Creativity generates resources

Only recently has creativity been widely recognized as a source of wealth, a means of generating employment, and a significant factor in poverty reduction, particularly in the context of the Millennium Development Goals. Nonetheless, the link between culture and development would hardly have been unfamiliar either to a Ming emperor or the US President Franklin Delano Roosevelt, whose Works Project Administration during the Great Depression of the 1930s spread murals, sculptures, concerts and theatre projects from the Atlantic to Pacific coasts and employed not only artists, but the crews of local workers required to give public arts projects tangible form. Both Hollywood and Bollywood, along with advertising agencies everywhere, have long been keenly aware of the importance of culture as an export with virtually endless potential for trade diversification.

Well before the monetization of societies, culture was business at all levels. The container bartered for seed bore a decorative motif or was shaped in a particular form that stamped it as the product of a particular culture. Further up the social ladder, the custodians of a society’s belief system engaged architects, sculptors and painters to build shrines that would convey its values, musicians to compose and play for worship services, poets to create hymns on the basis of traditional texts and bodies of oral wisdom. At the pinnacles of hierarchy, princes commissioned a wide range of artists to build their capitals and celebrate their feats, often to buttress their legitimacy. And well before the first millennium CE, tourists undertook expeditions that were often perilous to marvel at the Sphinx of the Nile Delta, the Hanging Gardens of Babylon, or the Great Temple atop Taishan in northeast China. Indeed, our impression of the statue of Athena in the Parthenon, another hilltop temple, derives from a trinket replica sold on the grounds.

1 The “common sense” assumption that societies allocate resources to culture only when they have sufficient food has long been superseded by numerous studies indicating that the poorest ethnic/cultural groups, even in dire survival conditions, devote precious time, expertise and energies to developing worldviews, rituals and varied emblems of their identity.
Creative resources further development

The current attention to culture as an economic resource lies in the fact that creativity abounds at the grassroots level even in the poorest countries – the least developed, the landlocked and low-income small island developing states. In addition, most of the crafts and visual arts – though hardly all -- require little high technology and only modest capital investment. In most developing countries, government planners have generally shied away from this area because the bulk of creative production takes place in the informal sector and is therefore difficult to organize or quantify. Moreover, creative skills acquired “on the spot” can disappear on the spot, especially in current rural-urban migration movements within and between countries. By the same token, however, diasporas worldwide take pride in the distinctive products of their cultures; many of their members are eager to lend entrepreneurial expertise acquired abroad – sometimes cash investments as well -- to creative industry projects in their native countries.

Today’s Creative Markets

The creative economy today is showing unexpected dynamism in both post-industrial and developing countries, adding increasing value yearly to existing intellectual and cultural assets. The World Tourism Organization devotes a good part of the agenda of each of its General Assemblies to cultural tourism. UNCTAD XI, in its Sao Paulo consensus of 2004, estimated that the “creative industries” – from music recordings, cinema and television through fabrics, fashion and software – now account for 7% of world GDP and much as 4% of that of low- and middle-income countries. The rough worldwide percentage is expected to reach 11% by 2015. These figures probably underestimate the international flows of creative goods because of data shortcomings; much work remains to be done on codification in the visual and audio-visual arts so that their importance in trade can be accurately measured.

Among post-industrial countries, the U.K. now employs 1.1 million workers in its creative sector, which generates 8% of gross value added in annual GDP. The OECD study *Culture and Local Development*, published earlier this year, explores three roles of culture:

- the one in which culture influences the behavior of a territory’s actors;

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2 Indeed, the first discussion of cultural production in the context of trade and development took place in 2001 at the Third United Nations Conference on the Least Developed Countries, held in Brussels under UNCTAD auspices. (See Proceedings of the Youth Forum-UNCTAD/LDC/MISC.82). However, UNESCO had insisted on the central role of culture in development since its establishment in 1946 and, in 1998, held its Intergovernmental Conference on Cultural Policies for Development to explore practical means of recasting cultural policies within the human development framework. The basis of the 1998 Conference, in turn was the consensus summed up in *Our Creative Diversity*, the Report of the 1992 World Commission on Culture and Development.

3 Remittances, too, may have a role to play in the development of enabling environments for local creative economies, whether in the construction of facilities or the training of craftspeople, artists and cultural entrepreneurs.

4 Creative industries in the UK are categorized as: advertising, architecture, art and antiques markets, crafts, design, designer fashion, film and video, interactive leisure software, music, performing arts, publishing, software and computer services, and television and radio. Japan’s 12-sector classification is similar. Japanese economists also point out that the country’s “creativity industries” grew by 7.9% between 1996 and 2001, a period in which other industries experienced a 7.8% decline in employment. (See OECD, *Culture and Local Development*, Paris, 2005, pp. 16, 20.)

