

CULTURAL AND CREATIVE INDUSTRIES

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Abstract: *The creative economy has appeared as a new trend in the current economic reality, where information, knowledge and original creations as products of individual or work are represented as driving forces in the economic development. The main advantage brought up by the creative economy is its inexhaustible raw materials, the human capital with his creative mind. Nowadays, a company's tangible assets or power of influence are no longer its most valuable possessions; there is something more valuable, more precisely, the intellectual capital, its human resources operating by their own will and leaving the company at the end of each working day. Any organisation, but mostly those conducting artistic or knowledge based activities must prove the ability to attract, retain and motivate valuable employees in order to exploit their arsenal and their ideas to be transformed into goods or services. Considering all the advantages of the new economic sector, a limit of the creative economy is the subjective way of assessing the created products and services' value, the degree of satisfaction experienced by consuming such products being influenced largely by psychological factors. Creative economy presents itself as a novelty in the scientific economic field with its own terminology; thus referring to this economic sector it is required to address what is particular for it, such as: knowledge, creativity, creative industries, cultural industries, creative class, etc. This paper is a theoretical approach and it aims to present some of the specific concepts of the creative economy, more exactly the cultural industries and the creative industries. Also in order to achieve a better understanding and distinction I will present several classifications known in the literature of internationally recognised organisations such as UNESCO, UNCTAD, World Intellectual Property Organization, and others as well. Besides reviewing these approaches, the paper will show the author's own vision on the mentioned concepts.*

Keywords: creative economy; creative industries; cultural industries; classification.

JEL classification: A10; L16; O14; Z10.

1. Introduction

Few years ago new concepts appeared in the economic science, such as: creative economy, creative industries and creative class, all of them being related to a new economic trend based on intellectual and artistic exploitation of the human capital. So nowadays the economy is considered to have a new sector, named the

creative economy. As the other economic sectors were represented by distinctive activities, e.g. cultivation of cereals - activity of the agricultural sector, so the creative economy has to be depicted in certain sub-industries. This paper aims to present the main concepts related to this issue and also several classifications of the creative industries even if Potts et al. (in O`Connor, 2010:65) do not give much importance to the creative activities as to be to shape an exclusive industry, such as the creative industry; they are considered to belong rather to the innovation system of the economy.

2. The creative economy

The first time when the creative economy was brought into discussion was in 1998 in an official report of the United Kingdom's Department of Culture, Media and Sport, specifying that the creative industries are "those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property"(Higgs et al., 2008:22).

This definition was immediately strongly criticised being considered too large „that it could include most of the pharmaceuticals industry and all research and development activity in engineering businesses" (Newbiggin, 2010:23). In order to clarify the situation, the United Kingdom's Department of Culture, Media and Sport selected 13 certain sectors of cultural – economic activities, as it follows: „advertising, architecture, art and antiques market, crafts, design, designer fashion, film, interactive leisure software (video games), music, performing arts, publishing, software, television and radio" (Newbiggin, 2010:23).

Subsequently, this classification was adopted by other countries or organisations and adjusted to their own interests by adding economic activities with a great importance to the national economy; what exactly is specific to the creative economy regardless of the adopted definition or classification is represented in the following figure:

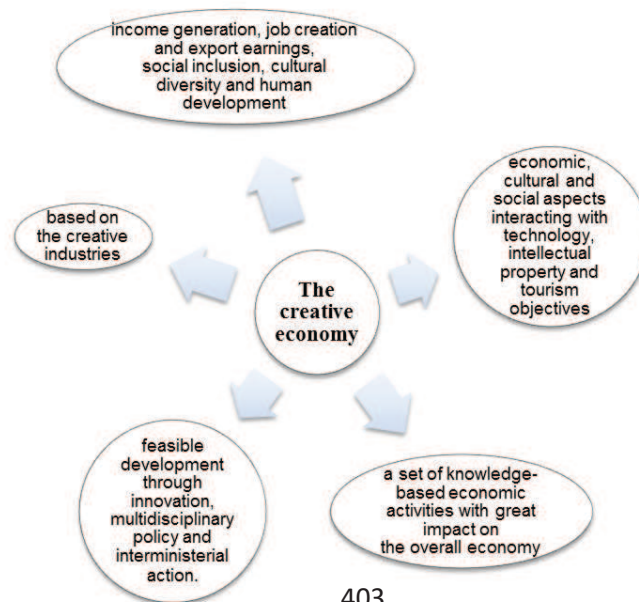


Figure 1: The creative economy in the vision of UNCTAD

Source: UNCTAD, *Creative economy report 2010*, p. 10, at http://unctad.org/en/Docs/ditctab20103_en.pdf, accessed on 06.03.2016

