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Measuring the true Value of Culture

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Measuring the true Value of Culture

- The Culture & Creative Industries and Sectors in Europe
- Measurement through strengthening the evidence base focussed on rigorous data collection
- Fragmented culture area (47 states European Council) leads to fragmented quantitative data

How can people better understand the culture and creative industries/ sectors?

- normally people are interested in film, music or dance – not in data collection

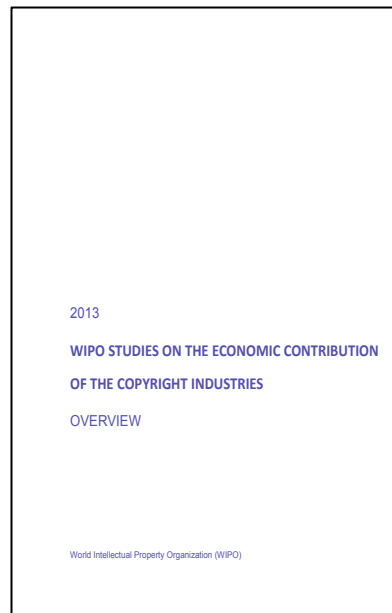
How can policy makers better understand the CCI/CCS?

Overview

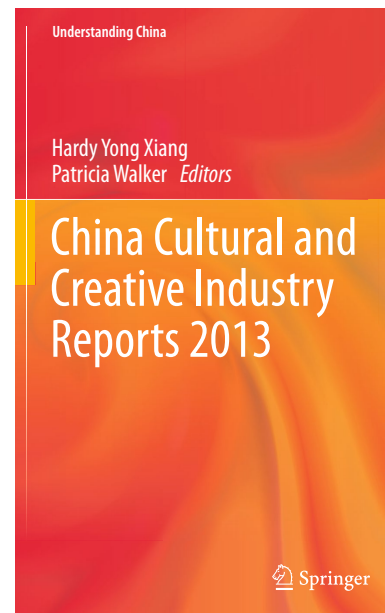
- International Debate on Cultural Data Base
- Measuring the true Value of Culture by Concepts?
 - Conceptual Framework
- Measuring the true Value of Culture for Politics?
 - Economic, social and cultural value added
- Conclusion
- References