5 The authors use “territory” to mean a geographic area that is culturally distinctive, whether an entire province or an urban district.
• the one in which culture contributes to a territory’s development by attracting visitors and tourists (including both monuments and the permanent exhibits of museums and the temporary offerings of fairs, performing arts festivals and time-bound exhibitions); and
• the one in which culture contributes to the creation of products that will be exported and normally consumed outside the territory itself.

These products are broken down into the categories of “final consumption” (among these, fashion, furnishings and the graphic arts) and “intermediate consumption” (including the graphic arts, video and industrial design).6

Many initiatives already carried out to support the creative economy

A small sample of projects supported by one or several bodies of the United Nations system attests to the potential of the creative economy for job creation and poverty reduction:

• UNESCO’s Creative Cities Network, undertaken in 2004 within the framework of the Global Alliance for Cultural Diversity, links five cities that have “established creative pedigrees” in varied cultural fields: Edinburgh, Scotland (literature), Popayan, Colombia (gastronomy); Santa Fe, USA and Aswan, Egypt (folk arts) and Buenos Aires, Argentina (design).
• FESPACO the cinema and television training centre in Ouagadougou, established with UNDP and UNESCO support, holds a biennial film festival attended by distributors worldwide; a relatively modest financial investment helped establish a hub of creative productivity;
• According to UNCTAD studies, Viet Nam exported $1 million worth of drawings and paintings in 2004 alone; although the total value of Jamaica’s exports in 1995 was $1.4 billion, Jamaican music generated more than $1.2 billion that same year, little of which went to composers and recording artists in the country itself;
• Launched initially by UNCTAD, an International Centre on the Creative Economy (ICCE) will start its operations next year in Bahia, Brazil, offering, inter alia, a Virtual Networking Forum to foster synergies and partnerships among artists and craftspeople themselves, communities and associations involved in cultural goods, conservators and curators, foundations, cultural enterprises, business executives and policy-makers;
• The InFoCus Programme carried out by ILO issued a series of papers entitled Promoting the culture sector through job creation and small enterprise development in SADC Countries: The Music Industry (WP 49); The Ethno-tourism Industry (WP 50); The Performing Arts and Dance (WP 52) and The Film and Television Industry (WP 53);
• A practical guide, jointly prepared by ITC and WIPO in 2003 -- Marketing Crafts and Visual Arts: The Role of Intellectual Property7 -- provides basic knowledge of marketing techniques and intellectual property issues to artisans, craft entrepreneurs and visual artists to better their chances of business success;
• The India International Trade Fair, held in New Delhi in November, featured a conference of women buyers and sellers from Africa and Asia, assisted by the Special

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6 Ibid, p. 21
7 UN Sales number E.03.III.T8
Unit on South-South Cooperation, which fostered deals involving indigenous textiles and designs from both continents;

- Shanghai has reoriented its traditional commercial economy towards creative entrepreneurship and training in 13 sectoral parks, each devoted to a particular discipline along the UK model, all coordinated by the city’s Creative Industries Association;

- In 2004, UNDP began concrete planning on an Endogenous Tourism Project for Rural Livelihoods in India, involving 31 communities throughout the country. Structured in terms of India’s cultural heritage and indigenous traditions, the project includes setting up common facility centres for craftspeople with local showcases for the sites’ art and craft wares, along with the history and traditions of each area. Entirely community-driven, project activities will derive financing in part from an Incentive Fund to encourage not only experimentation in rural tourism initiatives and the marketing of local craft products, but the dissemination of experiences and practice.

**Strengthening South-South Cooperation in the creative economy**

Sustainable human development has always derived from the interchange of ideas and ways of doing things – in contemporary parlance, “technical cooperation”. As Amartya Sen has recently pointed out, contacts between China and India in the first centuries of the first millennium included not only the silk trade, but also architecture, mathematics and health care – in medicines, treatments and what we now call hospitals and health care; under Buddhist auspices, this covered veterinary medicine as well as human ailments. The digital technologies that appear to threaten cultural diversity have in fact spurred new art forms not only in the North, but also in Southern countries as diverse as Argentina and South Africa. It is therefore incumbent upon countries under the South-South cooperation umbrella to encourage the creative economy by

- recognizing its numerous forms, their potential weight in national accounts, and their worth as social capital, especially in countries with marginalized populations and/or marked ethnic tensions;

- spurring communication among appropriate policy-makers to formulate cultural policies that take into account a spectrum of issues ranging from the training of artists through property rights, the current roles of women in cultural production and marketing, the classification and protection of heritage resources, and decentralization to encourage local cultural vitality;

- fostering cooperation between Ministers of Culture, Ministers of Planning, Ministers of Labour, and Ministers of Trade;

- mobilizing diasporas; and

- brokering South-South and triangular partnerships among private sector bodies, professional associations in cultural development and cultural marketing, and development NGOs at the local, regional and inter-regional levels.

