Some reflections on "Creative Europe"

AXIS 3. CULTURAL CREATIVITY
TF6. Creativity and heritage

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Introduction

This paper considers how creative economy policy navigates tensions between culture and economy. I have bracketed conceptual and theoretical issues concerning definitions of culture and economy, as well as wider debate about the cultural economy and how this relates to questions of identity and memory, not least because much of this territory is addressed by other CulturalBase Discussion Papers. This version has been abridged from a much longer paper. Its focus is on the EU’s approach to culture. The EU’s cultural competence has always been complementary to the national management, protection and promotion of culture and identity by Member States. The lodestar statement is embodied in Article 151 of the Treaty of Amsterdam 1997:

The Community shall contribute to the flowering of the cultures of the Member States, while respecting their national and regional diversity and at the same time bringing the common cultural heritage to the fore. (Article 151 EC 1997)

‘Unity in diversity’ is routinely invoked as a key point of reference in discussions of cultural policy. A multi-level polity, the EU is a site of political compromise, and in the field of culture the subsidiary interests of the Member States limit the actions that can be pursued, as well as their scope.

For some, the slogan ‘unity in diversity’ ‘reflects a kind of “postmodern communitarianism” designed to overcome the pitfalls of previously essentialist and Eurofederalist concepts of Europe’ (Shore 2006: 21) with cultural competence seen as ‘the political arm of nation-building at the European level’ (Shore 2006: 19). But it is economic instrumentalism rather than identity-building that presently prevails. The pursuit of the single market - to achieve integration and harmonization across national territories - has always been in tension with the need to recognise and respect the actually existing cultural diversity of the Union (Barnett 2001).

‘Creative Europe’ is the framework constructed for the field of cultural policy from 2014-2020, a pragmatic label for two streams of activity kept quite distinct until 2014 – cultural programmes and audiovisual programmes. Of these, audiovisual
trade is a key EU cultural policy arena (Doyle 2014; Schlesinger 1996). In the digital age, established policy frameworks are being reframed so ‘what was formerly known as the audiovisual sector is now understood to be part of the global creative and digital industry’ (Crusafon 2015: 96).

European policy discourse is dominated by a predominantly instrumental approach towards the economic and social benefits of culture, during the past decade wrapped in the EU variant of the fashionable language of the ‘creative economy’. This overshadows an alternative framework that invokes culture for building communities within the Union that might lead to a common European identity (but certainly not one modelled on that of the nation state).

I shall first outline the range of cultural activity undertaken by the EU. Second, I shall discuss key aspects of audiovisual policy and its present implications in the context of international trade. Third, I consider how the EU developed ‘cultural and creative industries’ (CCIs) policy, incorporating an expressly economistic and market-oriented conception of culture.

Creative Europe – the brand

After it adopted the Europe2020 Strategy, and endorsed the European Agenda for Culture, the European Commission set up Creative Europe as the successor to two previously separate activity streams – the Culture Programme (2007-2013) and the MEDIA Programme (1990-2013). Under the Creative Europe brand, the EU now has a Culture sub-programme and a MEDIA sub-programme.

While ‘culture’ is not defined in EC law, it can be and has been used in various ways, notably as a constraint on Community action and also as a basis for market intervention, as well as action under Article 151. The broad scope of the last, Craufurd Smith (2004c: 294) observed, ‘offers considerable scope for culture to be used instrumentally for political purposes’. Cultural policy is a ‘contented area’, in which Community intervention has occurred despite the ‘strictly defined principle of subsidiarity’ (Littoz-Monnet 2007: 2-3).

Culture 2000 was the first attempt to bring some coherence to a scattering of ‘actions’ pursued since 1992, extending the Commission’s focus from high culture
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to popular culture. The Programme ran until 2006 ‘with a budget of €236.4 million dedicated to promoting a common cultural area, characterised by its cultural diversity and shared cultural heritage.’ It covered the performing arts, plastic/visual arts, literature, heritage and cultural history. Its successor, the Culture Programme ‘ran from 2007-2013 ... with a budget of €400 million to support projects and activities designed to protect and promote cultural diversity and heritage’ (European Commission 2015a). Under Creative Europe, the sub-programme is overwhelmingly rationalized in economic terms.

