# The Global Landscape of the Creative Economy Trends, policies & initiatives

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# Outline

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1 Background

The global trends

The impetus and driver

3

4

Challenges

### The Creative Economy

The dimension and segment continues to evolve

The scope and boundaries vary vastly between countries and international organizations

Defining the Creative Economy is a complex matter Many terms . . .

cultural industries creative industries leisure industries entertainment industries content industries copyright protected industries cultural economy creative economy

And each of these terms has numerous and diverse definitions . . .

# Definition

United Nations Conference on Trade and Development (UNCTAD)

"defines creative industries as cycles of creating, producing, and distributing goods and services that use creativity and intellectual capital as primary inputs"

Inter-American Development Bank (IDB)

"the group of activities through which ideas are transformed into cultural and creative goods and services whose value is or could be protected by intellectual property rights (IPRs)" United Nations Educational, Scientific and Cultural Organization (UNESCO)

"focuses on the social and economic dimensions of culture defined according to the concepts of cultural and related domains and the culture cycle"

The World Intellectual Property Organization (WIPO)

> "concentrates on the importance of copyright and categorizes industries according to the extent to which their activities depend on copyright"



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#### COMMON SCOPE & DOMAIN

Creativity, arts and culture as productive endeavours

Products strongly related to intellectual property rights, in particular copyright Activities with a direct role in the value chain transforming ideas into products and services

The Creative Economy

and the World Economy The global cultural sector accounts for

3.1%

of global gross domestic product (US\$100,218 billion)

UNESCO (2022). Re-shaping policies for creativity: Addressing culture as a global public good Howkins, John (2007). The Creative Economy. Allen Lane The Penguin Press, London.

The Creative Economy was estimated to represent 6.1% US\$ 4.3 Trillion 2005 2011 of the world economy

The creative economy, as defined by Howkins, includes all the sectors whose goods and services are based on intellectual property: advertising, architecture, crafts, design, fashion, film, games and toys, music, publishing, research and development, software, TV and radio, and videogames, and visual and performing arts.

The Creative Economy

and the **World Economy** 

**UNCTAD** estimates (2020)

Export of creative goods

3%

Export of creative services

21%

UNCTAD (2022). Creative Economic Outlook 2022 Export of creative goods 2010 US\$419 million 2020 US\$ 524 million

**企** 25%

Export of creative services 2010 US\$ 487 million 2020 US\$ 1.1 trillion 125.8%

The Creative Economy

and the World **Economy** 

> Creative services Export values (US\$): Creative goods vs. creative services Global exports of creative goods and services, 2010-2020 (Billion US\$) 1 200 1 065 1 000 800 ..... 600 524 400 200 0 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 Creative goods Creative services

Source: UNCTAD - Creative Economic Outlook 2022

> Creative goods

The Creative Economy

and the World Economy Creative goods: Developing vs. developed economies

Exports of all creative goods by developing and developed economies, 2002–2020 (Billion US\$)



Source: UNCTAD - Creative Economic Outlook 2022

Creative services
-Advertising
-Architecture
-Culture and leisure
-Research and development

The Creative Economy and the

and the World Economy Creative services: Developing vs. developed economies

Exports of all creative services by developing and developed economies, 2010–2020 (Billion US\$)



Source: UNCTAD - Creative Economic Outlook 2022

The Creative Economy

and the World Economy The global cultural and creative industries provide

6.2%

of all employment in the world

UNCTAD (2022). Creative Economic Outlook 2022 Generating nearly

50 million

job worldwide

Mainly employing young people 15-29 years old

relative to other sectors

The Creative Economy

the Impetus & driver

# Is **not subject** to the same natural **SCArcity** of commodities and resources

Cultural and creativity is an intangible capital asset The more we depend on knowledge, the wealthier we are

Price volatility is not a major concern for Creative Economy growth

Connectivity and technology boost the innovation and distribution of creative goods and services

Technological change is accelerating ... exponentially. Digital revolution represents **opportunity** for the creative economy

The Creative Economy

the Impetus & driver Tremendous positive spill over effects and substantial supply-chain



The evolution of technology, culture and economics has occurred in a parallel and interconnected way There are great interdependencies between one sector to another Virtuous circle as growth in each sector reinforces the potential of growth of the others

The Creative Economy

the Impetus & driver Provide cultural representation by presenting a diverse range of societal values and ideas for future generations

Address the important social and cultural needs to aid social cohesion within communities

Leisure and WOrk-life-balance lifestyle thru media viewing time and entertainment

Content play a key role in the integration ....

The Creative Economy

and the Global Pandemic The global cultural and creative industries saw as many as

# **10 million**

jobs disappeared due to the COVID-19 pandemic

Performing arts Visual arts Heritage sector

High levels of informality Micro & small size enterprises High proportion of freelancers & contract workers

In 2020, the sector contracted by

US\$ 750 billion

globally

The Creative Economy

for Sustainable Development

	United Nations	A	/RES/74/198
2	General Assembly	Distr: General 14 January 2020	
enda item	th session 17 mic policy questions Resolution adopted by the General	Assembly	
	on 19 December 2019		
74/198.	[on the report of the Second Committee (4/74/375 International Year of Creative Econom Development, 2021		
	The General Assembly, Reafflowing the Charter of the United Nu principles contained therein, and the functions system, especially in promoting international or outurnal, educational and bealth fields,	and powers of the United Nations	
	Real/training advant its resolution T001 - Transforming one workt the 2000 Agrado for the it adopted a comprehensive, far-reaching and p- turanformative Saturiable Development Geal working tricleasily for the full implementations of the translocating powerty in all its forms and dim is the groenest global challenge and as indige dimensions – conventie, social and environment manner, and to building spon the achievement	iustainable Development", in which soople-centred set of universal and a and targets, its commitment to the Agenda by 2030, its recognition easient, including extreme poverty, mobble requirement for sustainable stainable development in its three tal – in a balanced and integrated s of the Milleminan Development	
	Recognizing the need to promote sustaine foster innovation and provide opportunities, ben respect for all human rights,		
	Recalling its resolutions 53/199 of 15 20 December 2006 on the proclamation of inter Social Council resolution 1980/67 of 25 July antiversaries, including paragraphs 1 to 10 of the for the proclamation of international years, as we	mational years, and Economic and 1980 on international years and annex thereto on the agreed criteria	
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#### United Nations General Assembly resolution 74/198 (2019)

