and South-East Asia, contributes to long-term structural impact through the transmission and renewal of the cultural wealth of local communities. In many cases, the strategic approach to empowering individuals and social groups, especially those hindered by poverty and lack of infrastructure, is based on the social and economic opportunities that can be offered by local cultural industries given, for example, the relative ease of entry into some creative and cultural industries and abundant talent.

BOX

7.5

Examples of projects supporting social inclusion objectives

Strengthening artistic and creative capacities

Workshops to professionalize artistic practice and creative capacities of young people were pursued in several countries such as: in **Saint Lucia**, steel pan music; in **Côte d'Ivoire**, playing the balafon, a popular musical instrument; in Uruguay, *cumba* and *condombé* percussion music; and in **Cuba**, Afro-Cuban drama, dance, music and literature.

Empowering individuals and social groups

Initiatives aimed at training of unschooled, unemployed women with disabilities (in **Cameroon**) and single mothers (in **South Africa**) to enable them to earn a living through training in crafts and design-related occupations. In **Uruguay**, young Afro-Uruguayans received training in percussion skills, drum repair and assembly techniques, which enabled them to form a music and dance group and perform in carnival parades. In **Brazil**, the NGO Video in the Villages launched a capacity-building programme for indigenous filmmakers covering the entire creative value chain (creation, production, distribution and consumption). The same approach was followed in **Indonesia** and in **Guatemala** where, in addition, the Internet and social networks were exploited for wider dissemination of indigenous films and music videos.

Awareness-raising

Initiatives to create awareness about the culture of reading included the organization of book fairs (**Madagascar**) and public campaigns such as “Book Night” (**Croatia**). In **Kenya**, the Pastoralist Development Network launched a comprehensive awareness-raising programme through advocacy campaigns, research and media coverage to increase recognition and promote indigenous peoples’ contribution to the country’s cultural industries. In **Niger**, radio and television debates and spots served to draw public attention to the status of local artists.

Finally, many projects are designed for greater awareness-raising about the role and importance of the participation of civil society in the development of a creative economy. Box 7.5 presents project-specific examples supporting social inclusion objectives.

7.2 PORTFOLIO ANALYSIS OF PARTNERSHIPS WITH THE MDG-F THEMATIC WINDOW ON CULTURE AND DEVELOPMENT⁴

The evidence base in this section is drawn from a selection of experiences from 18 national partnerships with the UNDP-Spain MDG Achievement Fund (MDG-F) that bring to the fore the tacit know-how driving creative and cultural initiatives around the world. This portfolio of 18 programmes forms the MDG-F Thematic Window on Culture and Development, whose relatively well-resourced programmes and holistic approach to international cooperation in the creative and cultural sectors have generated a remarkable body of evidence and knowledge (see box 7.6).

The country programmes that constitute the Thematic Window were designed and implemented over a period of 3-4 years and have subsequently been the subject of a significant amount of post-implementation analysis. The amount and nature of data available on the Thematic Window made possible consolidated portfolio analysis that informed answers to the three research questions outlined above and enabled a closer analysis of the activities. Furthermore, the information available also permitted an analysis of decisions that had an impact. Official data on the Thematic Window have been analysed at two distinct points in the programme cycle: Programme design and post-implementation. Work plans and budgets, programme evaluations and transcripts of workshops conducted with a sample of managerial field staff were analysed for all the programmes that make up the portfolio.

7.2.1 WHAT TYPES OF ACTIVITIES WERE PRIORITIZED?

Each of the programmes that make up the MDG-F portfolio shares the goal of leveraging creativity and culture for development. However, the specific focus, target communities, stakeholders and approaches of the programmes are tailored to the unique context of each setting. To obtain a better picture of the nature and range of designed and implemented initiatives, UNOSSC analysed the programmes at the activity level, where nuances are more clearly identifiable. Each planned activity was identified from data in the strategic planning documents of the programmes. Box 7.7 highlights the composition of the types of activities that national partners chose to implement.

To better understand the choices that project managers and decision makers arrived at across the portfolio, the data were analysed to determine the frequency with which the observed activities were used in programme design.⁵ A systematic analysis of what the programme designers decided when preparing what was to their knowledge a pragmatic allocation of resources reveals that there is a marked, and perhaps surprising, consistency in programme design choices (e.g. a focus on strengthening leadership in the public sector, or investment in mapping the local creative and cultural industries) across the portfolio. Figure 7.3 presents the distribution of resources by country and type of activity. As could be expected, the distribution of resources by the types of activities identified in the portfolio is as varied as the programmes themselves.

When taken as a consolidated evidence base, however, analysis of the MDG-F portfolio demonstrates notable constants relating to funding priorities. Across the portfolio, resources have been overwhelmingly targeted towards activities supporting capacity development for leadership in the public sector/governance; local capacity development including in establishing clusters and asset

⁴ This analysis builds on substantial and ongoing study undertaken by the MDG-F Secretariat the MDG-F Knowledge Management project led by UNESCO as Convener of the Thematic Window on Culture and Development, and the Laboratory of Research and Innovation in Culture and Development (L+iD) through the UNESCO Chair in Cultural Policies and Cooperation, University of Girona and the Technological University of Bolivar, Colombia.

⁵ A measurable proxy for the level of priority given to discrete activities during the design phase was established using a budget allocation at the operational level. Tough decisions and value judgments need to be made when determining where to allocate scarce resources to ensure that the budget adequately reflects and supports the core objectives of the project. Given this causal relationship between objectives, priorities and resource allocation, an examination of the portfolio budget frameworks provides an excellent means to elucidate choices made on how to efficiently achieve the objectives of the project. The MDG-F programming selection process did not stipulate specific guidelines for the development of the programme budget. The processes did, however, require the preparation of a realistic and well-balanced expense framework.

7.6

Overview of the MDG Achievement Fund

The UNDP-Spain MDG Achievement Fund (MDG-F) represents an innovative approach to international cooperation with the aim of accelerating the progress of the Millennium Development Goals (MDGs) and to support United Nations system reform. With its launch in December 2006, UNDP and the Government of Spain entered into a major partnership committing a total of euros 918 million to support national governments, local authorities and civil society organizations in their efforts to tackle poverty and inequality. The MDG-F supported eight thematic areas, referred to as “Thematic Windows”: democratic governance, gender equality and women's empowerment, basic social services, economic and private-sector development, environment and climate change, conflict prevention and peacebuilding, and culture and development.

Thematic Window on Culture and Development

The MDG-F Culture and Development Thematic Window sought to illustrate the essential role that cultural assets play in national development, notably in terms of socioeconomic opportunities and enhancing cross-cultural understanding. Within this framework, 18 large-scale, far-reaching development programmes were implemented over a period of 3-4 years. In an effort to harness the collective strength of the United Nations in this thematic area, each of the programmes was implemented jointly by multiple United Nations agencies in conjunction with national governments (these are referred to as Joint Programmes). The 18 programmes were implemented in Africa, the Arab States, Asia, Latin America and South-East Europe.

Impact

Over 1.5 million people have directly benefited from the activities implemented by the MDG-F Culture and Development Joint Programmes, namely through capacity-building, knowledge transfer, job creation and income-generation. The impact has been at all levels of society, since beneficiaries include a diversity of stakeholders in the target areas of intervention of the programmes. In particular, women, youth, ethnic minorities, indigenous people, private sector representatives (principally those involved in cultural and creative industries), and civil society organizations (including community and religious leaders), as well as government authorities (at the central and decentralized levels) and public institutions have all benefited. The 18 Culture and Development Joint Programmes have also indirectly benefited over 8.3 million people, such as family and community members of direct beneficiaries. For more information: <http://www.mdgfund.org/content/cultureanddev>.

MDG-F Culture and Development Portfolio Joint Programme Title

Albania – Culture and Heritage for Social and Economic Development

Bosnia and Herzegovina – Improving Cultural Understanding in Bosnia and Herzegovina

Cambodia – Creative Industries Support Programme (CISP)

China – The China Culture and Development Partnership Framework (CDPF)

Costa Rica – Intercultural Policies for Social Inclusion and Generation of Opportunities

Ecuador – Development and Cultural Diversity to Reduce Poverty and Promote Social Inclusion

Egypt – The Dahshur World Heritage Site Mobilization for Cultural Heritage for Community Development

Ethiopia – Harnessing Diversity for Sustainable Development and Social Change

Honduras – Creativity and Cultural Identity for Local Development

Mauritania – Heritage, Tradition and Creativity for Sustainable Development in Mauritania

Morocco – Cultural Heritage and the Creative Industries as a Vehicle for Development in Morocco

Mozambique – Strengthening Cultural and Creative Industries and Inclusive Policies in Mozambique

Namibia – Sustainable Cultural Tourism in Namibia

Nicaragua – Cultural Recovery and Creative Productive Development on the Caribbean Coast of Nicaragua

Occupied Palestinian Territory – Culture and Development

Senegal – Promoting Initiatives and Cultural Industries in Senegal

Turkey – Alliances for Cultural Tourism (ACT) in Eastern Anatolia

Uruguay – Strengthening Cultural Industries and Improving Access to the Cultural Goods and Services of Uruguay

7.7 Types of activities of the MDG-F Thematic Window on Culture and Development

The composition of the activities was as follows:

- cross-cultural dialogue support;
- capacity development: Leadership in the public sector/governance;
- mapping of local assets;
- local capacity development: Funding and fiscal incentives;
- local capacity development: Asset development and clusters;
- local capacity development: Entrepreneurial skills;
- intellectual property and copyright;
- market access, transnational connections and flows; and
- programme management, coordination, and monitoring and evaluation.

Source: United Nations Office for South-South Cooperation.

Figure 7.3 MDG-F Portfolio: Distribution of resources by country and type of activity

