



Cultural Base

Social Platform
on Cultural Heritage
and European Identities

Cultural Creativity and Value

Vision Document
(cultural creativity axis)

Philip Schlesinger, University of Glasgow
31 March 2016

info@culturalbase.eu
www.culturalbase.eu



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No. 649454





Abstract

There is a tension at the heart of current debate on the value of culture. It is focused on the relations between culture and economics and the different trade-offs that are involved making calculations about the value of culture as a product as well as its modes of circulation and consumption. The debate is not a new one by any means. However, in the European Union it has been increasingly shaped by the influence of contemporary thinking about the 'creative economy'. As culture becomes increasingly 'economised' and tied to questions of national growth and competition in the global economy this raises the question of how we might now think differently, taking a critical distance from present orthodoxy.

Introduction: the current scenario

At present, the dominant approach to valuing culture in the European Commission is to focus on its economic impact in terms of employment, turnover and business formation with a particular eye on the balance of international trade, a tendency enhanced by the continuing financial crisis. This is also the approach taken by many member states. Along with this there has been a growing focus on how culture can be measured, discussed below. Although measurement has its uses, inevitably there is much that it fails to capture. Those working in the sector know the limitations of the prevalent approach but there is a political imperative – at every level – to comply with the demand to account for public expenditure on culture, as it is headline claims about the creative economy that carry greatest political weight. In the past decade, as well evidenced by work undertaken for the EC and EP, there has been a drive to develop indicators to demonstrate the value of the cultural and creative industries (CCIs).



A landmark example is work undertaken for the Commission by the Brussels-based consultancy, KEA, which has continued to undertake numerous projects in a similar vein. In *The Impact of Culture on Creativity*, KEA (2009: 3; emphasis added) said its goal was 'to have a better understanding of *the influence of culture on creativity, a motor of economic and social innovation.*'

It argued that 'productivity gains at manufacturing level are no longer sufficient to establish a competitive advantage', so what was needed was 'culture-based creativity' - the kind of thinking beyond production that has made Apple such a global force in design, or Virgin's adding to the 'experience' of long-haul aviation. The argument is intended to insert creativity into innovation policy, to '[b]rand Europe as the place to create' (2009: 9) along with establishing new programmes, institutions and regulatory frameworks to support 'creative and cultural collaboration' (2009: 9).

By 2010, the 'growth path for the creative economy' was part of the Commission's working framework (Vassiliou 2010: 3-4). Its Green Paper (European Commission 2010) set out things that CCIs might do for economic development and rehearsed the conventional wisdom about their nature and role. The Green Paper was situated in steps taken to develop a European Agenda for Culture and the existing Culture Programme (2007-2013). It pointed forward to what has since become a strategic concern with the 'digital economy' (European Commission 2010: 8). [See the Vision Document on the Digital Single Market.]

While the creative policy turn has not produced uniformity of thinking inside the EU, it has impacted on how culture is thought about in policy-making circles. National differences persist about what to include and exclude, in line with the weight of the diverse institutional development of given states.

Categorization of creative industries is linked to measurement, which is of



growing importance for the global governance of the creative economy. Since 2012, the question of how to measure the CCIs has been firmly on the EU agenda. KEA was commissioned 'to create a benchmarking raster ... or set of indicators, to measure policies focusing on local economic development through CCIs' (KEA 2012: 3).

The European Parliament has taken the same approach (European Parliament 2012: 9), engaging in advocacy to shift budgetary resources to culture, underlining 'the full potential of ... its role in supporting economic development and social inclusion' (European Parliament 2012: 11).

The quest to measure is played out both at member state and EU levels, and indeed globally. In the case of the UN, for instance, there has now been a series of three *Creative Economy Reports*. As we note below, the focus of these, arguably, has mutated.

The Challenge

Presently, conventional evaluation dominates the field. Are there alternative ways of thinking about the role of culture in the EU? Can these acquire greater weight in the debate about the future of European culture?

Keys for Change

Conceptual shifts

The current emphasis on the creative economy in policy thinking has led to the economization of culture. However, although at present a relatively marginal view, there are those who argue for 'the value of culture, not just as economic opportunity, but, also as a source of energising life' (Banks, 2015: 42). Rather than subordinate culture to the economy, it may be seen as in a complementary and often antithetical relation to it. By contrast,



creative economy thinking emphasises economic value at the expense of cultural value.

Isar (2015) has reflected on how the UN's most recent – 2013 – *Creative Economy Report* has attempted to make a break with the dominant creative economy discourse, installing instead the idea of a cultural economy. He notes how there was a conscious repositioning in the writing of this report: that 'cultural creativity in both marketable and non-marketable forms exists in the many different places and forms'; that lack of finance is a key obstacle to 'cultural production' being 'a viable path to sustainable human development'; that 'not all forms of cultural economy are successful or beneficial'. These have led to conceiving cultural creativity as 'an embodied, live quality that informs a diverse range of industries and activities', with a key emphasis on the recognition of the diversity of its forms and locations, and a rejection of the view that models can simply be imported from the North to the South (Isar, 2015: 482-484). Cultural expression, heritage, and urban planning are all re-evaluated in this light as is the importance of locality.

Evaluative shifts

There are also attempts to recalibrate evaluation that display some of the real contradictoriness of the culture/economy relation but are nonetheless ultimately reductive in their reasoning, for understandable reasons. One example from the UK, where creative economy thinking has been most developed in Europe, is that of the Warwick Commission – an attempt deeply influenced by the government agenda but at the same time trying to inflect it in various directions, notably the need to disperse public investment in culture around the UK (a modest challenge to London-centrism). The 'measurement of the value of public spending per audience member' is seen as key to ensuring a more equitable distribution of resources around the country.