International Debate on Cultural Data Base

The most recent Studies on Arts, Culture and the Creative Sector



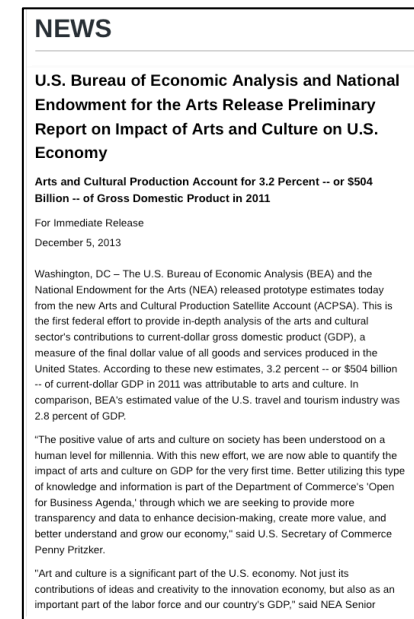
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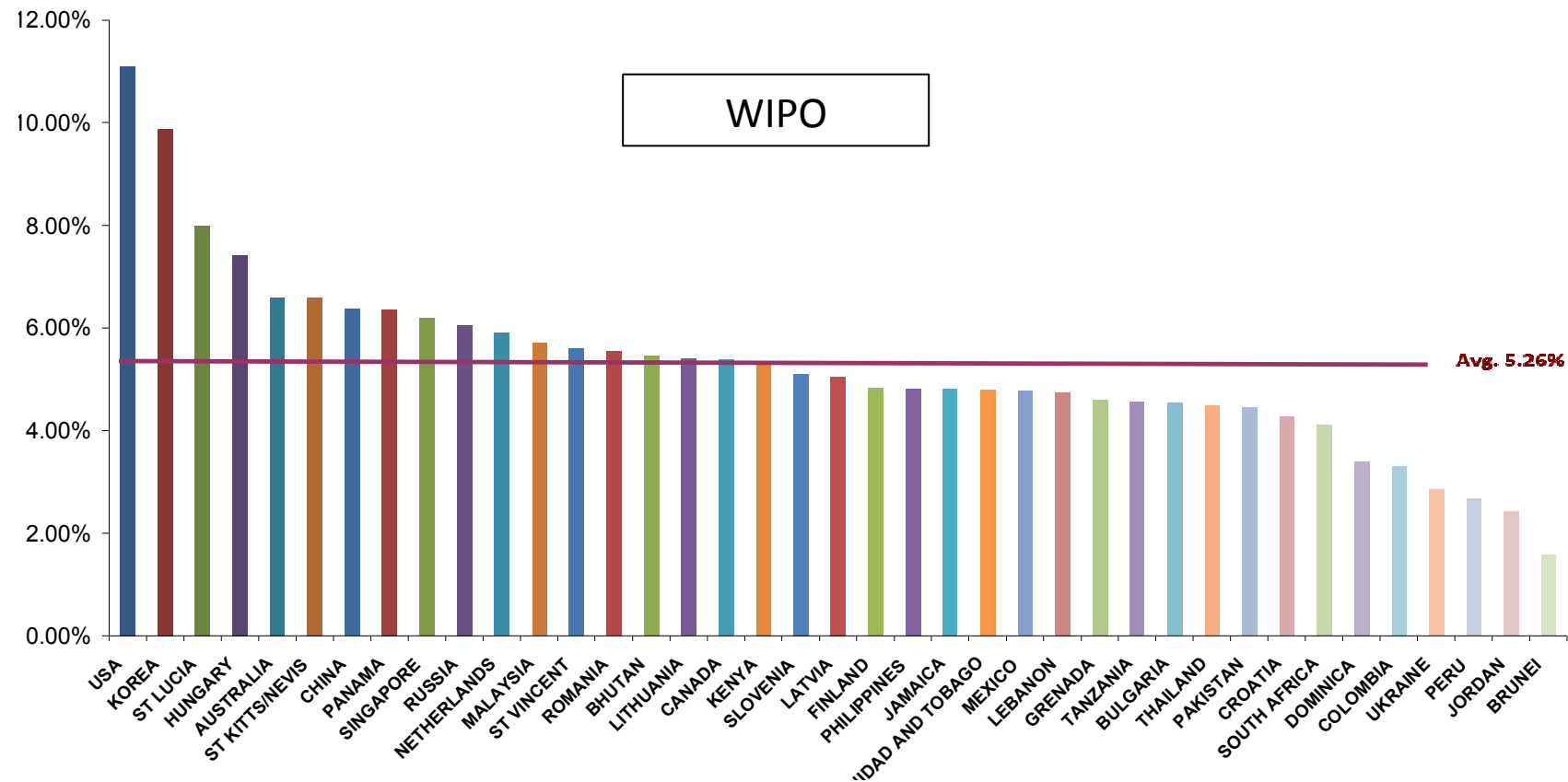


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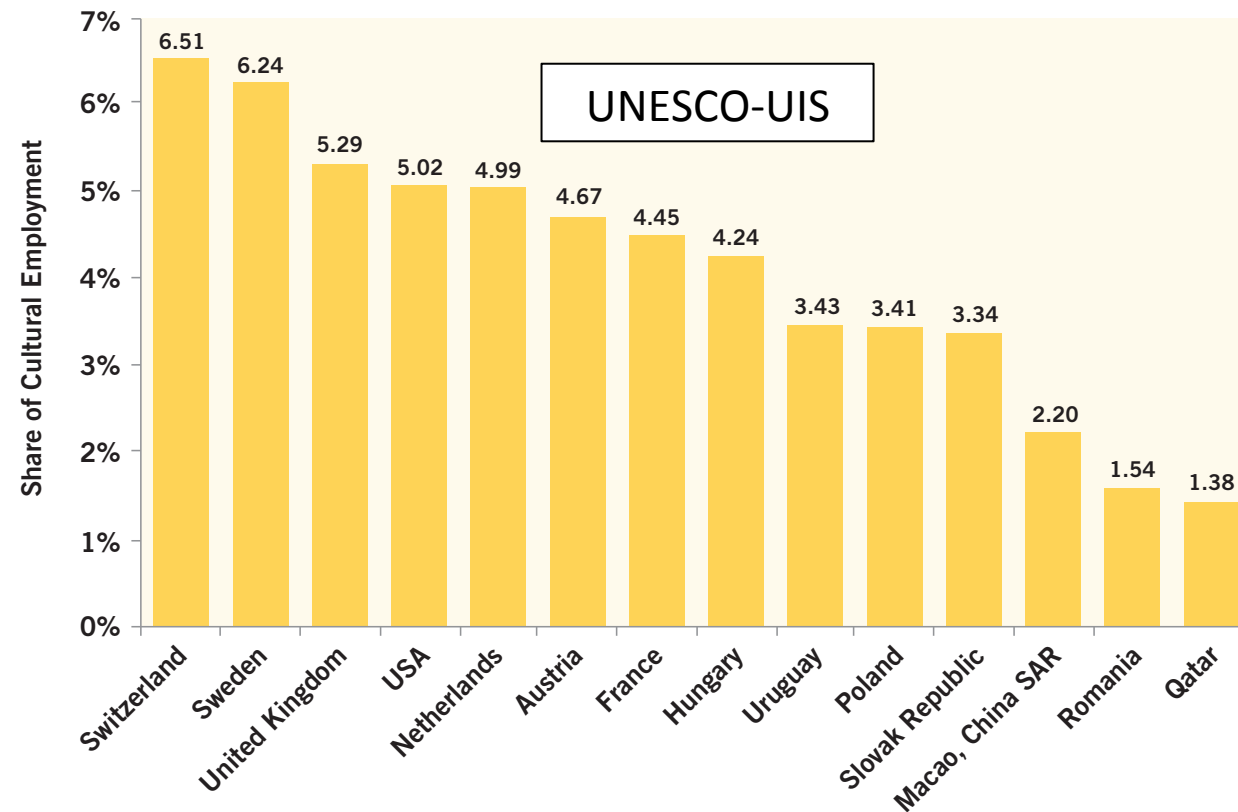
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Contribution of Copyright Industries to GDP