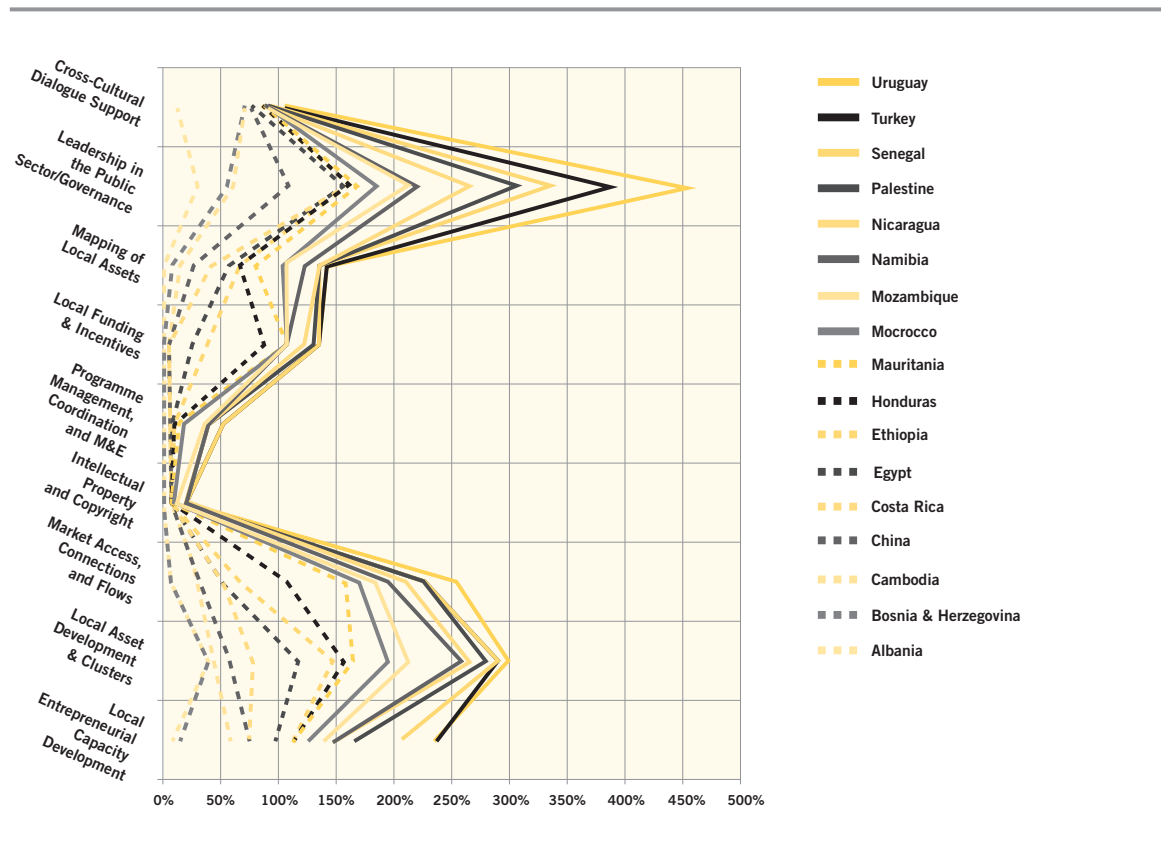
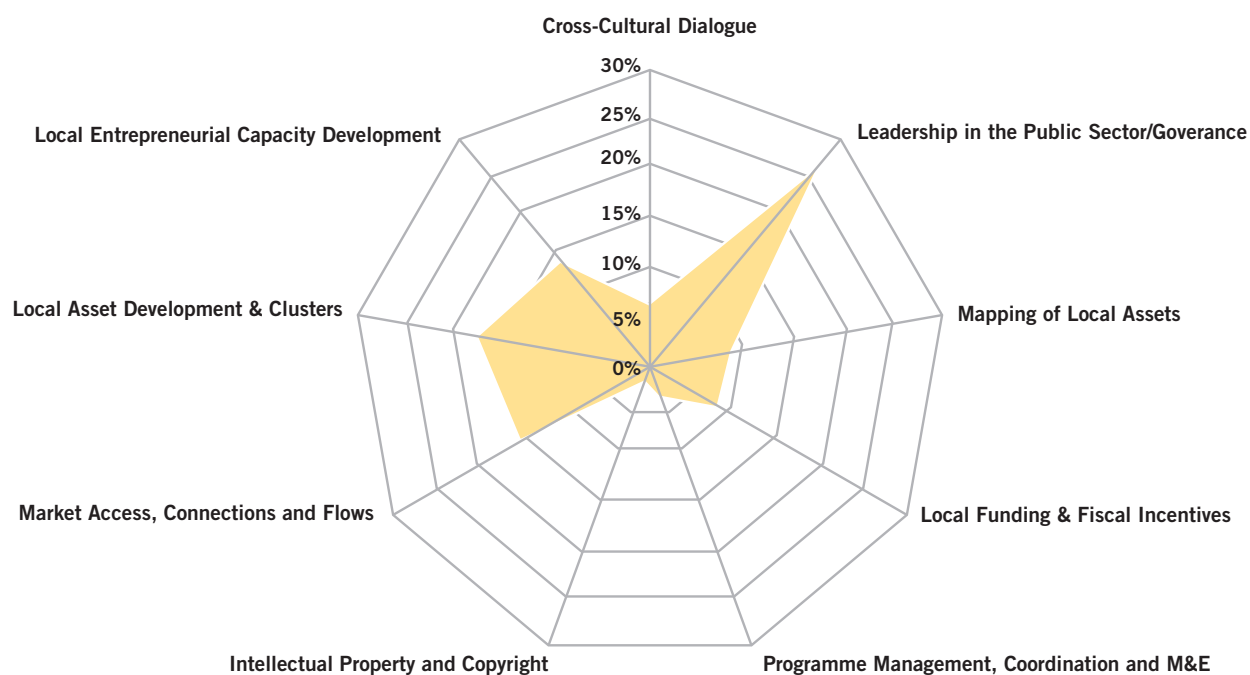


Figure 7.4 MDG-F Portfolio: Distribution of resources by type of activity



BOX

7.8 MDG-F Portfolio: Key priority activities at the local level

Institutional capacity development

Activities were designed to strengthen existing and develop new, policy and legal frameworks at the national and regional levels to help to foster creative and cultural industries and protect cultural assets. Activities to build the capacity of government staff to implement policies, laws and guidelines for the safeguarding and promotion of cultural heritage were common. Training in creative and cultural industry know-how was also widespread.

Featured case studies

Ecuador: Formulation of a Gender and Interculturality Policy for the Sectoral Heritage Council
Morocco: Cultural heritage, a national affair

Market access, transnational connections and flows

A number of programmes included supporting the establishment of local associations or networks of practitioners to learn and share experiences, enhance institutional and management capacity, and improve the technical skills of creative and cultural professionals. In some instances, local associations acted as partners platforms of exchange that brought together local artisans and enabled them to participate in development processes in a more organized way, including engaging in collective bidding, procurement, production and marketing.

7.8 MDG-F Portfolio: Key priority activities at the local level, *continued*

Featured case studies **Cambodia:** Empowerment of Women through the Promotion of Cultural Entrepreneurship
Senegal: Promoting Private Initiative and Cultural Industries

Entrepreneurial Skill Development An overwhelming majority of the programmes integrated capacity-building activities designed to improve entrepreneurial skills and business management practices among creative and cultural entrepreneurs, start-up businesses and self-employed artists in the formal and/or informal economies. Entrepreneurship capacity-building activities varied widely, including training in technical skill development, resource management, ICT and marketing.

Featured case studies **Egypt:** Small and Medium-sized Businesses (SMEs) Created
China: Culture-based Economic Development: Joint United Nations Support to Support Entrepreneurship and Business Development

Cultural resource management and asset development The portfolio also focused on developing capacities to identify, preserve and promote creative and cultural resources. Local actors were supported and trained in strategic planning, infrastructure development and the management of creative and cultural assets. In some cases, exchange programmes were also designed to build and expand the capacity of local cultural managers.

Featured case studies **Albania:** First-ever Masters Programme in Cultural Resource Management in Tirana University
Honduras: Strengthening of Cultural Centres

Mapping of creative and cultural assets A number of programmes initiated their intervention by engaging local communities in the mapping of cultural and creative resources, resulted in both active and static maps, which in turn fed into the development of policy recommendations, the design of targeted training materials, the commissioning of further research and studies, and the compilation of data for use by local artisans, cultural managers and local decision makers.

Featured case studies **Namibia:** Heritage Hunt Campaign and Inventorying of Intangible Cultural Heritage
Costa Rica: Costa Rica's Cultural Information System (SICultura)

For detailed information on projects visit <http://www.unesco.org>

development; development of local capacity in the areas entrepreneurship and business development; and increasing market access, transnational connections and flows as shown in Figure 7.4. It is important to remember that the distribution of resources in the portfolio has to some extent been shaped by the shared goals and objectives of the

Thematic Window. Nevertheless, the autonomy given to each programme in the design and implementation of types of activities enhances the significance of this consistency in prioritization. A number of key activities that appeared consistently in the portfolio at the local level are revealed when the areas prioritized

during the resource allocation process are analysed. Five types of activities that received approximately 80 per cent of the total resources allocated in the portfolio are highlighted in Box 7.8.

7.2.2 WHAT WERE THE KEY IMPACTS?

Given the maturity of the MDG-F portfolio, a second, post-implementation analysis was undertaken and highlights a number of transformational impacts resulting from the programmes' investments in the creative and cultural sectors.⁶ This work serves to build on the key activities and insights uncovered in the above examination of the design-phase of the programmes.

The MDG-F was analysed and the mapped results are presented in Figure 7.2. Programme managers highlighted over 50 transformational impacts as the key achievements of the portfolio.⁷ The successes presented in the box illustrate both the common features and tailored specificities that local decision makers have employed in their work. Programme objectives (transformational goals) are shown in the central, or core, bubbles. The consolidated approaches that national and local-level stakeholders used to achieve these objectives are highlighted in the *subsidiary* bubbles. Furthermore, the analysis of the MDG-F transformational impacts highlights a number of experiences linked to each of the goals and approaches.

Entrepreneurship and business development

Analysis of the transformational goals (represented in the core bubbles) shows that over 40 per cent of the highlighted key impacts focus on strengthening entrepreneurship and business development. Like all of the broader goals identified, the successes in the entrepreneurship and business-development category result from a number of approaches to creating impact. These approaches, which appear in the subsidiary bubbles, include capacity development for increasing product quality and market opportunities, incubation of creative

ventures, development of institutional frameworks and microcredit schemes.

Fostering social dialogue and social cohesion

The portfolio of programmes also shows significant impact on fostering social dialogue and inclusion, representing 27 per cent of the successes highlighted using a broad range of approaches to achieve impact, including organizing festivals, revitalizing food traditions, supporting women's empowerment and gender equality, institutionalizing honour awards, establishing intercultural camps, fostering intercultural/interfaith dialogue and organizing volunteers.

Governance and public policy

The goal of impacting governance and public policy to foster creative and cultural economies applies to 16 per cent of the total number of highlighted achievements. Supporting this goal, the following approaches were identified as having led transformative impact: Developing institutionalized education programmes in creative and cultural management; establishing and strengthening local culture councils; establishing online information systems (websites, directories, communities of practice); developing interministerial policies to support the creative sectors; improving coordination among government actors; and establishing local strategic planning and sustainability strategies for the creative and cultural economy.

Attracting consumers

Finally, 16 per cent of the highlighted successes of the portfolio were geared towards attracting consumers. The majority of the transformational impacts towards achieving this goal pertain to developing the tourism sector for both domestic and international consumers. Approaches identified included: Supporting cultural-asset management; developing marketing strategies; establishing cultural centres; registering heritage sites, establishing tour routes; strengthening markets for heritage cuisines;

⁶ To obtain a better picture of the nature and range of initiatives being designed and implemented, UNOSSC analysed programmes at the activity level, where nuances are more clearly identifiable. Each planned activity of all programmes was identified from data in the strategic planning documents of the programmes.

⁷ The analysis presented in box 5.11, The MDG-F Transformational Impact Analysis, maps the impact of the portfolio as highlighted in post-implementation assessments.

and formulating grant schemes for creative and cultural entrepreneurs and small businesses.

The programme country for each specific achievement is also identified in Figure 7.3.

7.2.3 WHAT ACTIONS HELPED TO ACHIEVE TRANSFORMATIONAL IMPACT?

Direct consultations with the thinkers and doers behind the implementation of the 18 programmes were carried out to answer this question. These were conducted in three regional workshops facilitated by the Laboratory of Research and Innovation in Culture and Development (L+iD) after the implementation of the programmes.⁸ The consultations focused specifically on:

- the nature and importance of context in identifying and generating development projects;
- the sharing of programme experiences throughout the project phases; and
- the identification of information that was taken into account or prioritized throughout the implementation process.

There are notable commonalities across the 18 otherwise distinctive programmes. Parallel critical points of action – or decision points – can also be distinguished. The analysis below presents the collective experiences of the programme managers. It speaks to issues that affect contextualization and strategy identification (Box 7.9), as well as the strengthening of capacities (Box 7.10) at the local level for cultural and creative initiatives. Boxes 7.9 and 7.10 also highlight key recurring experiences that were identified as transformational.

Key actions in contextualization and strategy design

This section examines the collective experiences of the designers and managers of the MDG-F portfolio of programmes. The experiences described below offer a glimpse into how experts reported the contextual dimensions they encountered as they designed strategies for their culture-and-development initiatives in very different local contexts.⁹

A number of shared experiences were identified on the basis of the managers' contributions and are presented in Box 7.9¹⁰. Those in Box 7.9 can be seen to affect mainly two interrelated and critical elements in strategy design: namely information management and communications. Furthermore, despite considerable diversity across the portfolio (i.e. local context, target beneficiaries, creative and/or cultural industry), managers gave a surprisingly consistent account of decision-makers' key actions during the strategic design phase of the programmes. Thus the decision makers all:

- had to take early decisions and establish a programme strategy on the basis of incomplete information;
- used inclusive and intensive communication with stakeholders as a strategic tool; and
- continually adapted the programme strategy.