**Preserve, Promote, Protect – and Partner for Investment**

The Global South-South Creative Economy Symposium is only the first of a series of South-South brainstormings on the subject, including several participants from the global North, to

8 See “China and India” in *The Argumentative Indian*, New York, 2005
begin uniting strengths for broadening and deepening partnerships among public, private and civil society bodies. Its task is outcome-oriented discussion on means of organizing grassroots talent for poverty reduction, initially to meet the MDGs – including Goal 8 on Partnership for Development, the only one that has no stipulated time frame. What participants can begin doing at this gathering on the creative economy may eventually lead to agreements in other, “hard” sectors – among these, copyright -- where positions have also hardened since the first stirrings of Southern solidarity during the 1960s. Participants must ask themselves, for instance, if protection has pitfalls as well as benefits.

Unlike fossil fuels, creative talent is endlessly renewable; as UNESCO has repeatedly emphasized, it flourishes through cross-cultural contacts. But it also requires considerably more investment than what now exists, especially in Southern countries. The technical and financial resources needed to make creativity profitable for the creators themselves call for four basic types of undertaking:

- mapping exercises: much as the developing countries themselves need to appreciate fully the enormous wealth they have always possessed in their cultural diversity and creativity, potential investors, too, want a detailed, accurate picture of the terrain they are being asked to develop and support;
- mobilization efforts: the hawker in a street market may be selling jewelry of Georg Jensen quality, but cannot reach beyond the sound of her voice. Nor can prospective clients reach her because no paved road leads to the village centre. She needs several kinds of assistance, beginning with awareness of her stock beyond the hinterland where it is made, often communally;
- matching arrangements: mapping and mobilization under way, representatives of the producer and eventual clientele can start drawing the road map for meeting the needs of each;
- marketing mechanisms: developing regional and global structures that showcase the products of the creative economy with the professionalism of current trade fairs in technology and that lead to business deals that encourage and reward creators at the grassroots level.

The Global South-South Creative Economy Symposium welcomes the submission of promising practices that can bring artists, their communities and countries at least equity in the growing cultural marketplace. These practices cannot be termed “best” not only because no “best” exists in the arts; the term also connotes competition, whereas creativity thrives on synergy. Ideally, the Shanghai talks will lead to:

- the extension of the dialogue on the creative economy among developing country institutions
- the organization of a Global South-South Creative Industries Expo in Shanghai and other similar regional fairs for the improvement of trade mechanisms for Southern creative products
- Improved knowledge on trade flows of creative products and their relevance to developing economies (partnership with UNCTAD)
- Improved research, knowledge-sharing and capacity-building programmes, in trade, investment, cultural entrepreneurship, e-commerce and intellectual property rights, through the establishment of the International Center on Creative Industries in Salvador, Brazil.
- Support and partnership mobilization for the creation of an Africa-based Network of Southern Creative Industries.
Participants are encouraged, before arriving at the Symposium and during its discussions, to begin mapping complementarities -- among United Nations bodies, among those concerned with the promotion of emerging sectors at the national, regional and inter-regional levels, among international institutes and NGOs devoted to conservation and museum development, among training centres for the arts. Development solutions should be presented as business solutions – simply because they are.

Participants may also bear in mind that less than a week after the Symposium, the United Nations in New York will celebrate the second annual UN Day for South-South Cooperation with a sampling of the arts of Southern cultures worldwide – with paintings, graphics, cinema, couture that crosses continents and live music and dance -- in keeping with this year's theme: The Global South: Diversity and Creativity. The outcome of the Shanghai Symposium will doubtless have lasting impact not only on this annual observance, but the future work of the UN system as a whole and, certainly, that of the Special Unit for South-South Cooperation in carrying out its General Assembly mandate to facilitate system-wide efforts in South-South and triangular collaboration for development.

The agenda ahead in the creative economy is vast, beyond the scope of any single body. The job at hand is to begin honing its many items into manageable tasks, both sequential and simultaneous.