While this attempt to address the question of cultural value seeks to avoid being reductive, it is nonetheless framed within the overarching question of 'how Britain can secure greater value from its cultural and creative assets' (Warwick Commission, 2015: 6). Thus, the driving interest is in advocating investment strategies for the UK government (and other financiers) to deliver 'economic, artistic and social value, including international value for the UK' (Warwick Commission, 2015: 27). Raising cultural value is a national project, in the familiar ground that creative industries policy has occupied from its inception some two decades ago. The headline figure is that in 2014, the creative economy was 'worth' '£77bn in value added, equivalent to 5.0% of the economy'. Investment is needed to keep the UK competitive. Thus, while the Warwick Commission seeks to espouse the idea that the cultural and creative industries are both about economics and the enrichment of life, to be taken seriously, the predominant idiom has to emphasise the economy.

A much more systematic attempt to assess the process of how practically to value culture has been made in a British report that applies cost-benefit analysis to two English museums, and compares two different techniques of valuation. Cost-benefit analysis 'assesses the costs of an action, intervention or investment against the benefits it creates for society' (AHRC, 2015: 2). It is further noted that '[a]t the heart of any economic valuation methods is the concept of wellbeing or welfare. Economic value is the equivalent or compensating amount of money that would generate the same effect on an individual's well-being as the non-market good, here cultural engagement.' (AHRC 2015: 3). Positioned in the UK Arts and Humanities Research Council's Cultural Value Project, this research is part of an attempt to recognise the value of culture beyond the market. It employs two valuation techniques, contingent valuation (CV) and wellbeing valuation (WV), assessing their advantages and disadvantages. Recognising that in some quarters the application of monetary measures to culture is objectionable per se, the pragmatic justification espoused is that this approach nevertheless 'increases the likelihood that it will be considered in economic



decision-making'. This concern frames the debate for those seeking to influence the policy process.

Going much further in expressing distance from – and scepticism of – evaluative research, in a Dutch study arguing for the creation of a 'European Common'. Basing themselves in a broad anthropological understanding of culture, Gielen et al (2014) query its measurement in principle on the grounds that culture and the arts are inherently pushing against limits and producing 'dismeasure'. EU cultural policy is seen as largely captured by creative industries thinking and consequently as losing its necessary engagement with culture as central to social life itself, as a framework for the production of meaning. Indeed, a technocratic Europe without an overarching cultural story to tell is seen as inherently weak and failing. Gielen et al. (2014:19) argue that

art does not simply coincide with the creative industry. There are two grounds for this. (1) Within the creative industry the economic measure of marketability is taken into consideration in advance, and/or (2) the measure is imposed by the potential for technological or organizational innovation. The dismeasure that is expected from this out-of-the-box thinking is therefore always coloured by a relatively calculable measure.

The research team discusses five distinct effects and the *limitations* of measurement in each case. Cultural education is seen as probably producing cognitive effects – notably, acting as a source of cultural identity. Cultural participation is a possible source of wellbeing in mental and physical health. Engagement with the cultural sector may offer intrinsic values to audiences. While economic effects the centre- piece of current concern, in cases of ostensible 'culture-led regeneration' the evidence is weak but urban life more generally is seen as producing positive relations between culture and economy (although not to the equal benefit of all). A variety of forms of social engagement are also likely contributors to the



strengthening of communities. (2014: 58-62).

These various effects, it is argued, cannot convincingly be examined through short-term studies and are necessarily mediated through values, actions and perceptions with outcomes that could, the authors argue, conceivably be achieved through other means. Moreover, they note, there is virtually no research on the negative effects of culture – which is simply screened out as a possibility. ‘Evidence-based policy’, arguably, is geared to looking at that which can be easily measured, for which generalisability is not guaranteed.

Conclusion

This account indicates some distinctive approaches to the question of value and the difficulty in most cases of escaping economic rationality. This suggests that a new foundation is needed for debate in cultural policy, based in normative assumptions that resituate the economic dimension of culture. We would like to develop a discussion that seeks to identify the possible bases for alternative views of the value of culture and creativity.

Key questions to address will be: On the basis of what values might an alternative view might be built? Which dimensions and spheres of life should be taken into account in this respect? And how should we conceive the roles of cultural actors in any new perspective on cultural creativity?

References

Bakhshi, H, Fujiwara, D, Lawton, R, Mourato, S and Dolan, P (2015). Measuring Economic Value in Cultural Institutions: A report commissioned by the Arts and Humanities Research Council’s Cultural Value Project. Swindon: AHRC.

Banks, M (2015). Valuing cultural industries. In In Oakley, K and O’Connor, J (eds) The Routledge Companion to the Cultural Industries. Abingdon & New York: Routledge, pp.35-45.



**Cultural
Base** Social Platform
on Cultural Heritage
and European Identities

Cultural Creativity and Value

Gielen, P, Elkhuisen, S, Van den Hoogen, Q, Lijster, T, Otte, H (2014). Culture: the substrate for a European Common. Brussels: Flanders State of the Art.

Isar, YR (2015). Widening local development pathways: transformative visions of cultural economy. In Oakley, K and O'Connor, J (eds) *The Routledge Companion to the Cultural Industries*. Abingdon & New York: Routledge, pp.477-487.

The Warwick Commission (2015). *Enriching Britain: Culture, Creativity and Growth*. The 2015 Report by the Warwick Commission on the Future of Cultural Value. Coventry: The University of Warwick.

Author: Philip Schlesinger is Professor in Cultural Policy at the University of Glasgow and Deputy Director of CREATE, the RCUK Centre for copyright and new business models in the creative economy. His most recent, co-authored, books are *The Rise and Fall of the UK Film Council* (Edinburgh, 2015) and *Creators of Cultural Enterprise* (Palgrave Macmillan, 2015).