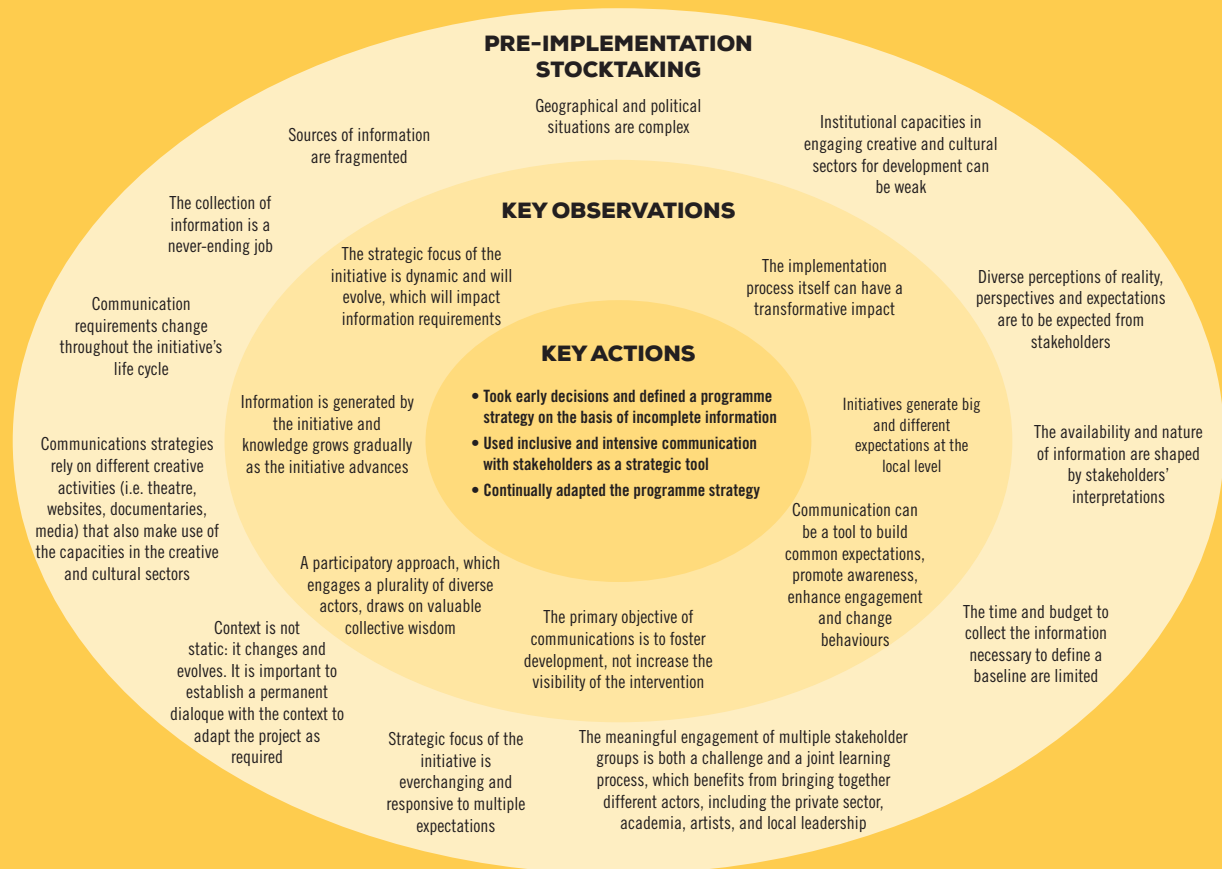
Managers had to take early decisions and establish a programme strategy on the basis of incomplete information (e.g. lack of baseline data). The information gap confronted during the strategy design phase may be compounded by a number of factors, including limited institutional capacity to engage in the creative and cultural sectors for development impact; financial and temporal

⁸ The Laboratory of Research and Innovation in Culture and Development (L+iD) organized the regional Applied Practical Learning workshop discussions on five culture and development programme dimensions: "Context and contextualization; capabilities for development; management and execution; communication; and transversality and cross-cutting. The information generated by these discussions offers valuable insights into the perspectives of a diverse group of experts as they approach the challenges of fostering cultural creativity in development projects."

⁹ The specific focus is on the importance of contextualization and what information has been taken into account or prioritized in the selection and adaptation of a strategy for action. Contextualization is a fundamental element when determining appropriate actions in the development sphere since context dimensions can significantly affect project validity, impact and sustainability. During the regional consultations, context was broadly understood by the programme representatives as "the different geographical, historical, environmental, financial, political and cultural elements that make a difference among territories and populations, and that allow for understanding a specific reality at a given moment."

¹⁰ The evidence was gathered through a guided dialogue that touched on the following points: The project identification process; context diagnosis; knowledge and capacity requirements; strategy identification; appropriateness and adaptation of information and knowledge available to the action levels, regardless of whether they were at the local or national, public or private sector level.

7.9 Managerial experiences in contextualization and strategy identification



Key: This graphic presents a consolidated and summarized account of the experiences of the coordinators of the MDG-F Thematic Window on Culture and Development.

- The **outside circle** presents common experiences reported by the programme coordinators as they reflected on the implementation of the programmes
- The **central circle** presents common actions taken by programme managers that were identified as key to contributing to success.
- The **middle circle** is a distillation of recurrent observations that the managers offered on the impact of specific activities that were implemented.

The data used were gathered during three regional workshops facilitated by L+iD and the subsequent analysis was generated by UNOSSC.

resource constraints; and complex historical, political, social and geographical situations. However, the process of isolating, collecting and analysing relevant data and perspectives is an iterative task in creative and cultural interventions. As programmes advance, a number of factors begin to influence the operating context and reshape information needs and availability.

Moreover, shifts in the evidence base of a programme may be impacted by the implementation process itself,

including through stakeholder dialogue and exchange, capacities developed, awareness-raising and market development. The possible implications of this for information needs and information accessibility should be acknowledged and accounted for in the planning phase. With each new advance, the pool of available data simultaneously grows and its requirements change.

Managers used inclusive and intensive communication with stakeholders as a strategic tool. Cultural projects and

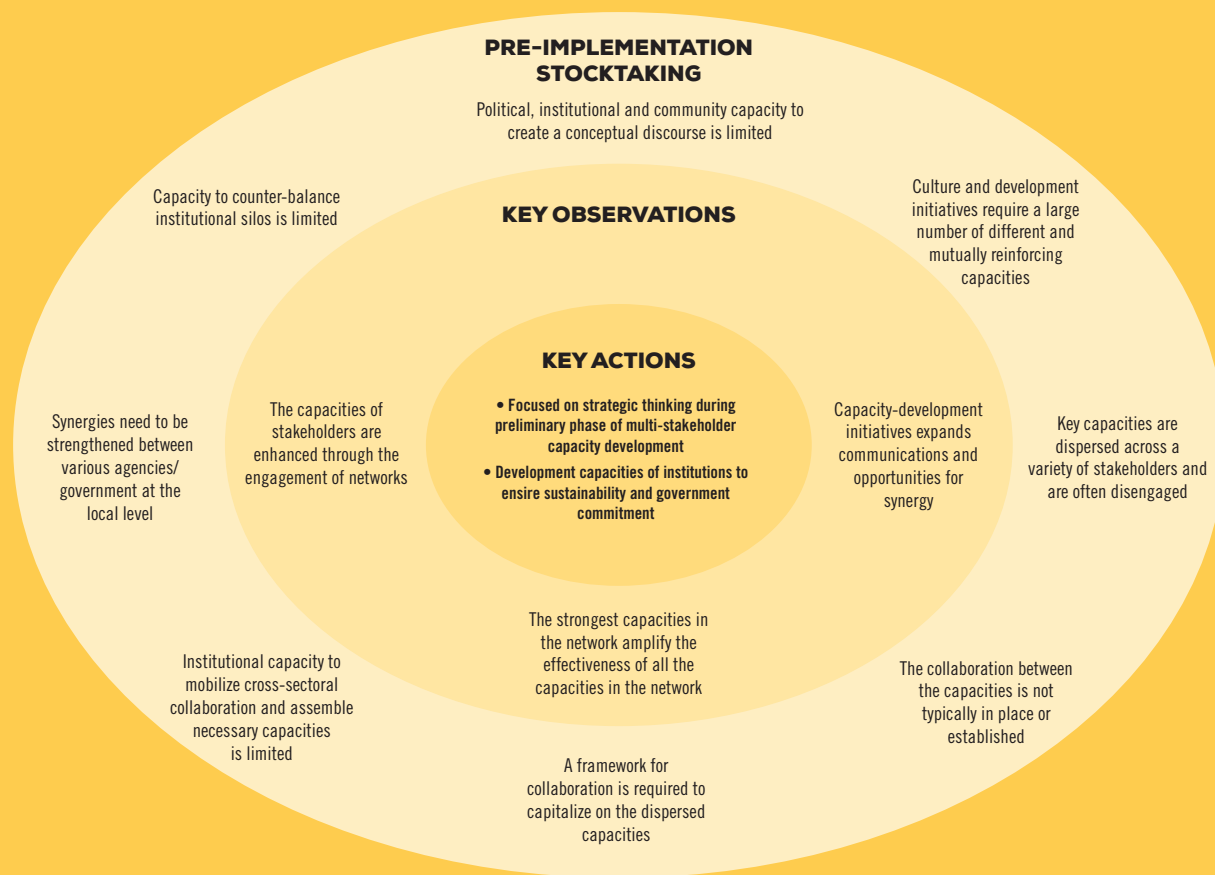
programmes intrinsically draw on and are strengthened by the skills and perspectives of a wide range of actors, including policymakers, the private sector, academia, artists and local leadership. The managers observed that the principal role of communications in the design phase is to catalyse the participation of these multiple stakeholder groups. The diverse realities represented by each stakeholder group present opportunities for rich collaboration and shared ownership while also creating

challenges to ensure meaningful engagement across the board. Thus inclusive and intensive communication is seen as critical in creating opportunities to foster a joint learning process and to break the barriers of existing silos in support of a common vision.

Managers continually adapted the programme strategy. As stakeholder expectations and contextual realities shift throughout the project cycle, the strategic focus and information requirements of the initiative will also change,

BOX

7.10 Managerial experiences in strengthening capacities



Key: This graphic presents a consolidated and summarized account of the experiences of the coordinators of the MDG-F Thematic Window on Culture and Development.

- The **outside circle** presents common experiences reported by the programme coordinators as they reflected on the implementation of the programmes.
- The **central circle** presents common actions taken by programme managers that were identified as key to contributing to success.
- The **middle circle** is a distillation of recurrent observations that the managers offered on the impact of specific activities that were implemented.

The data used were gathered during three regional workshops facilitated by L+iD and the subsequent analysis was generated by UNOSSC.

adapt and evolve. The collective experiences gathered highlight the need for a permanent dialogue to be established with the evolving context of creative and cultural development initiatives. This helps to facilitate ongoing strategic adaptations in approach and data collection that will enable the project to stay relevant throughout its life cycle.

Key actions in capacity development

This section examines the collective experiences of managers with regard to three interconnected issues relating to capacity development: *capacity gaps, diverse capacity requirements and the mutual-reinforcement of various stakeholders' unique capacities* (see box 7.10).

Practitioners gave a surprisingly consistent depiction of decision makers' key actions with regard to capacity development initiatives. Thus they:

- focused the preliminary phase of multi-stakeholder capacity development on strategic thinking; and
- developed capacities of institutions in order to ensure sustainability and government commitment.

Managers focused their preliminary phase of multi-stakeholder capacity-development initiatives on strategic thinking. Development initiatives focused on creativity and culture require a large number of different and mutually reinforcing capacities. The creative and cultural sectors draw from a wide array of institutional arrangements, leadership, knowledge and skills found across various government agencies, independent national and regional institutions, civil society organizations, the private sector, individuals and other stakeholders. Many of the political, institutional and community capacity “gaps” confronted by initiatives are in fact by-products of a blinkered view of capacities along vertical, sector/stakeholder lines. At this stage, only limited stakeholder collaboration and institutional capacity are in place to mobilize cross-sectoral action and capitalize on dispersed capacities. The portfolio practitioners approached this environment in a surprisingly consistent way, fostering strategic thinking about creativity, culture and development capacity requirements and availability, and the engagement of multi-stakeholder networks. Strategic

thinking about targeted capacity-development initiatives provided expanded opportunities for communication and synergy among diverse stakeholders. This early collaboration enhanced the discrete capacities that each stakeholder brought to the table and helped to establish a framework within which they could be brought into the fold. This inclusive, networked approach capitalized on the strengths of stakeholders to amplify the effectiveness of all the capacities in the network.

Managers developed capacities of institutions to ensure sustainability and government commitment. A significant portion of the capacities targeted across the portfolio related to strengthening institutional leadership, partnerships, knowledge and skills. Initiatives sought to strengthen synergies between various government actors at all levels, with the aim of counterbalancing the institutional silos so common across agencies. Institutionalizing a networked approach to culture and development initiatives helped to create a sustainable environment where a variety of stakeholders can continue to be engaged and their unique capacity resources amplified.

7.3 TRENDS IN DEVELOPMENT INTERVENTIONS

The portfolio analysis presented in this chapter offers a rich set of experiences from local decision makers from which both project managers and decision makers can identify with and act upon. All the information upon which the analysis is based has been generated by initiatives engaging the creative economy for development in local settings. The analytical framework was selected in order to help reveal what creative- and culture-sensitive development interventions look like in practice. Specifically, its purpose was to uncover the ways in which decision makers are choosing to design their unique development pathways for human development impact at the local level. The trends presented serve as further evidence for local policymakers and practitioners as they seek to tailor appropriate, context-driven approaches to human development within their communities.

