

The Status of the Creative Industries in International Development Agencies

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There is broad consensus that in the past ten years there has been increasing awareness at multilateral level of the significance of culture for development. This is evident in a number of resolutions adopted by the United Nations, the high number of states, 123, which have ratified the UNESCO Convention for the Protection and Promotion for Cultural Diversity, 2005, and the inclusion of culture in the final declaration of Millennium Development Goals mid-term review, September 2010. Paragraph 16 states that:

'We acknowledge the diversity of the world and recognize that all cultures and civilizations contribute to the enrichment of humankind. We emphasize the importance of culture for development and its contribution to the achievement of the Millennium Development Goals.'

<http://www.un.org/en/mdg/summit2010/pdf/mdg%20outcome%20document.pdf>;

Integral to this is growing evidence of the role played by the creative industries which are at the heart of the culture sector, and have become an important driver for global economic growth, representing 3.4 per cent of global GDP with an average annual growth of 8.7 per cent between 2000 and 2005. Quantitative analysis and data for the creative industry economy, largely based on trade figures, have been produced through two seminal reports by UNCTAD, The Creative Economy Reports 2008 & 2010. http://unctad.org/en/docs/ditctab20103_en.pdf

This focus on creative works and creative activity, as opposed to culture more generally, has been strengthened through awareness and implementation of the articles of the UNESCO Convention, 2005. Significantly, the Convention makes it obligatory on all signatories to engage in measures of co-operation and exchange to increase the role of the creative industries for development whether on a south-south or north-south basis.

However, this multilateral awareness is compromised by the fact that the main international agencies for development do not give full recognition to the potential of the creative industries. Where they do engage they often fail to understand the structural needs of the creative sector in developing countries. The executive summary of UNESCO's 2010 conference, *Funding Culture, Managing Risk*, states that investment interventions often focus on short-term, highly visible projects "insufficient for rendering the sector viable, thereby perpetuating risks." This in turn affects the disposition of donor communities to support cultural initiatives even where their development potential has been recognised.

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<http://unesdoc.unesco.org/images/0018/001893/189381e.pdf>

At a national level, the status given to the creative industries by national agencies for development varies considerably. In Europe, the Nordic

countries, Finland, Germany, France and Italy manifestly support this sector, both for its economic potential and its role in achieving human rights. GIZ, the German Development Agency specifically includes creative industries in its development programme on the basis of their link to economic goals. Others, such as Finland and Denmark, acknowledge the creative industries' critical role in facilitating cultural expression in line with Article 27 of the Universal Declaration of Human Rights which states that "Everyone shall have the right freely to participate in the cultural life of the community and to enjoy the arts".

In the UK, the creative industries have no official place in the programmes of the Department for International Development, (DFID), and it is hard to overcome a reluctance to admit the relevance of culture more generally to their policies or actions. Where its role is admitted it is largely seen as instrumental. That said, at country programme level there would be some projects which do involve the creative industries. The challenge is to make such projects, or those allied in areas such as heritage and tourism, more visible through a cultural lens.

It is also important to demonstrate that strong creative industries are integral to achieving the aims of social programmes, such as those for gender equality, health and justice, and to affirm that cultural activity is an essential element of development and not just a resource. It is necessary to develop evidence and to provide examples, such as the Cultural, Sexual and Reproductive Health projects of the Interarts Foundation in Ecuador, Bolivia and Mali and some of the development programmes of Africalia in Africa.

There is greater consensus and recognition in the European National Institutes for Culture (EUNIC), with countries looking for co-operation especially in fields of cultural management. However, it should be noted that both the funds available to each national institute and the overall budget for the EU's Culture Programme (400 million euros for 2007-2013) are minimal in comparison to the funding for the national development agencies. The budget for GIZ, the German Development Corporation, for example, is about 1 billion euros in comparison to the Goethe Institute (functioning under the Ministry of Foreign Affairs) which has a budget of approximately 330 million euros.

At European level, recognition of the status of the creative industries in development is underpinned by article 167.4 of the Treaty on the Functioning of the European Union (TFEU). This corresponds to article 151.4 in the previous Nice version which states that "The Union shall take cultural aspects into account in its action under other provisions of the Treaties, in particular in order to respect and to promote the diversity of its cultures"

It is also strengthened by the European Union's commitment to the UNESCO Convention, 2005, and the mainstreaming of its objectives into various key policies and documents such as the European Agenda for Culture (May 2007); the working program of the Culture Council (2008-2010); and the Brussels Declaration, 2009. These interventions call on the Commission and the Member States to draw up a European strategy for incorporating culture consistently and systematically in the external relations of the Union and the establishment of specific strategies with regions and countries outside the

Union. This integration of a cultural dimension has particularly benefited ACP countries and to a lesser extent the Euro-Mediterranean region. The development of the Media Mundus Programme was a significant shift towards countries external to the European Union.

However, whilst the DG for Education and Culture has consistently supported culture and the creative industries, the DG for Development and Cooperation has recently been criticized for omitting any mention of culture in its Agenda for Change, 13th October 2011. This presentation to the Commission has since been adopted by the EU Council in May 2012, and to date there are no plans for change. It can be summarized in the following:

“EU assistance should focus on two priority areas:

1. Human rights, democracy and other key elements of good governance, and
2. Inclusive and sustainable growth for human development.