The challenge is ... to promote and strengthen the contribution of the culture sector to the benefit of the European economy. (European Commission 2015a; original emphasis)

Expenditure on Creative Europe does not match the ambition. Its total budget is €1.46bn, of which over €900m has been allocated for MEDIA and nearly €500m for Culture (Crusafon 2015: 97). Weighed against the EU’s total budget of €145bn (2015 prices) spending 1% on culture is small beer indeed.

The EU organizes a bevy of events, prizes and competitions, intended to raise awareness of European achievements across borders and to engender a sense of belonging to a common cultural space. These include the EU Architecture Prize, European Heritage Days, the EU Prix MEDIA, the EU Literature Prize, European Border Breakers Awards for popular music and the European Heritage Prize. These schemes have not captured major constituencies.

Best known is the now 30-year-old European Capitals of Culture (ECOC) initiative, designed to ‘[h]ighlight the richness and diversity of cultures in Europe; celebrate the cultural features Europeans share; increase European citizens’ sense of belonging to a common cultural area; foster the contribution of culture to the development of cities’ (European Commission 2015b). This is ‘arguably] ... the EU’s most direct attempt, both practical and symbolic, to substantiate a “European cultural space”, but not in the sense of building a common cultural identity (Sassatelli 2015: 32). Rather it is intended to produce a certain buy-in to the EU as ‘a European field filled with networks and more or less permanent exchanges, where “unity in diversity” is played out’ (Sassatelli 2015: 36). Key questions arise about the resilience of such initiatives. How long does the after-glow of
‘Europeanness’ really last? How wide and deep are the networks that emerge from such moments?

The MEDIA programmes

Creative Europe’s second sub-programme succeeded the MEDIA programmes set up in 1990, the last of which had a budget of €790m (Crusafon 2015: 97). The principal ‘activities, projects, and initiatives in the European audiovisual industry’ supported by MEDIA were ‘training professionals; developing production projects; distributing films and audiovisual programmes; promoting films and audiovisual programmes; supporting film festivals; and promoting the use of new technologies’ (European Commission 2015c). This was to counter the EU’s endemic weakness relative to the US.

Some 68% of European cinema admissions are to screenings of US movies and only 25% of admissions are accounted for by European films (Crusafon 2015: 81), whereas the ‘non-national European share of films (the share of all European films outside their own national territory) was only 8%’ (Bjondeberg and Redvall 2015: 6). US dominance of the box office has been a longstanding object of European policy concern. Europe’s marketplace remains fragmented linguistically and culturally, and the EU ‘has an annual trade deficit in audiovisual services with the United States of between €6 billion and €7 billion and television content accounts for around half of this’ (Doyle 2014: 311). Measures devised in response to the défí américain have the dual goal of developing the audiovisual single market and underpinning the circulation of European content. These programmes – with modest budgets – have been supplements to national systems of support.

Creative Europe seeks ‘to strengthen the audiovisual sector, increase the circulation of European audiovisual works in and outside the EU, and to strengthen international competitiveness by targeted financial support and encouraging the use of digital technologies’ (European Commission 2015c). The EU and Council of Europe’s efforts have had a minor impact in developing a European single audiovisual market by stimulating new production and enhancing cross-national collaboration. Bondebjerg and Redvall (2015: 14) note that ‘we are much more national and American in our cinema and television lives than we are European.’ The MEDIA programmes were legatees of an attempt to devise a cultural and
information space, a common identity-building message through film and television (Polo 2014: 96-97). But the importance of the economy was always firmly inscribed in the cultural project.

**Borderless television**

The Television without Frontiers (TWF) Directive (Polo 2014: 106) came into effect in 1991. Now known as the Audiovisual Media Services Directive (AVMS) its purpose is to ensure ‘the transition from national markets to a common programme production and distribution market, and to guarantee conditions of fair competition’ (OEJ 2010: 1, par. 2). Audiovisual works are regarded ‘as much cultural services as they are economic services’ (OEJ 2010: 1, par. 5).

The AVMS is principally focused on market liberalization and has been updated ‘to reflect developments in an increasingly technologically convergent media environment’ (Michalis 2010: 43). There is a ‘quota’ that requires broadcasters to transmit a preponderance of European content ‘where practicable’ for both cultural and economic purposes. Enforcement has been weak, with the quota ‘a symbolic rather than substantive provision’ (Doyle 2014: 214). It is not legally binding and involves no sanctions, and has not improved the EU's competitive position vis-à-vis the US (Michalis 2010). The EU's regulatory intervention in defence of screening European works by Member States' broadcasters and on-line providers is even less subject to regulation in the non-linear environment (Bustamante 2015; Regourd 2004), which may well portend future problems in the pursuit of cultural goals.