Source: World Intellectual Property Organization (2013): WIPO Studies on the Economic Contribution of the Copyright Industries, Geneva

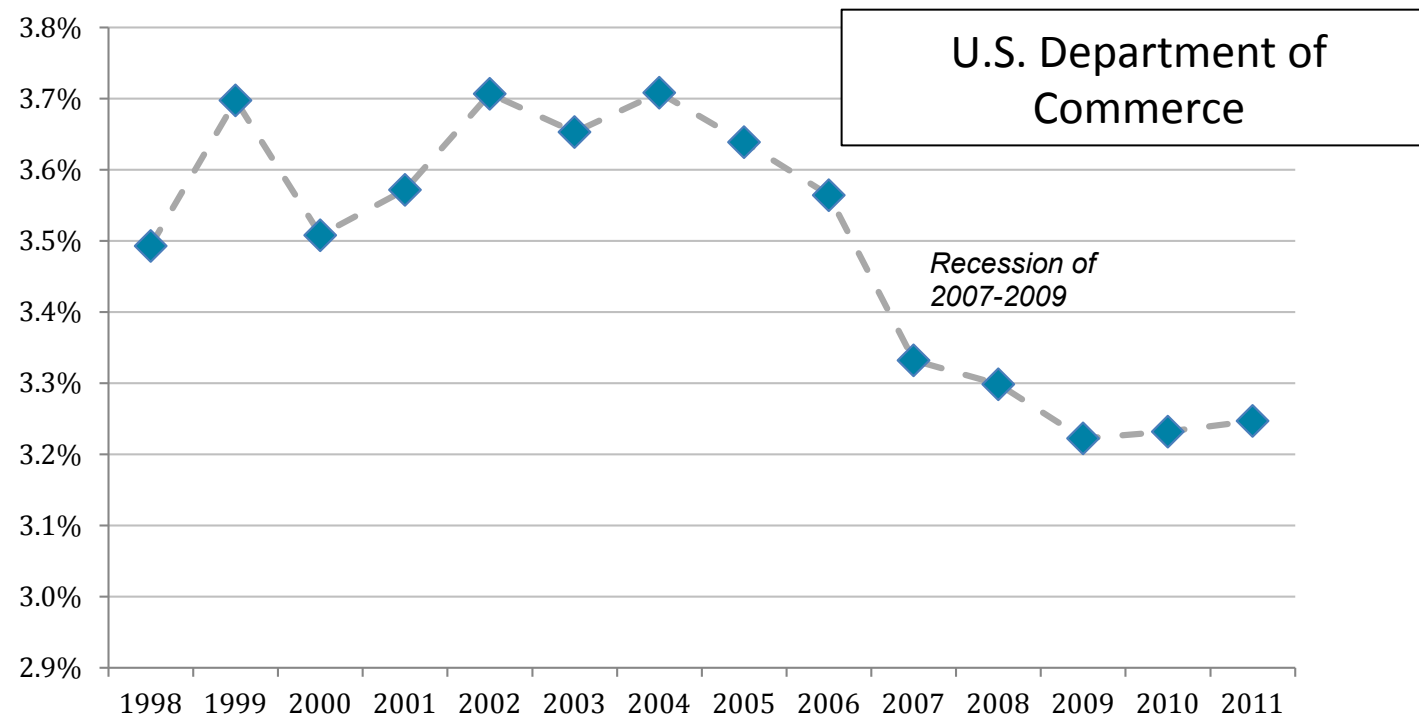
Share of Cultural Employment in total Employment 2011



Source: UIS, 2013

U.S. Arts and Cultural Production 1998 -2011

Arts and Cultural Production as a Percentage of U.S. GDP: 1998-2011



Data source: Arts and Cultural Production Satellite Account (ACPSA), U.S. Bureau of Economic Analysis.