3. Related concepts: cultural and creative industries

The creative economy is associated with several terms, such as the knowledge economy, the information economy, the creative class, but also the cultural industries and the creative industries.

The notion of cultural industries refers to the cultural production and consumption, to those industries aiming to produce and sell goods and services with a symbolic or expressive role, " which, at the time they are considered as a specific attribute, use or purpose, embody or convey cultural expressions, irrespective of the commercial value they may have" (UNESCO Bureau of Public Information, 2006 :1).

It has been considered that the cultural industries include an expansive range of fields, such as fashion, music, writing, art, design, and media industries (Creative Economy Report, 2013:20). But the concept was widened and so appeared the notion of creative industries which also include architecture, visual arts and performing arts (UNESCO Bureau of Public Information, 2006 :1), and mostly those industries "that depend on innovation, including many types of research and software development" (Creative Economy Report, 2013:20).

In the reports of UNESCO, the cultural industries are presented as a part of the creative industries, being referred to as „forms of cultural production and consumption that have at their core a symbolic or expressive element" (Creative Economy Report, 2013:20). So the cultural industries include only those activities which regard music, art, fashion, design, publishing, film, radio and television, whereas the creative industries comprise a much wider range, along with the cultural industries are involved also research and development activities and everything related to innovation.

The concept of the creative industries is used to describe activities which "focus on creating and exploiting symbolic cultural products (such as the arts, films and interactive games)" (Higgs et al., 2008:18) or on providing specific services (marketing, architecture, software etc.). But also, something particular for the creative industries is that the goods and services resulted have an expressive value given by their cultural significance which mostly has nothing to do with the cost or usefulness of the products and services (Newbiggin, 2010: 15-16). To support this affirmation I give as an example the fashionable clothing items or works of art belonging to renowned artists.

UNCTAD refers to the concept of creative industries, assigning them the followings:

- "are the cycles of creation, production and distribution of goods and services that use creativity and intellectual capital as primary inputs;
- constitute a set of knowledge-based activities, focused on but not limited to

arts, potentially generating revenues from trade and intellectual property rights;

- comprise tangible products and intangible intellectual or artistic services with creative content, economic value and market objectives;
- stand at the crossroads of the artisan, services and industrial sectors;
- constitute a new dynamic sector in world trade" (UNCTAD, 2010:8).

In an attempt to be more clear about cultural and creative industries, I would recognise as creative industries all those economic activities conducted or resulted from intellectual or artistic work processes and whose goods or services have a market value dependent on numerous subjective factors. Regarding cultural industries, they represent part of the creative industries, bringing together only those economic activities that have a symbolic or cultural trait and by which national and moral values are identified.

4. Classifications of the creative industries

As mentioned before, the creative industries contain a wide range of fields and their classification differs depending on the criteria adopted. In the next part of the paper I will present some of the most important classification known worldwide.

4.1. The Department of Culture, Media and Sport

In the United Kingdom, according to the Department of Culture, Media and Sport, the creative industries were parted in:

- „Advertising and Marketing;
- Architecture, Visual Arts and Design;
- Film, TV, Radio and Photography;
- Music and Performing Arts;
- Publishing;
- Software, Computer Games and electronic Publishing" (Higgs et al., 2008:102).

4.2. The European Commission

The model used by the European Commission (O'Connor, 2010:58) is different from the first one because it is based on the reproductive performance of copyright industries and divided into three categories:

- Core arts fields - include non-industrial arts activities, copyrights may be applied:
 - Visual Arts;
 - Performing Arts;
 - Heritage.
- Cultural industries - massive reproduction and the copyright is essential:
 - Film and Video;
 - TV and Radio;
 - Videogames;
 - Music;
 - Books and Press.
- Creative industries and activities – non cultural sectors which employ

creative people:

- Design;
- Architecture;
- Advertising.