Despite the different profile of the cultural and creative industries projects analysed, whether in terms of size, duration or direct beneficiaries, a number of commonalities can be established among them, as follows:

- The analysis shows that strengthening business and entrepreneurial capacities is a key element of any endeavour that seeks to engage with the creative economy at the local level. The consistency with which this approach is cited across both portfolios reveals that strengthening the business and managerial skills of cultural actors is critical to achieving successful and sustainable creative enterprises, thus promoting job creation and income generation.
- The empowerment of individuals and social groups, such as women, young people and indigenous peoples, also appears as one of the key elements of many of the initiatives analysed. They also made an identifiable contribution to the creation of greater social cohesion and the development of self-esteem.

- Last but not least, the analysis shows that the implementation of participatory approaches, the strategic use of communication as a programme strategy, and the active involvement of civil society in policy-making processes result in better informed and locally owned cultural policies at national and local levels.

The conclusion of this analysis also substantiates the key finding that runs through this report, namely when local decision makers are presented with countless possibilities to shape their own creative economy development pathways, they are favouring a multi-pronged approach that promotes economic impact (e.g. entrepreneurship and business development) alongside non-economic impact (e.g. the enhancement of social inclusion).

local decision makers and programme managers favour a multi-pronged approach that promotes both

business development alongside social inclusion



Lessons learned and ways forward

“ *At no previous time in history have there been such opportunities for bringing the dimensions of economy, culture and place back into some sort of practical and humanly reasonable harmony.*¹”

» 8.1 FROM THE GLOBAL...

The creative economy is now one of the most rapidly growing sectors of the world economy. It is also a highly transformative one in terms of income-generation, job creation and export earnings, as already clearly demonstrated in the 2008 and 2010 editions of the Creative Economy Report. Figures published by UNCTAD in May 2013 show that the creative economy has become an even stronger driver of development: World trade of creative goods and services totalled a record US\$ 624 billion in 2011, more than doubling between 2002 and 2011. The average annual growth rate of the sector during that period was 8.8 per cent, and the exports of creative goods was even stronger in developing countries, averaging 12.1 per cent annually over the same period.²

to the national

In addition to this macro-level international trade data, new knowledge generated by UNESCO and WIPO,

based on indicators measuring the contribution of cultural activities to GDP and levels of cultural employment, confirm the economic impact of culture at the national level. For example, data from 40 countries collected and analysed by WIPO reveal that, on average, the contribution of copyright industries accounts for 5.2 per cent of GDP. UNESCO's Culture for Development Indicators (CDIS), based on the UNESCO Framework for Statistics, demonstrates that nearly 5 per cent of Ecuador's GDP is contributed by private and formal cultural activities (similar to contribution of the agricultural sector to GDP). This figure stands at 5.7 per cent in Bosnia and Herzegovina, 3.4 per cent in Colombia and 1.5 per cent in both Cambodia and Ghana,³ where informality poses a major challenge for estimating the real contribution of the creative sector to GDP. The CDIS also provides insights into the impact of culture for social development based on indicators assessing levels of participation in cultural life, interpersonal trust and tolerance, and the freedom of self-determination; critical factors contributing to new pathways for local development as presented in Chapter 5. The WIPO and UNESCO indicator programmes are presented in greater detail in Annexes 2 and 3. They demonstrate how, in recent years, concerted efforts to generate meaningful statistics have given us a much better understanding of the significance of the creative sector to national economic and social development processes.

¹ Scott (2006: 15)

² UNCTAD (May 2013). Trade in creative products reached new peak in 2011. Press Release.

³ Data are based on national classifications of activities accounts and calculated according to the UNESCO CDIS Methodology Manual. Respectively according to order of appearance, this data corresponds to years 2010, 2011, 2008, 2010 and 2010.

... to the local

Notwithstanding the importance of policy interventions at the global and national level, the creative economy is not a single superhighway, but a multitude of different local trajectories found at the subnational level in cities and regions in developing countries. The next frontier of knowledge generation therefore rests on understanding local-level interactions, specificities and policies, and how the creative economy might be practically promoted in communities, cities and regions across the developing world. The aim of generating such an understanding was the starting point for the present special edition of the *Creative Economy Report*. However, this presents a challenge, namely how to capture the vibrancy and scale of creative economies in the absence of systematically gathered evidence at the local level in developing countries. It argues for the need of a broader-based examination of the relationships between the economic and the non-economic benefits of local creative economies and the factors contributing to transformative change. This was also the challenge issued by the UN System Task Team on the Post-2015 UN Development Agenda in its 2012 Report, *The Future We Want for All*:

Business as usual cannot be an option and transformative change is needed...Continuation along previously trodden economic growth pathways will exacerbate inequalities, social tensions and pressures on the world's resources and natural environment. It is crucial to promote equitable change that ensures people's ability to choose their value systems in peace, thereby allowing for full participation and empowerment.... There is therefore an urgent need to find new development pathways that encourage creativity and innovation in the pursuit of inclusive, equitable and sustainable growth and development.⁴

For these reasons, then, this Report strongly advocates the need to view the creative economy in *humanistic* terms – i.e., creativity as an embodied, lived quality informing a diverse range of industries and activities. The evidence the Report has provided is derived from on-the-ground experiences, from technical assistance and project

management activities, as well as from academic research and expert contributions from Africa, the Arab region, Asia and the Pacific, Latin America and the Caribbean. This evidence also contributed to defining the specificities and critical factors for success in building dynamic creative economies at the local level in developing countries presented in Chapters 4 and 5, and the practical decision-making experiences analysed in Chapter 7.

>> 8.2 LESSONS LEARNED

Local creative economies are highly diverse and multi-faceted. They are emerging across the world from many distinct path-dependent and situated contexts, where different institutions, actors and flows of people and resources shape a range of different opportunities. There is no “one size fits all” solution. This Report argues that successful cultural and creative industries are not just those that maximize exports, or generate significant royalties or wages. They may and should do both, but neither of these outcomes is either a necessary or a sufficient condition for human wellbeing and for achieving people-centred, sustainable development. However, at the core of such efforts is the continuous search for the most appropriate strategies and pathways to develop the cultural and creative industries across the entire cultural production value chain, for the most suitable forms of expertise to help do this and for the most culturally-sensitive ways of ascertaining value and reward.

Cities in the global South are creating new models based on their own needs and strengths, as well as empowering themselves through South-South cooperation. While the evidence presented in this Report is mainly derived from low- and middle-income countries located in the global South, the Report argues that there are many settings of extreme socio-economic disadvantage still to be found around the world. It concludes, therefore, that inclusive economic and social development is not a matter for the South alone, but is a truly global challenge.

Today, in even the poorest or most remote places, cultural production is shown to be a viable path to sustainable development. Yet, one of the major challenges in creative

⁴ UN System Task Team on the Post-2015 UN Development Agenda (2012). *Realizing the Future We Want for All*, New York, paragraphs 50 and 71.

economy development across the global South is financing. Governments have few subsidy mechanisms in place, including tax credits for creators and entrepreneurs. Cultural producers or managers of creative enterprises have difficulties obtaining loans or accessing other types of bank services. In many places the creative economy in the developing world has grown without the resources required for extensive marketing campaigns, nor the capital to fund significant new investments, or the transnational network connections to ensure that outlets anywhere in the world can stock, or feature creative products from other regions or countries on their shelves and in their programming. The current situation remains largely low-key and informal, intricately connected with community life and social networks. Fruitful creative development strategies will therefore integrate awareness of such specificities, just as they will pay due attention to systemic development challenges of inequality and poverty.

At the local level, creative economy development is hampered not only by lack of capital, but also by a lack of human capacities and infrastructure. The shortfalls in human capacity hinge on skills, notably in project organization and business management, inadequate networking capabilities and community contexts that constrain rather than promote creative talent and entrepreneurship. Other weaknesses include lack of knowledge and understanding of the workings of cultural markets, at both national and international levels. The sector also encounters a degree of political interference that hinders true creativity.

The creative economy has important empowering dimensions as well. The case studies presented throughout this Report demonstrate that much successful cultural production emerges from localities and contexts where access to infrastructure and mainstream employment opportunities are highly constrained, but where tradition and cultural values remain strong. Although precarity is ever-present, cultural occupations offer valuable flexibility in community contexts where cultural work can complement, rather than disrupt, other daily responsibilities and obligations, such as the maintenance of traditions, ongoing land management activities and participation in community decision-making. The cultural and creative industries can also deliver flexible

environments for engagement with formal spheres of work, while substantially enhancing prospects for expression, wellbeing and intercultural dialogue in both rural and rapidly urbanizing parts of the developing world. Moreover, widespread local control and accessibility to production enables people to represent themselves through a mix of images, sounds and words.

In these ways, then, the value of promoting participation in the cultural and creative industries extends far beyond, and is independent from, economic benefits. Such engagement enables a far wider and deeper role, for example by generating social energy and trust, confidence and engagement, enabling both individuals and groups to aspire to and imagine alternative futures. Yet, while we recognize its dimensions, rapid growth and still untapped potential, we must also face up to its limits. The creative economy offers no quick fix for the achievement of sustainable development, nor should it be seen as a universal palliative in situations of economic crisis or decline. On the one hand it can promote sustained, inclusive and equitable economic growth, create greater opportunities for all, reduce inequalities, raise basic standards of living, foster equitable social development and inclusion, and promote the integrated and sustainable management of natural resources and ecosystems. On the other hand, it sometimes feeds into unsustainable processes and practices, notably the endless consumerism that underpins the sustainability crisis that we face. In taking a balanced view, the Report identifies the many “new development pathways” it offers, through which individuals and communities throughout the world can harness cultural and creative resources.

>> 8.3 TEN KEYS TO FORGING NEW PATHWAYS FOR DEVELOPMENT

Central to the awareness of the role culture can play as both a driver and an enabler of sustainable and inclusive development is recognition of its intrinsic benefits in nurturing creativity and its role in lifting community pride and confidence, and thus wellbeing, in a positive way, as well as the considerable economic benefits which can flow from dynamic cultural sectors in the form of jobs and

sustainable growth. The myriad experiences presented in this Report have therefore emphasized the importance of empowering artists, cultural entrepreneurs, local communities and policymakers to manage cultural assets, boost their cultural and creative sectors and harness development leverage from them. These experiences have also demonstrated the power of creativity and culture to generate more decent work, green jobs, and inclusive and sustainable growth.

Still, much more must be done at all levels – by individuals, within communities, national governments, and the international development community – to promote the role of culture and the creative sector in development. Going forward, a number of key actions can be taken to further advance respect for cultural diversity and assets as drivers and enablers of sustainable development

Ten key recommendations are put forward below with a view to forging new cultural pathways to development. They are informed by the local-level evidence provided throughout this report, as well as by the principles adopted by the global community through international legal instruments, such as the UNESCO *Convention on the Protection and Promotion of the Diversity of Cultural Expressions* (2005), and recently reaffirmed through the UN Task Team Report (2012), *The Future We Want for All*, as well as the UNESCO *Hangzhou Declaration: Placing Culture at the Heart of Sustainable Development Policies* (2013). The actions proposed are an invitation to all stakeholders to continue to think or rethink – creatively – not only about the many benefits that investing in the creative economy might tangibly bring to the everyday lives of people in diverse circumstances, but to also turn these thoughts into action.

1. Recognize that in addition to its economic benefits, the creative economy also generates non-monetary value that contributes significantly to achieving people-centred, inclusive and sustainable development

Culturally driven ways of imagining, making and innovating, both individual and collective, generate many human

development “goods”. These “goods” embed a monetary and non-monetary value that contributes to inclusive social and economic development. Economic benefits are generated by the production, distribution, dissemination and consumption of cultural goods and services. But we have identified other dimensions of culture that transcend the purely economic, namely: (a) *cultural expression (or artistic practice)*, both individual and collective, energizes and empowers social groups, particularly the marginal and the downtrodden, and provides avenues for their social and political agency; (b) *cultural heritage both tangible and intangible*, affords cultural value to individuals and groups far greater than the income it affords them, notably by providing indigenous knowledge vital for the sustainable use of natural resources and ecosystems; and (c) *urban planning and architecture* are both key to the quality of life in cities and towns: A well nurtured built environment enhances individual and social well-being. Being able to either generate or access both the economic and the non-monetary benefits must be counted among the instrumental freedoms that are integral to people-centred development.