**Audiovisual trade**

Audiovisual policy came to the fore in 1992 during the Uruguay Round of negotiations under the General Agreement on Tariffs and Trade (GATT). The formulation of the ‘exception culturelle’ was key to the European position taken.

This centred on preventing cultural goods and services from being treated as like any other tradable commodity. France (and the EC) sought to support their film and TV sectors, and the non-material intellectual property rights embodied in the content of specific works, against the free market principles strongly espoused by
the US (Regourd 2004:70; Schlesinger 1997).

For the US, audiovisual content was simply part of the entertainment industry. In France, and the European Community more generally, audiovisual production was regulated and financed in the national interest. In the Uruguay Round, the US sought to extend free trade principles to services and intellectual property rights. In the succeeding General Agreement on Trade and Services (GATS) and the World Trade Organisation (WTO) agreement in 1994, audiovisual trade was excluded from the provisions. This position has never been accepted by the US (Barri 2014; Regourd 2004).

Since June 2013, the same issues have been on the table of the Transatlantic Trade and Investment Partnership (TTIP), which involves bilateral and secret negotiations between the EU and the US in (Moody 2015a, 2015b). The liberalizing implications of TTIP have aroused strong interest group and civil society reactions across a wide range of fields. An eventual agreement would cover 40% of global GDP, encompassing all Creative Europe's sectors.

The EU's negotiating stance has reaffirmed the importance of cultural diversity and of the cultural and creative industries (CCIs) as 'one of the continent's most dynamic sectors, employing some five million people that contributes around 2.6% of the EU's GDP' (European Commission 2014: 1). The CCIs officially include: performing arts, visual arts, cultural heritage, film, television & radio, music, book publishing, press, video games, new media, architecture, advertising, graphic & fashion design.

Following the UNESCO General Conference's adoption in October 2005 of the Convention on the Protection and Promotion of the Diversity of Cultural Expressions, 'cultural diversity' has taken centre stage for the EU and has dislodged the cultural exception. The EU is obliged to take 'cultural aspects' into account by the Treaty on the Functioning of the European Union, Article 167 (TFEU 2012). The UNESCO (2005) Convention has therefore been invoked in TTIP negotiations on trade v culture as legally binding the EU 'to promote cultural diversity' (European Commission 2014: 2-3).
But the Convention does not override the treaty obligations of states, so how it can be used to affect negotiations over cultural markets will depend not on the acuity of negotiators but more crucially on the balance of forces. Pressures inside the EU from various economic interests since the TTIP negotiations began in 2013 have been unrelenting, and confidence in the EU negotiators seems low. The public domain is characterized by doubts and suspicions of the EU's negotiating stance, with considerable scepticism also in the European Parliament.

Relatedly, in a report by Mario Monti in 2010, far-reaching recommendations were made ‘for creating a seamless regulatory space for electronic communications’, to ‘end the fragmentation of EU consumer legislation’ and ‘for an EU copyright law, including an EU framework for copyright clearance and management’ as well as ‘a legal framework for EU-wide online broadcasting’ (Monti 2010: 46). Changes proposed for the regulation of communications infrastructure would be preconditions for the circulation of cultural content; and moreover, changes in copyright have far-reaching implications for returns to creators and how markets are structured. Presently, it remains to be seen how moves to develop the Single Digital Market will play into international cultural trade.

At the start of his mandate, in July 2014, President Juncker made the DSM his second priority. The creative economy is deeply intertwined with the envisaged future of the digital economy, and seen as a major force for change (European Commission 2015d). In relation to Creative Europe, the incoming Juncker Commission decided to move MEDIA funding from DG Education and Culture to DG Communications Networks, Content and Technology, linking it to plans for the Digital Economy and Society. Creative Europe's Culture sub-programme, however, remained under the aegis of DG Education and Culture. This might well undermine the fragile coherence of the overall cultural policy.