4.3. The Work Foundation

As I acknowledged in the first part of the paper, the classification of the creative industries depends on the interest to make up economic performance. The United Kingdom's Work Foundation, a non-profit organisation whose main activity is consultancy and labour research, proposes a classification that is very similar to the model used by the European Commission, addressing a pattern of concentric circles. In the creative core of this classification we can find all creative forms of original products, followed up by the cultural industries which include industries such as Film, Music, Radio etc. The concentric circles classification is based on the functionality and expressive value of the products, a value that is seen as "every dimension which...enlarges cultural meaning and understanding" (O'Connor, 2010:61). As it can be noticed in the next figure, the more distance from the core, the less expressive value products and services have, their functional value increasing.



Figure 2: The creative industries – The concentric circles model

Source: Justin O'Connor, *The cultural and creative industries: a literature review – Second edition*, Creativity, Culture and Education Series, Newcastle, 2010, p. 60

4.4. UNESCO

The classification proposed by UNESCO divides the activities by cultural areas in core cultural domains and expanded cultural domains, as the following table presents:

Table 1: The classification of creative industries by UNESCO

Industries in core cultural domains	Industries in expanded cultural domains
Museums, galleries, libraries Festivals Performing arts Design , Visual arts, crafts Television, Radio Film, Video Publishing Photography Interactive media	Sound equipment Musical instruments Advertising Architecture Printing equipment Audiovisual hardware Software

Source: designed by the author based on the information from: UNESCO, *Creative Economy Report 2013 Special Edition – Widening local development pathways*, p. 22 at http://academy.ssc.undp.org/GSSDAcademy/Upload/CER13_Report_web_optimized.pdf accessed on 28.12.2015.

4.5. WIPO (World Intellectual Property Organization)

Given the primary role of intellectual property rights in ensuring the development of the creative economy, it seems necessary to present also the classification elaborated by WIPO; this one classifies the creative industries with regards to the importance of the copyrights in those industries (UNESCO, 2013:22):

- Core copyright industries: Advertising, Music, Performing arts, Film, Video, Publishing, Software, Television, Visual and graphic art;
- Partial copyright industries: Architecture, Fashion, Design, Household goods, toys;
- Interdependent copyright industries: Consumer electronics, Blank recording material, Musical instruments, photographic equipment.

4.6. Other classifications

Additionally I would like to give extra examples of the ways the creative industries are seen by specialists.

In order to avoid difficulties brought by the taxonomy, Alan Scott separates the creative activities within the so - called cultural commodity production sector, which is divided into two categories:

- service outputs based on information and entertainment: music, museums, etc.;
- manufactured products that ensure consumers “distinctive forms of individuality, self-affirmation and social display” (O`Connor, 2010:62).

Considering also the Romanian researchers (Bobîrcă et al., 2009:119-120), the

creative industries consist of:

- artistic creative industries (visual arts, performing arts, antiquities, etc.);
- cultural creative industries (heritage, traditions, crafts, libraries, etc.);
- creative industries producing media content (publishing, film, radio, software, etc.);
- creative industries producing intangible assets (design, advertising, architecture, etc.);
- related industries (hardware production).

In my opinion, the creative industry would be separated from the whole economy, including the following sub-industries:

- cultural industries: heritage, museums, crafts, performing arts, libraries, etc.;
- innovative industries: research, software, IT related industries;
- creative industries of media content: music, film, TV, radio, video games, publishing;
- creative industries providing specialised services: advertising, fashion, design, architecture.

5. In conclusion

Due to the great earnings resulted from intellectual and artistic exploitation of the human capital, nowadays it seems these activities are given a higher importance gathering and calling them as creative industries. This concept and all the other concepts regarding the creative economy are relatively new and with respect to a clearer image of these creative activities, there are several taxonomies elaborated from different point of views. The sub-industries included by every classification mentioned in this paper are mostly the same, only the framing may vary.

I consider the issue of classifying the creative industries important due to the need of focusing on certain activities, their evolution and the correlated industries which could determine economic growth.

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