2. Make culture a driver and enabler of economic, social and environmental development processes

The core social unit in which transformative change takes place is a culturally defined community. The development of this community is rooted in the specific values and institutions of its culture, in other words on its own strengths and resources that contribute to the development process.⁵ These resources are used to create *economic value* (material and non-material well-being); *social value* (the benefits of social cohesion, social stability, etc.); *environmental value* (benefits derived from natural resources and ecosystems); and *cultural value* (the intrinsic and instrumental benefits from art and culture that contribute to individual and collective fulfilment). The processes that generate these values from the cultural production chain are supported and facilitated by the range of services provided by public and private sectors and by civil society that enable development.

⁵ Nurse (2006).

3. Reveal opportunities through mapping local assets of the creative economy

As previously mentioned, there is a knowledge gap at the local level and basic evidence is conspicuous by its absence. Without such knowledge, everyone from policy-makers to project managers take decisions on the basis of incomplete information. In addition, political commitment and the willingness to invest will remain elusive.

Mapping the challenges, structure and functioning of the local economy is therefore important in order to subsequently measure the impact of policies. Evidence in this Report demonstrates how cultural and creative industry mapping exercises provide local authorities are necessary for evidenced-based policy-making as they provide an overview of place-specific characteristics, human and institutional capacities, sector specific challenges, and opportunities across the value chain. When carrying out any mapping exercise, a participatory methodology for knowledge production is vital. Successful cultural asset mappings are those that engage in consultation with diverse stakeholder groups (both public and private). The results of mappings can help authorities determine the competitive advantage of their locality, as well as define the expected outcomes to be achieved through investment in the local creative economy development.

4. Strengthen the evidence base through rigorous data collection as a fundamental upstream investment to any coherent creative economy development policy.

Sound decision-making relies not only on mappings of local cultural assets but also on hard data. While new studies measuring the economic contribution of culture to development in cities or municipalities have started to emerge, local-level data is highly inadequate across developing countries. If they exist, statistics that measure sectoral outputs and growth rates are often patchy and unreliable. Gathering and analysing the necessary quantitative data will necessarily be a gradual and incomplete process. Hence, qualitative outcomes must also be taken into account and valued. One way policymakers at the local level can help facilitate this process is to equip themselves with a tool box of indicators, as presented in

Chapter 6. They can also strengthen local institutions and engage in a permanent dialogue with all relevant stakeholders throughout the data collection process, to ensure the integrity, relevance and sustainability of the exercise, as reflected in the collective experiences gathered in Chapter 7.

5. Investigate the connections between the informal and formal sectors as crucial for informed creative economy policy development

The creative sector is like no other sector of the economy. One of its key features, notably in developing countries, is its deep reliance on informal cultural systems, processes and institutions, its large number of micro-enterprises and the high market risks associated with new products. Governmental capacity for subsidy and regulation is limited. Many creative workers find themselves beyond the reach of official regulation and measurement. Many cultural enterprises operate “off the books”. Capital is raised from informal sources, including family and friends, rather than through public or commercial institutions. As indicated in Chapter 1, informal creative activities require a different kind of policy thinking. Adopting methods that identify the connections between the informal and formal sectors will be particularly useful to gauge how policy initiatives aimed at fostering creative activity in informal settings may shape the way that these activities evolve and feed back into the formal creative economy.

6. Analyse the critical success factors that contribute to forging new pathways for local creative economy development

Many critical factors, conditions or variables will need to be taken into consideration when taking decisions and designing policy strategies and programmes to forge new pathways for local creative economy development. These pathways will emerge from organic and iterative processes within local communities and deliberate policy and programmes initiatives. Critical factors for success are identified in Chapter 5 and programme experiences presented in Chapter 7. These include the weight of history and tradition that interact with measures taken today, including: financial investments along the value chain that

are matched with infrastructure and labour capacities; cooperation between the agents, intermediaries and institutions required to make policies and measures work; participatory decision-making processes engaging local actors and communities; specific mechanisms scaled for local enterprise development, including capacity-building for technical, entrepreneurial and leadership skills; effective intellectual property rights that stimulate creative economies; networking through building creative clusters and support for mobile outreach; a commitment to an ethic of service to people and their aspirations that blends economic development with the need for liberation and self-identification; responding to community development and welfare needs, including work conditions and informal dynamics that characterise the sector. Finally, in today's highly interconnected and interdependent world, transnational exchanges and flows will also play a key role in any local strategy, notably as regards access to global markets and digital connectivity. In this complex scenario, fostering capacities for critical and strategic thinking will be essential for good decision-making.

7. Invest in sustainable creative enterprise development across the value chain

Fostering the cultural value chain will require policy and programme action to support local learning and innovation processes. This calls for initiatives that nurture new talents and support new forms of creativity. It entails providing opportunities for cultural entrepreneurs in fields, such as business management, ICTs or social networking, in order to train or attract a skilled labour force. It includes strengthening production and distribution infrastructure/networks for creators and communities, engaging in marketing and audience outreach activities as a means to build up and support local markets. It will also entail (re-)programming urban spaces that respond to the evolving cultural, social and physical fabric of communities, including demographic changes as a result of urban migration.

8. Invest in local capacity-building to empower creators and cultural entrepreneurs, government officials and private sector companies

The important role that capacity-building can play in the growth of local creative economies of the global South cannot be underestimated. As a field, capacity-building in endeavours related to the creative economy is still in an experimental stage. Some of the best-developed initiatives have been cited throughout this Report. Many tend to concentrate on strengthening business and entrepreneurial skills to enable creative activities to be marketed and creative enterprises to grow. Others show promising results of integrating the social dimension into entrepreneurial activities that provides a bridge between formal and informal creative economy environments. Capacity-building initiatives for the public sector are starting to strengthen managerial and leadership skills, to empower policymakers with the knowledge to develop local creative economy strategies and to engage diverse stakeholders in the process. Investing in human capital development is a major stepping-stone on the pathway to people-centred development. This needs to be coupled with investments to strengthen systems of governance and institutional frameworks. Many successful programming strategies and choices for capacity development actually implemented by project managers are analysed in Chapter 7.

9. Engage in South-South cooperation to facilitate productive mutual learning and inform international policy agendas for development

Engaging in international cooperation to share information and promote transparency in policy-making is not limited to national authorities. Local authorities, particularly from the global South, also have an important role to play in sharing experiences. Evidence presented in this Report shows how they are finding new ways of fostering dynamic creative economies. South-South cooperation and local level engagement in productive mutual learning can also contribute to the formulation of international agendas for development. The latter must be enriched by factual

accounts of the diversity of real situations, capacities and needs on the ground to promote and support cultural creativity, including city-to-city collaboration.

10. Mainstream culture into local economic and social development programmes, even when faced with competing priorities

In many developing countries, communities and municipalities are acting more quickly and effectively than national institutions in supporting the integration of cultural and creative industries in development strategies and programmes. However, if the creative economy is to reach its full potential and contribute to sustainable and transformative change, it will require hard, strategic decisions on the part of public sector officials that are often faced with competing priorities and engagement in partnerships with civil society and private sector stakeholders. Such decisions involve, for example, establishing investments in the cultural and creative industries as priorities for achieving inclusive economic growth and social development. It also entails a commitment to strengthening institutional leadership capacities to ensure sustainability and create synergies between government actors at all levels. In this context, leadership implies empowering individuals and communities to take control over their systems of local creative and cultural production in ways that enable them to create and fully participate in cultural life.

culture is

a driver and enabler

of economic, social and
environmental development

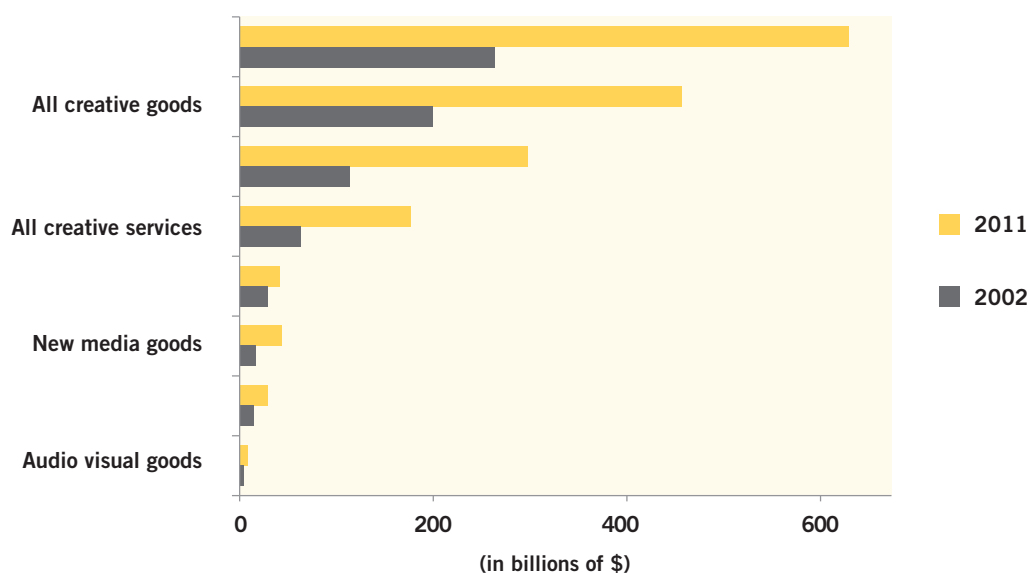
UNCTAD Global Database on the Creative Economy

There are several indicators we can use for understanding the Creative Economy. The first two Creative Economy Reports (CER) issued in 2008 and 2010 have favoured international trade in creative sector goods and services. It is important to note that the use of international trade data was a pivotal tool to promote and define the contours and dynamics of this phenomena. The data utilized in the CER 2008 and 2010 reports was supported heavily by the ongoing work of UNCTAD and its model for creative economy trade statistics. Over the intervening years between the previous CERs and the publication of this Special Edition, the collection and analysis of this data have not been stopped or interrupted.

Within this publication we have decided to take a different direction and apply a local policy lens. However, this work was only made possible due to our ability to build on the understanding and definition of the creative economy phenomena as established through the previous two Creative Economy Reports.

Accordingly, this annex presents and summarizes the UNCTAD model for creative economy trade statistics. Local development pathways that encourage creativity and culture, as discussed throughout this Report, are inextricably interwoven with national activities and international trade. The 2008 and 2010 Creative Economy Reports were co-published by UNDP and UNCTAD and outlined a framework to define the

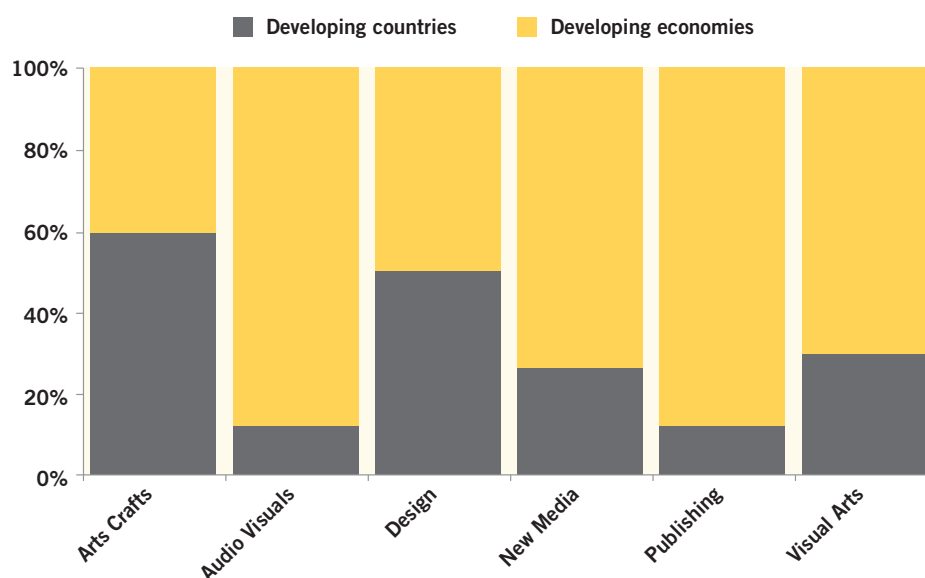
Evolution of world exports of creative goods and services, 2002 and 2011



Creative goods: Exports, by economic group, 2002 and 2011 (in millions of US\$)

	World		Developing		Developed		Transition	
	2002	2011	2002	2011	2002	2011	2002	2011
All Creative Goods	198'240	454'019	73'890	227'867	123'169	222'597	1'181	3'555
Art Crafts	17'503	34'209	9'201	23'383	8'256	10'653	45	172
Audio Visuals	455	492	35	90	417	400	3	2
Design	114'694	301'262	53'362	172'223	60'970	127'239	362	1'800
New Media	17'506	43'744	4'412	14'607	13'071	28'918	23	219
Performing Arts	2'754	-	250	-	2'478	-	26	-
Publishing	29'908	43'077	3'157	8'106	26'061	33'650	690	1'321
Visual Arts	15'421	31'127	3'474	9'456	11'916	21'631	31	40

Share of economic group in world exports of creative goods, 2011



creative economy in terms of cross-cutting economic sectors. The corresponding aggregated national activities were measured in terms of international trade.