The true Value through Indicators?

- Three different indicators give three different values for the U.S.:
11%, 5%, 3%
- Are Indicators right or wrong?
- Are Data bases right or wrong?
- Are Comparisons right or wrong?
- A reliable indicator can stimulate the debate on CCI/CCS politics

Measuring the true Value of Culture by Concepts?

The Term 'Culture and Creative Industries' is ambiguous

- Defining the culture and creative industries is complex and difficult.
- That's because the culture and creative industries in Europe are always changing and developing.
- This is a serious scientific problem!

The scientific community is very heterogeneous

- In Europe, the main source of disagreement are different concepts of creativity:
 - Creativity is innovation
 - Creativity is spill-over
 - Creativity is part of the ecology
 - Creativity is everywhere in the economy
 - Creativity is a holistic term
- The broader the concepts, the poorer the empirical results!

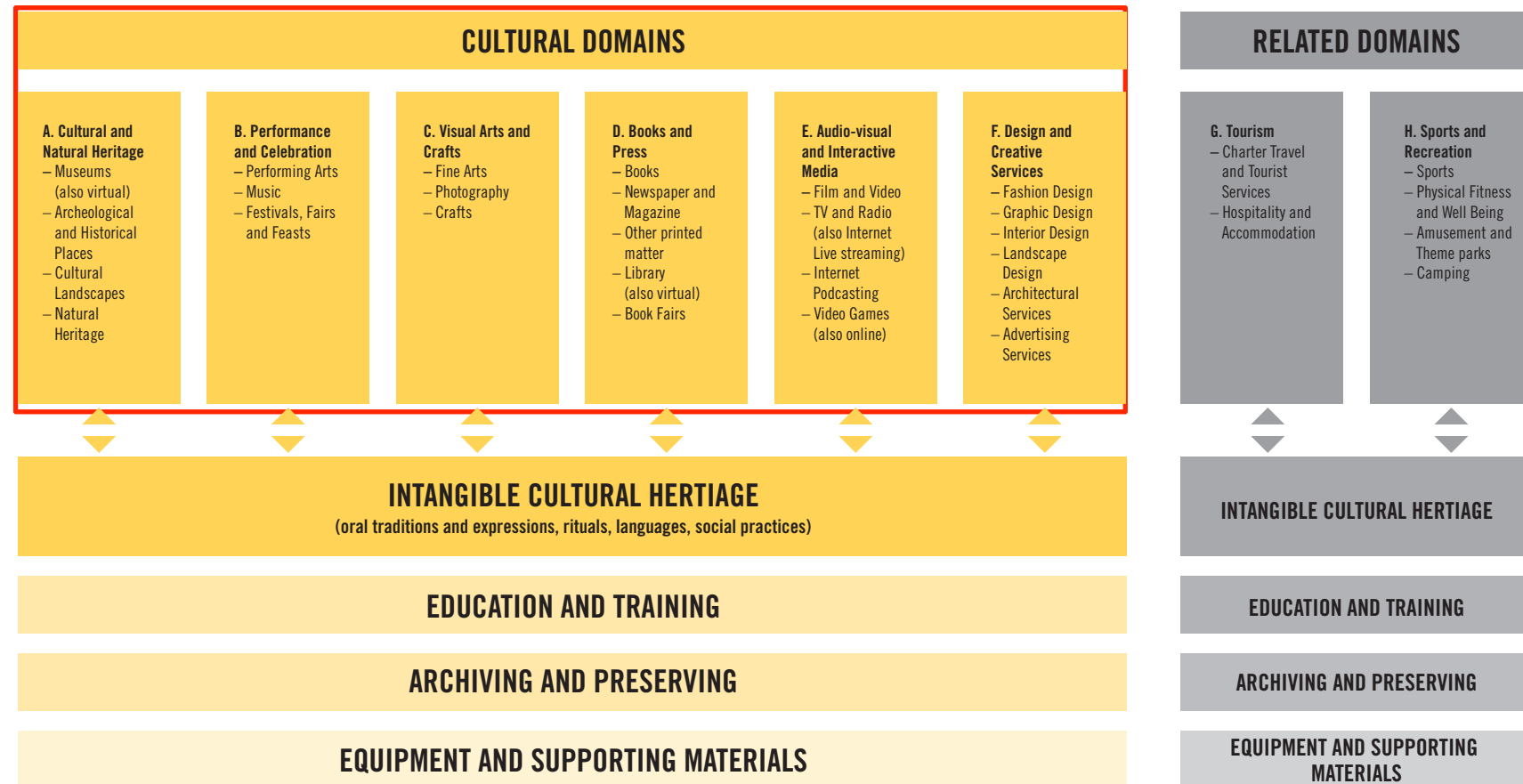
Conceptual Framework

1. Theory 2. Methodology 3. Analysis

1. Theory: UNESCO Definition

The Cultural Economy

Based on UNESCO'S Framework for Cultural Statistics



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

<http://www.uis.unesco.org/>

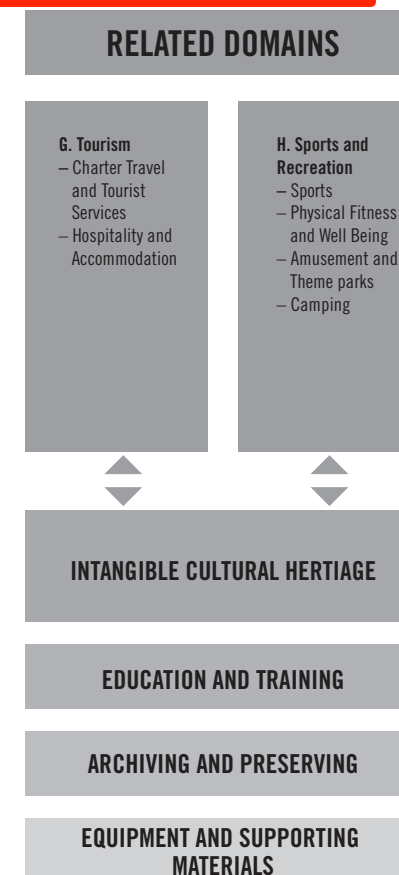
2. Methodology: UNESCO Statistics Classification

The Cultural Economy

Based on UNESCO'S Framework for Cultural Statistics

**CORE DOMAINS
WORK TABLES**

CULTURAL DOMAINS					
ISIC4-Code	Activity	ISIC4-Code	Activity	ISIC4-Code	Activity
3220	Manufacture of leather goods	5913	Motion picture production	7310	Advertising
4761	Retail sale of books	5914	Motion picture distribution	7410	Specialized design activities
4762	Retail sale of newspapers and magazines	5920	Sound recording	7420	Photographic activities
5811	Book publishing	6010	Radio broadcasting	7722	Renting of video equipment
5813	Publishing of newspapers and magazines	6020	Television production	8542	Cultural education
5819	Other publishing	6391	News agency	9000	Creative, arts and crafts