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Recognizing that the creative economy involves, knowledge-based economic activities and the interplay between human creativity and ideas, knowledge and technology, as well as cultural values or heritage

Recognizing the ongoing need to support developing countries in **diversifying production and exports**, including in new sustainable growth areas, including creative industries

Recommitting to supporting developing countries' economies to transition progressively to **higher productivity** through high-value-added sectors through the promotion of cultural and creative industries

Recognizing that the international community should support national efforts of developing countries to increase their participation in and benefit from dynamic sectors and to foster, protect and promote their creative industries, including by way of strategies to appropriately protect and enforce intellectual property

Acknowledging that creative industries can help to **foster positive externalities** while preserving and promoting cultural heritages and diversity, and benefit from new and dynamic growth opportunities in world trade

The Creative Economy

for Sustainable Development

	United Nations	1	A/RES/74/198
•	General Assembly	Distr.: General 14 January 2020	
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United Nations General Assembly resolution 74/198 (2019)

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Acknowledging that innovation is essential for **harnessing the economic potential** of each nation and the importance of **supporting mass entrepreneurship**, creativity and innovation, which create new momentum for economic growth and job creation and expand opportunities for all, including women and youth

- Recognizing the role of the creative economy in creating full and productive employment and decent work, supporting entrepreneurship, creativity and innovation, encouraging the formalization and growth of micro-, small and medium-sized enterprises, stimulating innovation, empowering people, promoting social inclusion, and reducing poverty
- Highlighting that the creative economy encourages creativity and innovation in attaining inclusive, equitable and sustainable growth and development, while facilitating life transitions and supporting women, youth, migrants and older persons, as well as empowering people in vulnerable situations

Stressing the **importance of appropriate national policies** aimed at promoting the **diversity of cultural** expression and advancing creativity for sustainable development

The Creative Economy

for Sustainable Development

	United Nations	A/RES/74/198
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	Resolution adopted by the General Assemb on 19 December 2019	ly
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United Nations General Assembly resolution 74/198 (2019)

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Emphasizing the **resilient growth in international trade** in creative industries, including the trade of creative goods and services, and its contribution to the global economy, and recognizing the economic and cultural values of the creative economy

Reaffirming that all **workers should have access to lifelong learning** and that all learners should acquire the knowledge and skills needed to promote sustainable development and the appreciation of cultural diversity and of culture's contribution to sustainable development

Recognizing the need to optimize the economic, social and cultural benefits stemming from the creative economy by creating an enabling environment for the promotion of the creative economy, such as the development of digital technology, innovative and digital economy, e-commerce, building relevant digital infrastructure and connectivity for supporting sustainable development

Stressing the importance of **regular**, **reliable and comparable data** on the contribution of the **creative economy** to the achievement of the Sustainable Development Goals

The Creative Economy

for **Sustainable Development** 

SUSTAINABLE GOAL 7 GOALS TO TRANSFORM OUR WORLD 3 GOOD HEALTH AND WELL-BEIN 1 NO POVERTY 6 CLEAN WAT **....** Ø • \_⁄∿/∳ 8 DECENT WORK AND ECONOMIC GROWT 10 REDUCED INEQUALITIES 9 INDUSTRY, INNOVATI AND INFRASTRUCTU 1 CC16 PEACE, JUSTIC AND STRONG INSTITUTIONS 13 CLIMATE ACTION 14 LIFE BELOW WATER 15 LIFE ON LAND 17 PARTNERSHIPS **ب**<sup>2</sup> SUSTAINABLE DEVELOPMENT GOALS æ

United Nations General Assembly resolution 74/198 (2019)



Stressing that the creative economy can contribute to the three dimensions of sustainable development and the achievement of the 2030 Agenda, includina:

- fostering economic growth and innovation
- eradicating poverty -
- creating full productive and employment and decent work for all
- improving the guality of life and empowerment of women and young people
- reducing inequality within and among countries

**2021 -** International Year of Creative Economy

The Creative Economy

the **Challenges** 



Creating a conducive environment for the production of intellectual capital

We need to retain, attract, capture and reproduce the talent

Countries around the world are developing policies to attract people with talent

The Creative Economy

the **Challenges** 

2

Risk of innovation and early adoption

Mistakes can be corrected, but missed opportunities cannot be recovered

The Creative Economy

the **Challenges** 

3

Statistics are always proxies to reality, not the absolute truths

### Technical difficulties:

- high levels of informality

(underrepresented in the official data)

- Inadequate classification systems

(originally designed to account for main economic activities)

The Creative Economy

the **Challenges** 

4

### New technologies and rapid inventions

Affect the value chains of creative products and their consumption dynamics

Follow no discernible patterns

The Creative Economy

the **Challenges** 

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### Irregular political commitment

Statistical collection processes

Studies and projects often lose appeal over time

#### Thank you

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Ideas about the Creative **Economy** are not absolute