Over the years UNCTAD's work on the creative economy has demonstrated that building a supportive environment for creative industries requires a holistic approach,

centered on providing support, incentives and tools to local actors.

World trade in creative goods and services totaled a record US\$ 624 billion in 2011, up from US\$ 559.5 billion in 2010, according to the UNCTAD Global Database on the Creative Economy. Global exports of such goods and

services as arts and crafts, books, graphic and interior design works, fashion, films, music, new media, printed media, visual, as well as audio-visual products, picked up in 2011 – the latest year for which figures are available -- from US\$ 536 billion in 2009 and US\$ 559 billion in 2010.

The sector has now exceeded its pre-crisis peak of US\$ 620.4 billion in exports in 2008. The minor decrease in the overall consumption of creative products after 2008 reflected the fragility of the post-crisis recovery in developed countries mainly due to the rise of public deficits, currency volatility, and high levels of unemployment, especially in the most advanced countries.

The figures show that creative services exports (as opposed to creative goods) jumped to US\$ 172 billion in 2011, up from US\$ 163.8 billion in 2010, and a near tripling in terms of value from the 2002 total of US\$ 62 billion. Part of that increase reflects the trend in which more governments are compiling statistics on the creative economy. Architecture and related services, cultural and

recreational services, audio-visual services, advertising, and research and development services are the core activities comprising creative services.

Overall, global trade in creative products more than doubled from 2002 to 2011. The average annual growth rate during that period was 8.8 per cent.

Growth in developing country exports was stronger still, averaging 12.1 per cent annually for the period. Such exports of creative goods and services reached US\$ 227 billion in 2011, or 50 per cent of the global total.

UNCTAD creative-economy statistics are based on official national data provided by governments. UNCTAD data are indicative of trends and actual figures can be considerably higher. Additional data and country profiles on trade in creative products can be derived from the UNCTAD Global Database on the Creative Economy which can be accessed at: <http://www.unctad.org/creative-programme> or <http://unctadstat.unctad.org>.

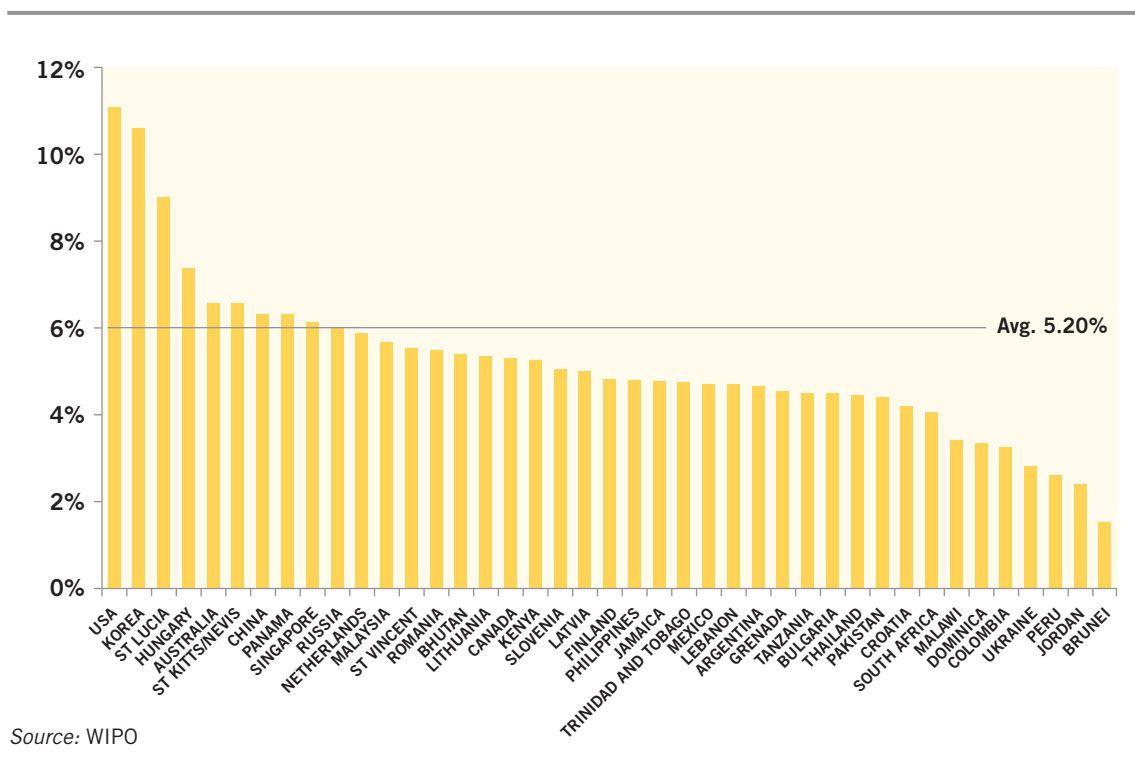
ANNEX 2

WIPO Studies on the Economic Contribution of the Creative Sector

The World Intellectual Property Organization (WIPO) has supported research on assessing the economic contribution of the creative industries since 2002. WIPO studies are based on a common methodology which outlines four groups of industries, identified on the basis of their level of dependence on copyright material. It establishes a set of macroeconomic indicators and lays out research standards and approaches. The WIPO guidelines were developed on the basis of best international practices and are implemented in over 45 countries.

Data from 40 national studies conducted up to September 2013 suggests the creative sector is sizeable and larger than expected in most countries. Research also indicates that copyright industries make a significant overall economic contribution to GDP and that this contribution varies across countries. Three-quarters of the countries surveyed have a contribution between 4 and 6.5 per cent, with the average standing at 5.20 per cent. Countries that have experienced rapid economic growth typically have an above-average share of GDP attributed to copyright industries.

Figure 1 Contribution of Copyright Industries to GDP¹

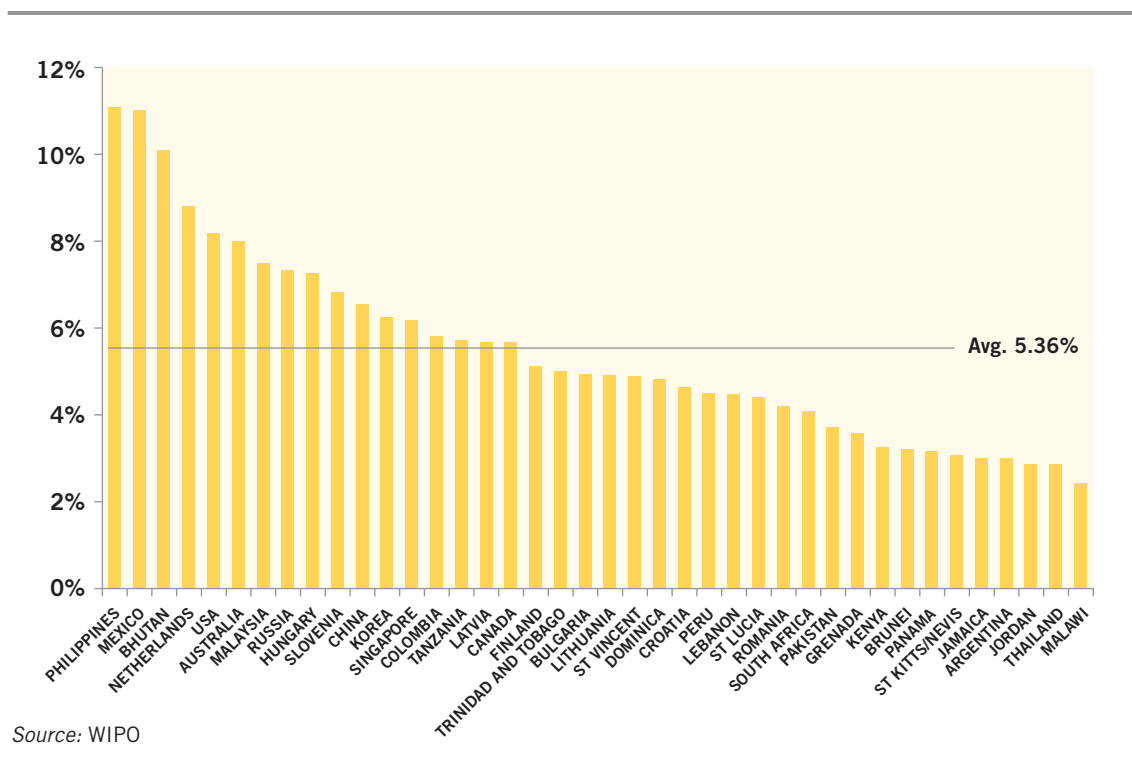


¹ The results of WIPO studies can be consulted on: http://www.wipo.int/copyright/en/performance/country_studies.html and are summarized on http://www.wipo.int/export/sites/www/copyright/en/performance/pdf/economic_contribution_analysis_2012.pdf

The contribution of copyright industries to national employment stands at an average of 5.36 per cent. Nearly three-quarters of the countries fall in the range between 4 and 7 per cent contribution to national employment.

Most countries with an above average share of creative industries² in GDP also exhibit an above average share of employment.

Figure 2 Contribution of Copyright Industries to National Employment



The WIPO methodology distinguishes between four different groups of copyright industries in function of the level of dependence on copyright material – core, interdependent, partial and non-dedicated support industries.³ The breakdown of the economic contribution by industry in the core group provides the following results: With 38.6 per cent, press and literature is by far the biggest contributor to generating added value. The other driver industries – software and databases, radio and TV, music and theatre, advertising, motion picture and video, and exhibits, together account for over 50 per cent of the share, with software and databases alone representing close to half of that contribution.

forty-three per cent of the labour force in the core copyright industries is employed in the press and literature sectors. The top five industries in terms of share of employment account for over 80 per cent of the total employment. Software, databases, radio and TV are the most labour intensive sectors, providing a higher contribution to GDP when compared to the labour input in them.

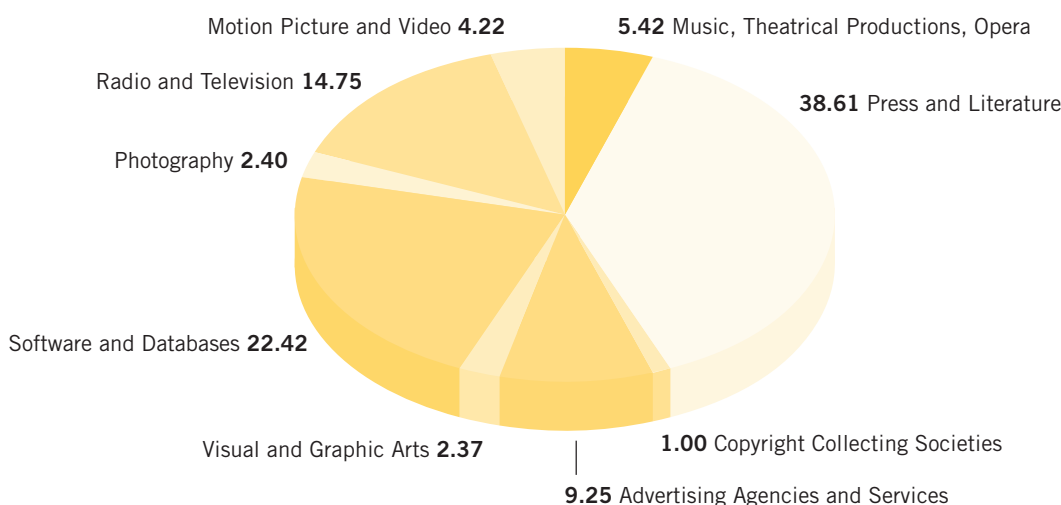
The results of the national surveys confirm the importance of copyright-based industries for overall economic performance. Creative industries are well connected with the rest of the economy and have an active presence in the economic

² The terms *creative industries* and *copyright industries* are used interchangeably throughout the document
³ See WIPO Guide on Surveying the Economic Contribution of the Copyright-Based Industries, WIPO Publication No 893 (E), ISBN 978-92-805-1225-7

cycle. In many countries, creative industries are playing a more important role than some traditional industries. Creative industries performance is enhanced when stimulated by governments, the legal system and the businesses environment.