The ‘creative economy’ and the EU

Creative Europe's tagline is ‘Supporting Europe's cultural and creative sectors’ (CCS), but it is ‘creativity' that looms largest in the title. Key moves in the reshaping of EU policy thinking warrant attention. The position taken by the UK's Department for Culture, Media and Sport (DCMS) became a recurrent focus of creative industries thinking, with influence both in Europe and globally. Aside from
proposing individual creativity, skill and talent, wealth and job creation, and intellectual property as the linchpins of its approach, the DCMS designated 13 sectors as ‘creative industries’. The strategy of aggregation of sectors created a policy object, an approach followed elsewhere, even if the precise descriptions used have varied from place to place (Department for Culture, Media and Sport 1998: 3).

The creative industries turn displaced and relegated the prior idea of the ‘cultural industries’, understood as ‘primarily involved in the mass production, circulation and consumption of symbolic texts’ (Oakley and O’Connor 2015: 10; cf. Hesmondhalgh 2007). The dominant view of the creative economy emphasizes the economization of culture, and its interconnection with the information society or digital economy (Garnham 2005), stressing the tradability, exploitation, and commodification of culture.

The successor idea to the creative industries is the ‘creative economy’. This idea also lays emphasis on intellectual property and its key role in ‘the global battle for comparative advantage’ (Howkins 2001: 79). The prime case for taking creativity seriously is its economic dimension and that it should be regarded as ‘a substantial component of human capital’ (Howkins 2001: 211). A substantial academic literature now addresses the creative economy. Most is either advocacy or the application of increasingly orthodox ideas. But a growing critical response is now available in several languages.

Not all EU Member States have taken up the creative economy cause with equal enthusiasm. But the European Commission has been won over to its usefulness. The creative and cultural industries (CCIs) are at the heart of the European Agenda for Culture, part of the framework of the EU's Lisbon strategy for jobs and growth set out in March 2000. In May 2007, the European Council endorsed the role that the CCIs might play in supporting the Lisbon Strategy and in April 2008, the European Parliament welcomed the Council and Commission's recognition of the importance of culture and creativity for the European project.

The Economy of Culture in Europe, a report commissioned by the Commission in 2006, was a scene-setter for the EU’s ‘creative turn’ (KEA European Affairs 2006). Another major contemporary reference point has been the UNCTAD (2008)
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Creative Economy report, and its successor versions in 2010 and 2013, which set the frame for much subsequent global debate.

By 2009, the issue was how to marry creativity with innovation policy and to ‘[b]rand Europe as the place to create’ (KEA European Affairs 2009: 9), along with establishing new programmes, institutions and regulatory frameworks to support ‘creative and cultural collaboration’ (2009: 9). 2010 saw publication of a Green Paper (European Commission 2010) that was an omnium gatherum of what CCIs might do for economic development. The Green Paper pointed forward to the subsequent strategic concern with the ‘digital economy’ (European Commission 2010: 8).

The creative policy turn has not produced uniformity of thinking inside the EU, but it has impacted on how culture is thought about in policy-making circles. National differences, though, persist about what to include and exclude in the creative economy. The categorization of creative industries is linked to measurement, of growing importance for the global governance of the creative economy. By 2012, the question of how to measure the CCIs was firmly on the EU agenda. Innovation policy was also adjusted to include ‘smart specialization strategies’ sensitive to the creative economy, with work under way on ‘a set of indicators, to measure policies focusing on local economic development through CCIs’ (KEA 2012: 3). The European Parliament (European Parliament 2012: 9) considers culture as not merely ‘a sector but a resource’ that might enhance EU social and economic development (European Parliament 2012: 10, 15).

Concluding remarks

Cultural policy has been harnessed to economic purposes but also to variously building identity, citizenship and community. Creative economy thinking has given current EU strategy an emphatic economic orientation, in line with enhancing the Union’s competitive position in international trade. This has required a shift from supporting a cultural exception to embracing the cultural diversity of expressions. Making an appeal to cultural defence - on one ground or another - for what is also, an economic (and social) strategy is unavoidable. However, the EU's formal framework, Creative Europe, disposes of modest means to achieve the cultural ends sought because the EU is boxed in by the requirements of subsidiarity in this
field and significant policy differences between Member States.

The twenty-year-old discourse on ‘creativity’ is now increasingly interconnected to the present fixation on the digital economy. Looking ahead, how the Digital Single Market policy is pursued, as well as the outcomes of the TTIP negotiations - in respect of intellectual property and the digital distribution of cultural content - will be of major significance for the EU's future as a cultural actor.

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