5820	Software publishing	6312	Web portals	9101	Library and archival activities
5911	Motion picture production	7110	Architectural and engineering activities	9102	Museums activities
5912	Motion picture distribution	7220	Research and development	9103	Botanical and zoological activities



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

<http://www.uis.unesco.org/>

3. Analysis: Basic model for measuring the economic contribution of cultural industries



Indicator	Measure
Gross value added	Gross value added/GDP of cultural industries or sub-sectors Gross value added/GDP of cultural industries in relative terms Distribution of gross value added/GDP by sub-sectors
Turnover	Turnover of cultural industries or sub-sectors Turnover of cultural industries in relative terms Distribution of turnover by cultural industries sub-sectors
Employment	Contribution of cultural industries employment to total employment Distribution of employment in cultural industries sub-sectors Volume and share of self-employment Labour productivity in cultural industries
Business activity	Stock of business Distribution of businesses by sub-sectors Business start-ups Business mortality Distribution of start-ups by sub-sector Distribution of business mortality

Measuring the true Value of Culture for Politics?

Politics

- How can policy makers better understand the culture & creative industries and sectors (CCI/CCS)?
 1. The economic value of CCI/CCS
 2. The social value of CCI/CCS
 3. The cultural value of CCI/CCS

Politics: 1. Economic Value Added

- Many national and international studies have analysed the economic value added in the culture and creative industries.
- The analysis shall be continued for the European countries on a strictly comparative data basis.
- **The empiric evidence of the economic value of the culture and creative industries is one of the most important messages to society.**
- **However, the economic perspective on the culture and creative industries as such is not sufficient any more.**
- The strengths of the culture and creative industries are to be found in their wider spectrum.