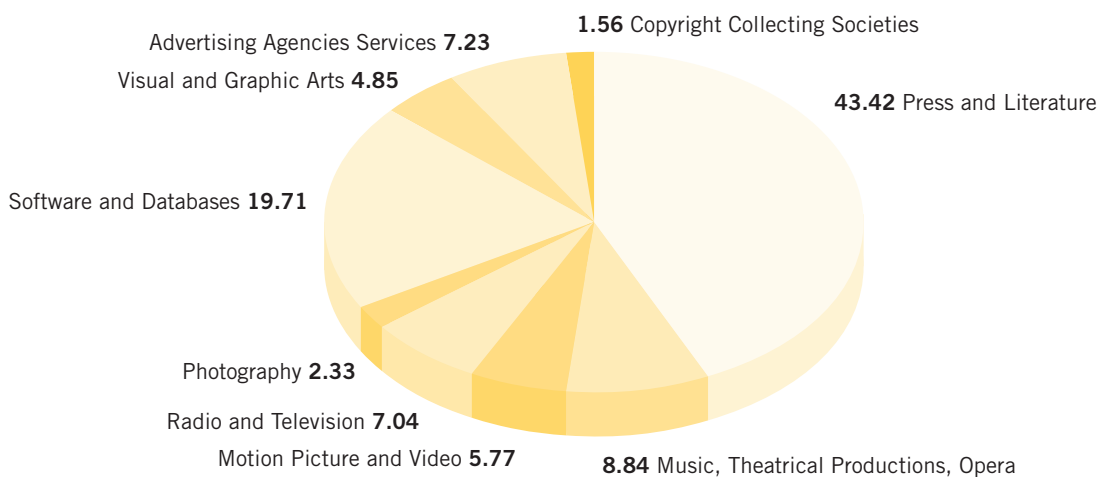
National studies confirm the applicability of the WIPO methodology in countries at various levels of development. Further studies can outline the potential of copyright for development and the need of linking the implementation of a robust copyright regime to the achievement of national development objectives.

Figure 3 Contribution of Core Copyright Industries to GDP by Industry⁴ (in per cent)



Source: WIPO

Figure 4 Contribution of the Core Copyright Industries to Employment by Industry (in per cent)



Source: WIPO

⁴ All breakdowns of the contribution of the specific industries either to GDP or employment are calculated on the basis of the available statistics in the national reports.

UNESCO Culture for Development Indicators

ANNEX 3

Impacting policies through a multidimensional approach

The creative economy can be measured using various tools for assessment, but the particular characteristics of low-middle or middle-income countries pose unique challenges. Not only is much of their creative sector restricted to domestic transactions, but their markets often remain largely informal, national statistical systems are limited and data fragmentary.

As a first step to address these challenges, UNESCO's Sector for Culture has developed a rapid assessment tool intended to demonstrate, through facts and figures, the multidimensional contribution of culture to national development processes.¹ Taking stock of previous efforts to build indicators and using the UNESCO 2009 Framework for Cultural Statistics as a standard, the Culture for Development Indicators (CDIS) methodology was developed through a highly participative process involving international experts, local country teams, National Statistical Offices and other stakeholders.

As a result, CDIS methodology tools are flexible and adaptable to national needs and available data. Distinct from other indicator models, the construction of the 22 CDIS indicators offers an overview of economic outputs, but also insight into the existing national environment for enhancing and sustaining cultural assets and processes for development. Indeed, it looks at issues of access and participation, equality and inclusion, thus tapping into the multifaceted contribution of culture and the creative economy to sustainable development

objectives. This approach privileges the use of national data sources, builds national ownership and delivers cost effective statistics that are directly connected to policy priorities.

The CDIS have been piloted in 11 countries² and are currently in the final phase of implementation. The indicators confirm the sector's vitality. Often depending on levels of informality, contribution of formal and private cultural activities to GDP can range from 4.8 per cent in Ecuador to 1.53 per cent in Ghana and occupations in cultural establishments represent from 4.7 per cent of total formal employment in Bosnia and Herzegovina to 0.54 per cent in Cambodia.³

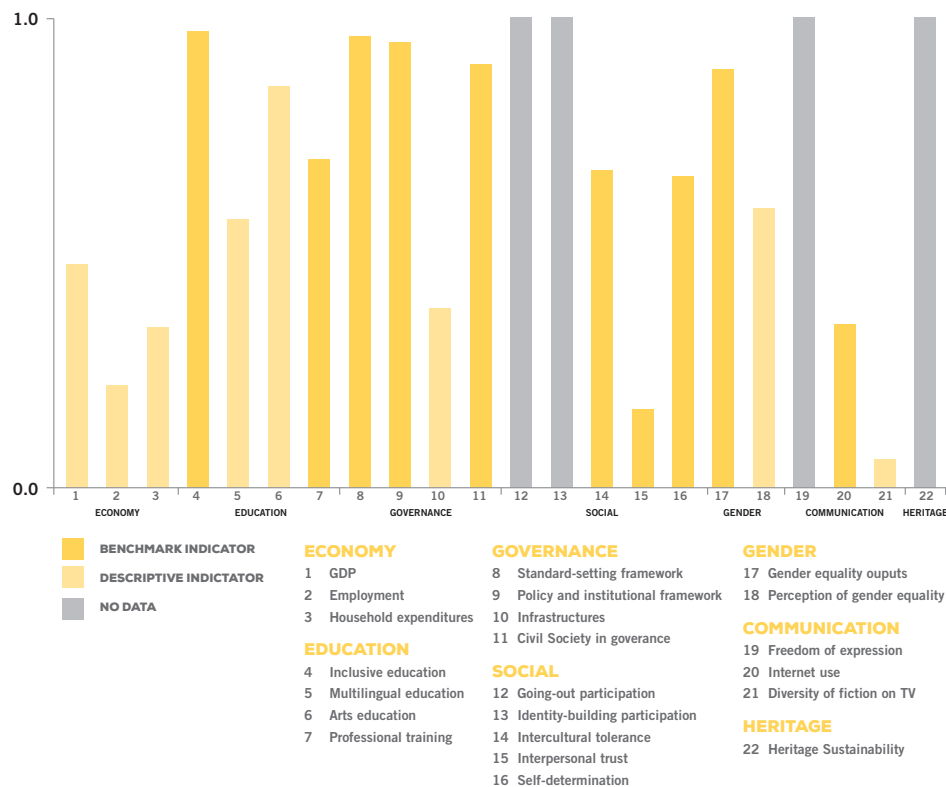
To assist in visualizing the interconnections between economic outputs and other key policy areas and, in the process, highlighting opportunities for policy action, the Culture for Development DNA sums up each country's results. For example, Ecuador's DNA (Figure 1) illustrates the opportunities to further support the current contribution of the creative economy to job creation (2.20 per cent) by improving the coverage of tertiary education in the field of culture (0.7/1) and increasing the supply of domestic production (only 6 per cent of the broadcasting time of television fiction programmes on public TV is currently dedicated to domestic productions). The national CDIS DNA also allows for comparative understanding of national contexts, while avoiding the establishment of rankings.

¹ The UNESCO CDIS initiative is intended to contribute to the implementation of Article 13 (*Integration of Culture in Sustainable Development*) of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions (2005). Its development and implementation in 11 countries has been possible thanks to the support of the Spanish Government.

² Bosnia and Herzegovina, Burkina Faso, Cambodia, Colombia, Ecuador, Ghana, Namibia, Peru, Swaziland, Uruguay and Viet Nam.

³ Data is based on national accounts of activities and occupations and calculated according to the UNESCO CDIS Methodology Manual. Respectively according to order of appearance, this data corresponds to years 2010, 2010, 2011 and 2011.

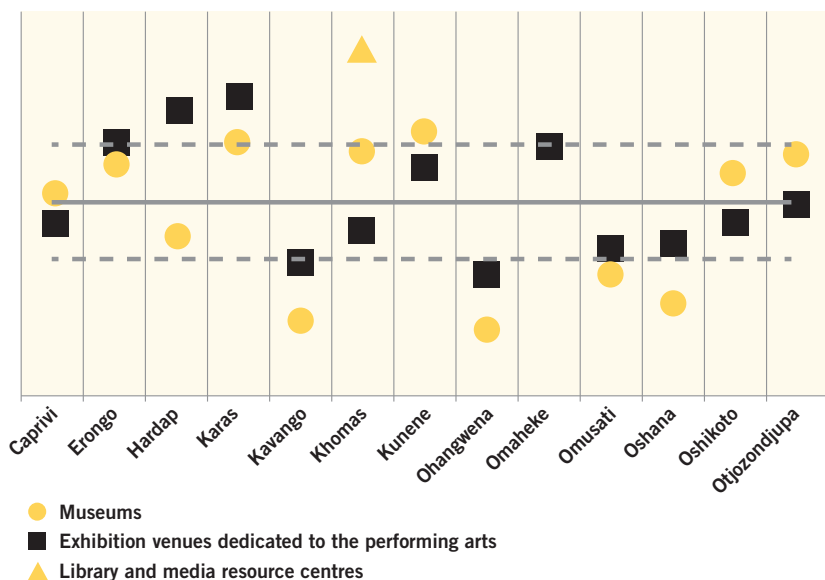
Figure 1 Ecuador Culture for Development DNA



Further added value of the CDIS lies in the possibility of cross-reading indicators in order to highlight each country's specificities and the interconnections between the outputs of the creative sector and gaps and opportunities in standard setting, policy and institutional frameworks, distribution of cultural infrastructures at the local level and cultural participation. Figure 2 illustrates inequalities in accessing cultural infrastructures among regions in Namibia. Figure 3 reflects levels of public investments in tertiary education aimed at fostering the emergence of a dynamic creative class.

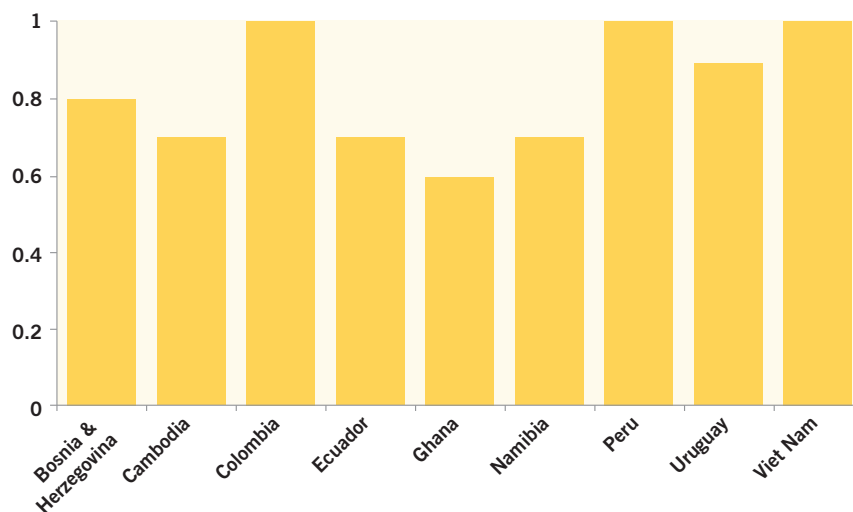
The generation of such new facts and figures has already produced concrete policy impacts. For example, in Namibia,

Figure 2 Namibia's distribution of selected cultural infrastructure relative to the distribution of the population across regions



Source: Methodology and calculation: UNESCO CDIS. Year: 2013

Figure 3 Index of coherency and coverage of TVET* and tertiary education systems in the field of culture



Source: Methodology and calculation: UNESCO CDIS. Years: 2009; 2013

the CDIS data has made it possible to successfully advocate for the inclusion of culture in the 2014-2018 UNDAF; in Ecuador, implementation resulted in a formalized inter-institutional dialogue for integrating indicators to monitor cultural objectives in the National Development Plan; in Cambodia, the national government is in the process of utilizing the indicators to draft a more informed cultural policy framework; in Ghana, a data baseline for the culture sector has been established; in Burkina Faso some of the indicators will be used as proxies to measure the attainment of national development objectives.