The EU aims to help create growth in developing countries so they have the means to lift themselves out of poverty. Aid will therefore target particular areas:

- social protection, health, education and jobs
- the business environment, regional integration and world markets, and Sustainable agriculture and energy”

http://ec.europa.eu/europeaid/what/development-policies/agenda-for-change/agenda_for_change_en.htm

In April, a letter was sent to President Barroso, signed by a range of prestigious European creator organizations indicating the failure of the European Commission to observe consistency with its own undertakings in its Treaty and cultural policies. Amongst the signatories was Rose Fenton from UK's *Free Word*. In May, Marie-Paule Roudil, UNESCO's representative in Brussels, also addressed the contradiction between the "goodwill" of DG Education & Culture and the other directorates that do not incorporate culture at all. "As an international organisation with a mandate to promote the 2005 Convention, we wonder how we will accomplish our task if the Commission itself does not include the word "culture" in its *Agenda for Change* and mentions the Convention even less!" She pointed out that despite the efforts of many representatives from civil society and cultural institutions, the communication on the *Agenda for Change* has not progressed.

This omission is indicative of the work which still has to be done to translate the significance of cultural agendas into the working practice of international development organizations even where it has been incorporated into normative frameworks. Xavier Troussard, Head of Unit for Culture, Policy and Diversity at the DG Education and Art, indicates organisational reasons for this situation, due to the recent restructuring of the department and the disruption in the principal personnel formerly delivering its programmes. If this is correct it demonstrates the need for constant vigilance in consensus building within the larger development organizations where the status of culture may be as fragile as the knowledge of key officers informed enough to

keep programmes updated.

This is one of the reasons why the issue of evaluation is crucial to build/maintain support for the creative industries in development programmes, and several of the interviewees for this report urged research to extend the useful quantitative frameworks offered by the UNCTAD reports, to include impact assessment of particular projects, and qualitative reports to develop a connectivity between the conceptual understanding of development targets – alleviation of poverty, social justice and human rights, fragile states and conflict resolution – and the effective contribution of the creative industries which continues to go unrecorded.

Both projects and research also need to take into account recent critiques of the assumption that commodity or resource driven growth in this area, which is good for GDP, is necessarily going to create jobs or contribute to development in its widest sense. In assessing the contribution of the creative industries to development in Africa the key issue is “not necessarily economic growth, but what kind of economic growth: does it create jobs, help distribute wealth more equitably, is it sustainable over a long period of time?” (*The Creative Economy, development, culture, human rights and democracy in Africa: joining the dots. Mike Van Graan*) Mike Van Graan, Director of Africa’s Arterial Network points to Angola with 11.1% growth between 2001-2010 thanks to oil and the 7th largest economy, and yet it suffers a 25% rate of unemployment. In relation to a creative industry he cites Nigeria, where Nollywood is the second biggest industry after oil, and although the audiovisual sector’s turnover is far smaller it employs far more people. However, this positive impact cannot be generalized. Its success depends on the particularities of Nigeria’s social structure, with a large market and a substantial middle class (\$10-\$100 per day).

Another key area of debate concerns the choice of creative industry to be assisted. What are the consequences of focusing on those art forms that have most value in the marketplace, neglecting those which might have greater social reach and value and which sector of society will benefit? In India for instance, it has been shown that the creative industries benefit only a privileged few. Whilst it is estimated that there are potentially fifty million employable people in the Indian crafts sector, “less than twenty-five million people are sub-optimally employed, and Indian crafts constitute only 2% of the world trade”. (Ramanathan, in *Creative Economy as a Development Strategy*, 2008) This however is based on a limited assessment of impact.

Engaging with the contradictions inherent in development theory, itself never a neutral activity whether in economic, geostrategic or political terms, Arterial Network has come up with its own definition for development as “the ongoing generation and application of resources (financial, human, infrastructural and other) to create the optimal conditions (political, cultural, social, economic and other) in which human beings may enjoy the full range of human rights and freedoms enshrined in the Universal Declaration of Human Rights”

Another area of critical debates refers to the impact of digital technologies. In 2006, the conclusions of a study carried out by Central Bank in 56 developing countries indicated that those countries that invest in information and communication technologies grow more rapidly, and are more productive and profitable than others. (World Bank, Information and Communications for Development 2006 – Global Trends and Policies.) However, whilst the processes of globalization and the underlying technological innovations offer new opportunities for freedom, sharing, and solidarity, they can also increase the risks of domination, inequality, and exclusion unless there is intervention to assist local production, local capacitation in the use and application of digital technologies, and support for equipment. This in turn raises another issue for developing countries, which is the extent to which creative industries transformed by digital technologies should be prioritized for support as opposed to other creative activities, some of them key forms of social expression - such as live performance, dance – which may thereby be excluded? Some commentators argue that the urgency of preventing global mass culture prevailing over local culture, (now playing out in the internet context) indicates in itself the necessity for greater support for creative industries to promote local content. There is also the added potential benefit of digital platforms in assisting exchange and intercultural dialogue within continents where the language barriers and physical market impediments have prevented greater exchange. Above all, experience on the ground indicates that young people are using mobile telephone technology to access and develop networks and communication using the range of apps and interactive resources available, and that mobile telephony in particular is a key tool for the delivery of education, the making of films, infotainment and more.

In terms of research and evaluation, more evidence is needed to re-enforce the status of the creative industries as one of the programmes for development in terms of their widest impact on social, human rights and community programmes. Evidence could address aspects specific to creative activity such as the building networks, the involvement of different players during the process of production, as well as indices for the dissemination and impact of the final product. Reference might be made to evaluative criteria such as those used in the UNDP's Human Development Index - life expectancy, literacy, employment and level of income – but ways of reflecting contribution to freedom of expression, diversity of cultural expressions, levels of local production and access to digital technologies should also be included. In this respect, UNESCO's development of a comparable suite of indicators for cultural development is a significant advance in addressing the need for evidence-gathering at a national level.