Politics:

1. Economic Value Added

Basic Indicator:

Contribution of Culture Creative Industries
in Europe to GDP, 2010

Common data collection:

EU-Structural business statistics

Common definition:

2009 UNESCO FCS

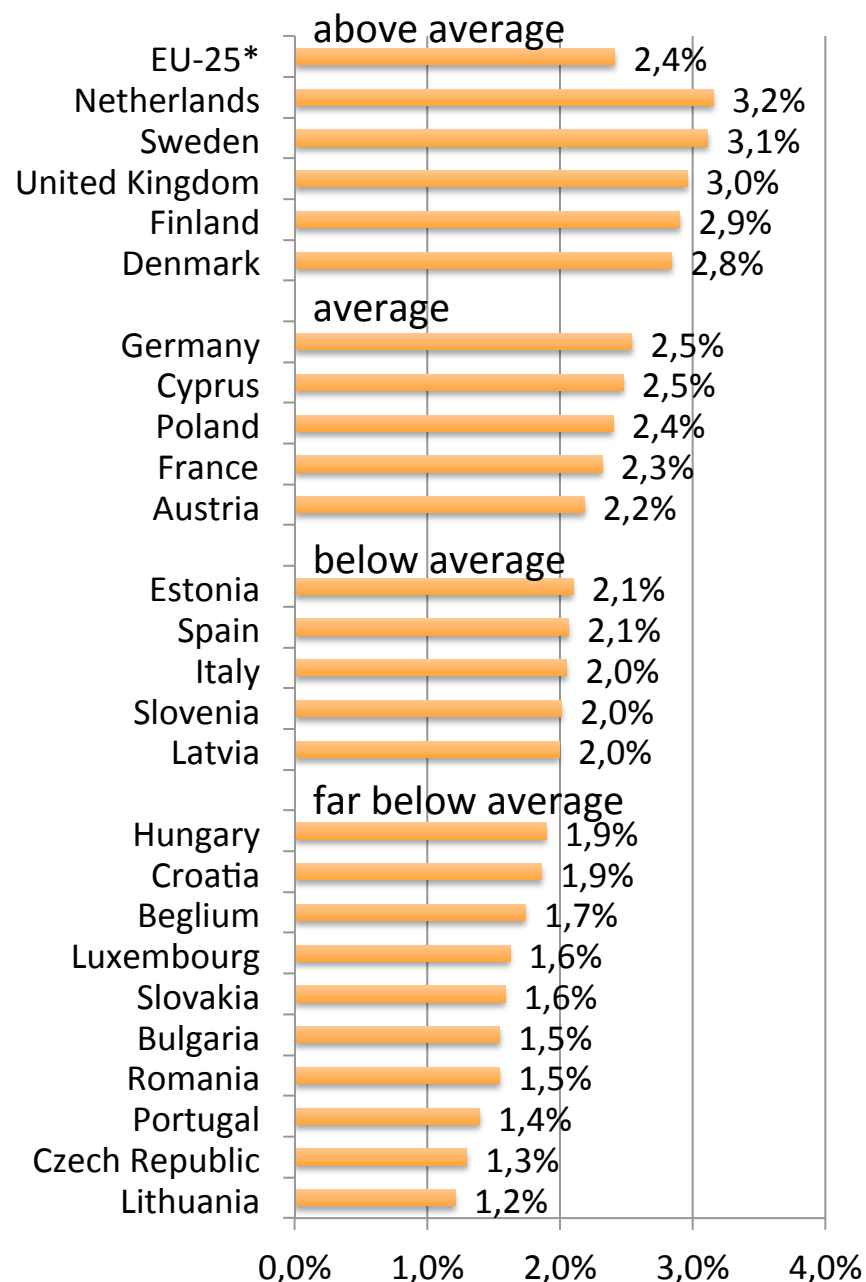
European region:

25 countries from 47 countries in Europe

Note: *EU-25 without Malta, Ireland, Greece

Source: Eurostat, Brussels; Office for Culture Industries

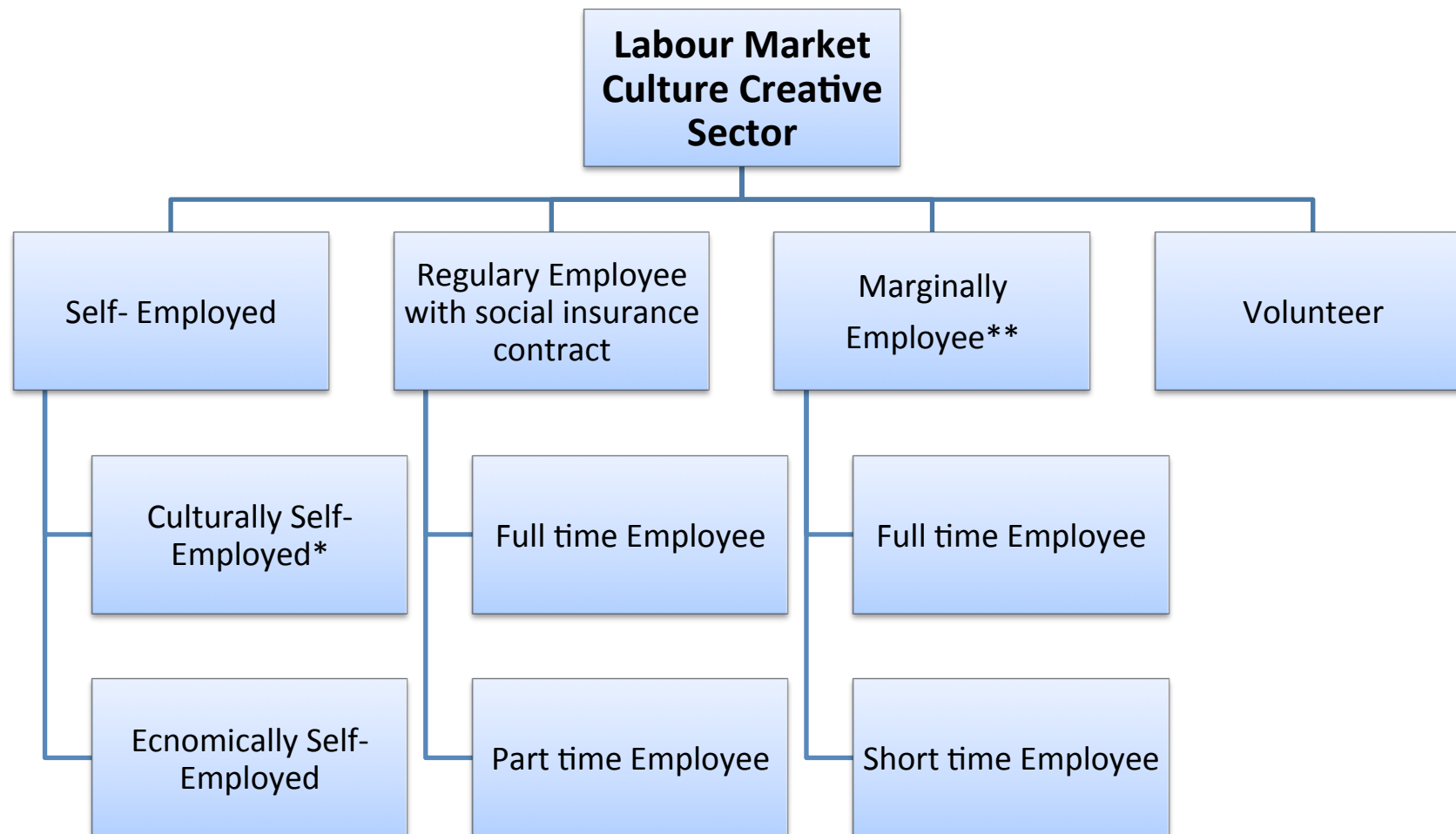
Research Cologne (Germany)



Politics: 2. Social Value Added

- Due to its **diversity of employment forms** the culture and creative industries (CCI) gain more and more importance as a factor in employment policy.
- CCI offer jobs to highly qualified as well as less qualified employees.
- CCI make an important contribution to gender balance and immigrant integration issues.
- **CCI are a less capital intensive and more labour intensive economic sector and thus have a positive influence on the social cohesion of a society.**
- Therefore CCI can contribute greatly to 'social value added' in a society.