By collecting data on both the outputs of the creative

economy and the necessary conditions for its prosperity, the UNESCO CDIS is a unique policy and advocacy tool with proven impact. As data continues to be harmonized and analysed, a database is being developed and the inclusion of cultural indicators in widely-used development instruments is promoted. CDIS results are also providing advocacy arguments for a more informed and comprehensive integration of culture in the Post-2015 development agenda.

For more information on CDIS methodology, tools, country results, and policy impact, please consult the UNESCO CDIS website at: www.unesco.org/culture/CDIS

*Technical Vocational Education and Training

UNESCO Institute for Statistics Culture Programme

Improving the Understanding of the Creative Economy Worldwide

In order to improve our understanding of the creative economy, and to better inform policymakers and support evidence-based policy and decision-making, it has become increasingly important to quantitatively measure the culture sector. The Culture Statistics programme of the UNESCO Institute for Statistics (UIS) supports the development of cultural statistics globally through three different programme elements: (a) The collection and dissemination of selected internationally comparable cultural data; (b) The development of methodologies and standards that will provide guidance to countries to support the advancement of cultural statistics; (c) Providing training and technical support the improvement of national statistical capacity in cultural statistics.

In terms of the production and dissemination of harmonized cultural data, UIS undertakes a regular biennial data collection of feature film statistics that allows for the examination of this vibrant, popular cultural expression and economically important sector of the creative economy. Figure 1 shows that, while admissions have declined slightly in recent years, box office has continued to grow, reaching US\$ 32.6 billion in 2011. Despite the economic crisis of 2008, there was an increase of 27.8 per cent in world box office between 2006 and 2011. This was primarily a result of the growth experienced in the Top 10 box office countries that account for 70-78 per cent of this total. In fact, this growth was led by China (a spectacular increase of +517 per cent) and the Russian Federation (+171.8 per cent). In contrast, the United States (the largest film market in the

world) had one of the lowest growth rates of the Top 10, with only a 7.36 per cent increase, a rate below that of France (+20.7 per cent) and the United Kingdom (+18.7 per cent).¹

The contribution of the cultural or creative sector to the economy can be measured from different perspectives. Value added, Gross Domestic Product (GDP), employment, imports and exports statistics are all key components of the numerous approaches used. A key component to understanding and measuring the cultural and creative economy is cultural employment. As such, the UIS is implementing a Global Survey of Cultural Employment Statistics in order to establish the first global database of cultural employment data and indicators. Initial work to develop the appropriate harmonization and estimation methodologies as well as identify the necessary data collection process for the implementation of the survey was undertaken in 2011 and 2012. Preliminary results were obtained in 2013. Figure 2 shows that the share of cultural employment in total employment can be significant, ranging from 1.3 to 6.24 per cent. It is anticipated that UIS will launch a pilot test in 2013-2014 and full implementation of the survey is expected in 2015. In this project, UIS is collaborating with key stakeholders and partner agencies such as EUROSTAT and the International Labour Organization (ILO). This work will also contribute to the work on measuring the economic contribution of culture as well as contribute to our understanding of the relationship between culture and development.

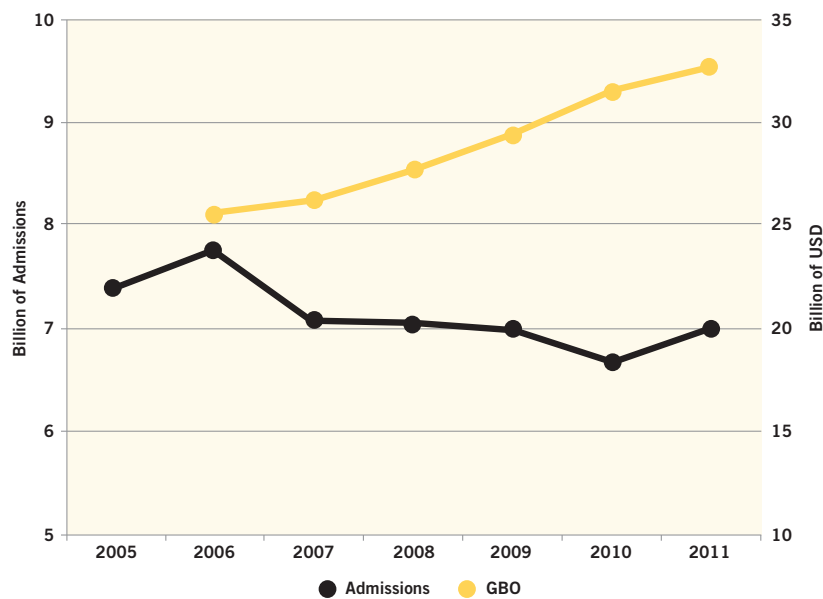
UNESCO-UIS has had a long history of analysing data on cultural and creative goods with the regular publication of

¹ UIS INFORMATION PAPER N 14, AUGUST 2013, *Emerging Markets and the Digitization of the Film Industry: an analysis of the 2012 UIS international survey of feature film statistics*.

its «International Cultural Flows» report series. It is anticipated that UIS will publish a fifth in the series (and second for UIS) in 2014. Using the latest data and according to the 2009 UNESCO Framework for Cultural Statistics (FCS) methodology, this new report will provide an additional step forward in understanding and valuing the global flows of cultural goods and services.

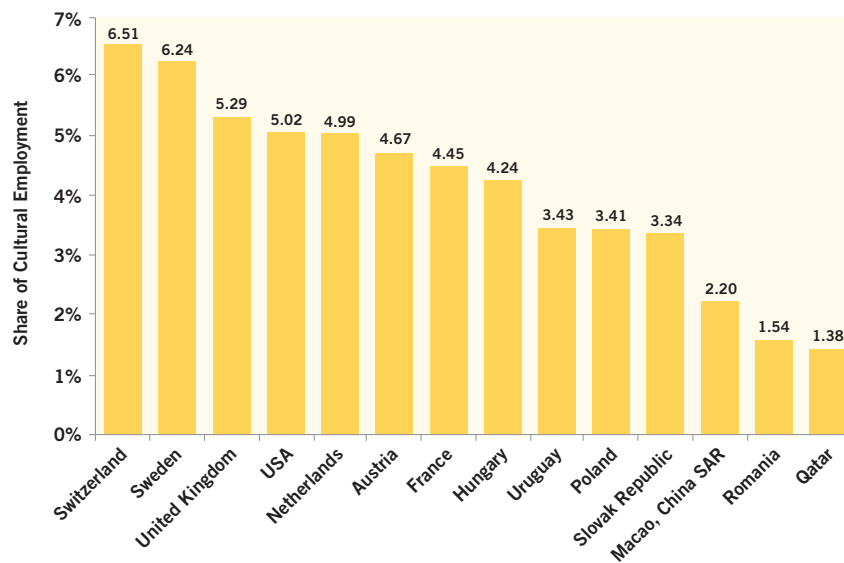
In terms of methodology, UIS released the 2009 UNESCO FCS, which provides concepts and definitions to guide the production of comparable statistics, as well as to support the development of indicators and analytical research of the culture sector. The 2009 UNESCO FCS is a tool to organize cultural statistics nationally and internationally. Since its release, the 2009 UNESCO FCS has been used by countries in different ways. Canada took into consideration the 2009 UNESCO FCS when it developed its new 2011 FCS while Bosnia Herzegovina, Fiji, Mongolia and South Africa have plans to develop and implement their own national frameworks, all adopting elements of the 2009 UNESCO FCS. Bosnia Herzegovina also undertook a gap analysis (policy and statistical level) using the UNESCO 2009 FCS as a basis for analysis while China developed its own classification for its “Framework for Cultural Industries” using the UNESCO 2009 FCS as a model. Kenya created its own definition of culture based on the 2009 UNESCO FCS model and undertook a “Mapping Exercise on Creative Cultural Industries”. Meanwhile, Seychelles used the coding

Figure 1 Contrasting trends between global admissions and box office, 2005-2011



Source: UNESCO Institute for Statistics (2013) Emerging Markets and the Digitalisation of the Film Industry. Montreal: UIS.

Figure 2 Share of cultural employment in total employment



Source: UIS, 2013

structure of the 2009 UNESCO FCS to analyse their culture sector. Finally, in 2011, Burkina Faso published their cultural statistics report the data that was categorized and analysed according to the 2009 UNESCO FCS domains.

UNESCO-UIS also develops statistical standards and norms by producing guidelines and methodology through the publication of handbooks and other resource documents. These resource documents can be used to support the development of cultural statistics nationally and globally. Currently, UIS is developing a new methodology for measuring the contribution of culture to the economy that countries will be able to use as a model methodology. In 2012, the first part of this project was published as the 2009 UNESCO FCS Handbook No. 1 *“Measuring the Economic Contribution of Cultural Industries: A review and assessment of current*

methodological approaches”, which was the first in the new UIS publication series; the second edition in this series (Handbook No. 2) was entitled *Measuring Cultural Participation* and was published in 2009. It provides an overview and compares and contrasts current methodologies used for measuring the contribution of cultural industries. In 2014, it is anticipated that UIS will publish the results of the second phase of the project, which will present the results of this new methodology in the form of case study. It is anticipated that a fourth handbook on “Festival Statistics” will also be available in 2014.

All resource documents, analysis and instructional materials, as well as information on the regional workshops and technical assistance undertaken by UIS Culture Unit is available on line at: <http://www.uis.unesco.org/Culture/Pages/default.aspx>.

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The list of references below is provided for the benefit of readers interested in a range of issues that arise in connection with the promotion of the economy of creativity at the local level, notably in developing countries. It covers a wider range of works than those cited in the text, thus serving as a selective bibliography. It includes academic articles and books as well as United Nations publications.

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Zouain, G.S. *Perspectives in the Arab World.*

In the city of Pikine, Senegal, the association Africulturban has created a “Hip Hop Akademy” that trains local young people in digital graphic design, music and video production, promotional management and marketing as well as DJ-ing and English. This innovative programme is helping young creative-industry professionals perform more effectively in both a local and global markets that are in perpetual artistic and technological evolution.

Twenty years ago, hundreds of local weaver families in the Egyptian village of Nagada became destitute because of a sharp decline in the market for its key product, the *ferka*, a brightly coloured scarf. But in 1991, a Swiss potter teamed up with a Lebanese designer to revive textile production by designing new products and updating techniques. Together with the local weavers, they built up the Nagada company, whose distinctive products today attract customers from all over the world.

In northern Thailand, the Chiang Mai Creative City (CMCC) initiative, a think tank cum activity and networking platform, has been launched as a cooperative endeavour by activists from the education, private and government sectors as well as local community groups. Building on the cultural assets available locally, the CMCC aims to make the city more attractive as a place to live, work and invest, while marketing it as a prime location for investment, businesses and creative industry.

Each of these projects – and there are countless others in all regions of the world – demonstrates that the creative economy is enhancing livelihoods at the local level in developing countries. The pathways to further unlocking this potential are the central focus of this *Special Edition* of the United Nations *Creative Economy Report 2013*.

The United Nations *Creative Economy Report 2013, Special Edition*, builds on the 2008 and 2010 Reports, widening contributions to unlock the huge untapped potential of the creative economy at the local level as a way to promote a new kind of development experience.

The creative economy is not only one of the most rapidly growing sectors of the world economy, it is also a highly transformative one in terms of income generation, job creation and export earnings. But this is not all there is to it.

For unlocking the potential of the creative economy also means promoting the overall creativity of societies, affirming the distinctive identity of the places where it flourishes and clusters, improving the quality of life there, enhancing local image and prestige, and strengthening the resources for the imagining of diverse new futures.

In other words, in addition to its economic benefits, the creative economy also generates non-monetary value that contributes significantly to achieving people-centred, inclusive and sustainable development.

This *Special Edition* argues that the creative economy is not a single superhighway but a multitude of local trajectories, many of which are to be found at the subnational level – in cities and regions. It examines the interactions, specificities and policies at local levels and how the creative economy is practically promoted in communities, cities and regions across the developing world.

The evidence provided demonstrates how the cultural and creative industries are among the “new development pathways that encourage creativity and innovation in the pursuit of inclusive, equitable and sustainable growth and development” that the United Nations System Task Team on the Post-2015 United Nations Development Agenda exhorts the international community to take.

All these matters are explored in the Introduction and seven analytical chapters of this Report. The eighth and concluding chapter summarizes the lessons learned and makes ten recommendations for forging new pathways for development.

The full Report is available on the Internet at

<http://www.unesco.org/culture/pdf/creative-economy-report-2013.pdf> and

<http://academy.ssc.undp.org/creative-economy-report-2013>.