Politics: 2. Employment Diversity in the Culture and Creative Sector



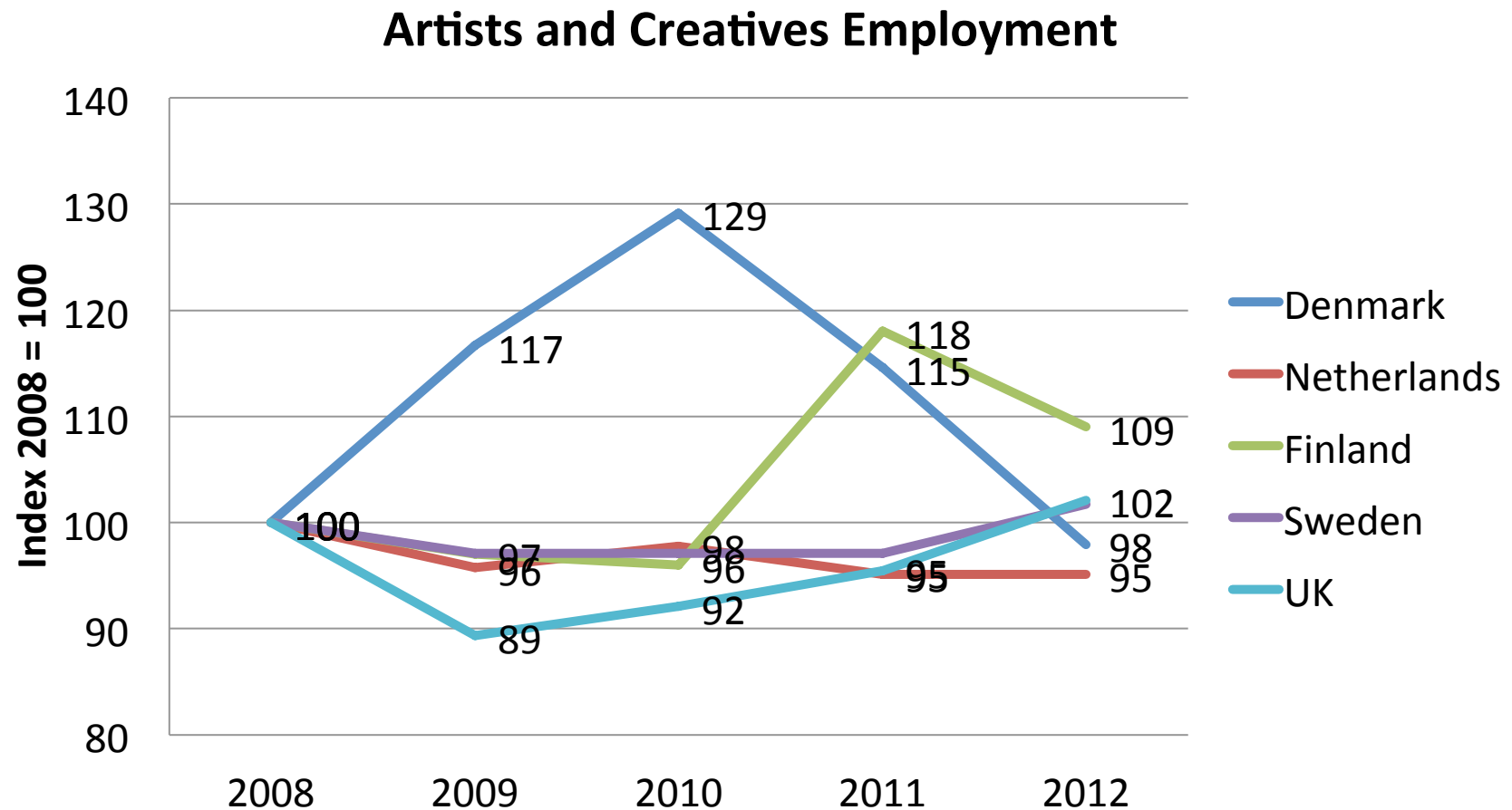
Notes: *Low-Income Self-Employed = less than 17.500 € annual turnover in Germany;

**Marginally Employee = only short-term contracts or salaries up to 400 € monthly in Germany

Politics: 3. Cultural Value Added

- Cultural value added by artists, cultural and creative workers is the very basis of economic and social value added in the culture and creative industries.
- **The artistic, cultural and creatives milieus are the point of departure for culture and creative industries**
- What are the working and living conditions of artists and creative workers in the European countries?
- **Are artists and creatives able to contribute novel ideas to the great questions society?**

Politics: 3. The “volatile” Life for Artists and Creatives



Conclusion

The true Value of Culture

Three dimensions of value:

- Economic value is more than just economic impact
- Social value will become much more important
- Cultural value will hopefully be at the core of future measures

These need a strong empirical basis*:

- Framework definition must be clear, unequivocal, detailed
- Necessity to work towards improving international standards
- Framework should be modular
- Classification more important than structure
- Comparability is a recurring theme
- Robustness → comparability → credibility

Thank you for your attention

Questions and Comments

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<http://www.kulturwirtschaft.de>

References

- **For most up to date information:** <http://www.kulturwirtschaft.de>
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