

Cultural Industries Seminar Network

Seminar on “New Directions in Research: Substance, Method and Critique”, held at Royal Society of Edinburgh, Scotland, 11–12 January 2007.

Modelling the Creative/Cultural Industries

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 - Concentric circles model
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 - International trade
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 - Locational economics
 - Economic development
 - Cultural policy
- 5. Conclusions**

Some models of the creative/cultural industries

- 1. DCMS model** (UK Department of Culture, Media and Sport, *The Creative Industries Mapping Document 2001*, London: DCMS, 2001).

Based on activities requiring creativity, skill and talent, with potential for wealth and job creation through exploitation of their intellectual property.
- 2. Symbolic texts model** (David Hesmondhalgh, *The Cultural Industries*, London: Sage, 2002).

Based on industries concerned with industrial production and dissemination of symbolic texts.
- 3. Concentric circles model** (David Throsby, *Economics and Culture*, Cambridge: Cambridge University Press, 2001).

Based on origin and diffusion of creative ideas in sound, text and image from core creative arts.
- 4. WIPO copyright model** (World Intellectual Property Organisation, *Guide on Surveying the Economic Contribution of the Copyright-based Industries*, Geneva: WIPO, 2003).

Based on industries involved directly or indirectly in the creation, manufacture, production, broadcast and distribution of copyrighted works.
- 5. UIS trade-related model** (UNESCO Institute for Statistics, *International Flows of Selected Cultural Goods and Services 1994–2003: Defining and Capturing the Flows of Global Cultural Trade*, Montreal: UIS, 2005).

Based on cultural goods and services entering international trade.
- 6. Americans for the Arts model** (Americans for the Arts, *Creative Industries 2005: The Congressional Report*, Washington DC: Americans for the Arts, 2005).

Based on businesses involved with the production or distribution of the arts (“arts-centric businesses”).

Models of the creative/cultural industries: classification systems

1. DCMS Model

Advertising
Architecture
Art and antiques market
Crafts
Design
Fashion
Film and video
Music
Performing arts
Publishing
Software
Television and radio
Video and computer games

2. Symbolic Texts Model

Core cultural industries

Advertising
Film
Internet
Music
Publishing
Television and radio
Video and computer games

Peripheral cultural industries

Creative arts

Borderline cultural industries

Consumer electronics
Fashion
Software
Sport

3. Concentric Circles Model

Core creative arts

Literature
Music
Performing arts
Visual arts

Other core cultural industries

Film
Museums and libraries

Wider cultural industries

Heritage services
Publishing
Sound recording
Television and radio
Video and computer games

Related industries

Advertising
Architecture
Design
Fashion

Models of the creative/cultural industries: classification systems (cont.)

4. WIPO Copyright Model

Core copyright industries

Advertising
Collecting societies
Film and video
Music
Performing arts
Publishing
Software
Television and radio
Visual and graphic art

Interdependent copyright industries

Blank recording material
Consumer electronics
Musical instruments
Paper
Photocopiers, photographic equipment

Partial copyright industries

Architecture
Clothing, footwear
Design
Fashion
Household goods
Toys

5. UIS Trade-related Model

Core cultural goods and services

Audiovisual services
Books
Copyright royalties
Heritage
Newspapers, periodicals
Recordings
Video games
Visual arts

Related cultural goods and services

Advertising
Architectural services
Audiovisual equipment
Information services
Musical instruments

6. Americans for the Arts Model

Advertising
Architecture
Arts schools and services
Design
Film
Museums, zoos
Music
Performing arts
Publishing
Television and radio
Visual arts

Quantifying the concentric circles model: creative occupations as a proportion of total employment in each industry group: UK, US, Australia, New Zealand, Canada (2001, %)

Industry group	UK	US	AUS	NZ	CAN
Core Creative Arts	41.7	42.5	65.5	53.9	46.6
Other Core Creative Industries	13.7	21.2	17.3	17.2	25.9
Wider Cultural Industries	4.3	6.9	9.4	5.4	5.7
Related Industries	1.7	2.1	1.4	2.0	0.9
Non-cultural Industries	0.6	0.1	0.4	0.5	0.2

Three models compared: industries included in broad classification

	Creative/cultural industries: broad classification		
	Symbolic texts model ^(a)	Concentric circles model ^(b)	WIPO copyright model ^(c)
Advertising	X	X	X
Architecture		X	X
Design		X	X
Fashion	X	X	
Film, video	X	X	X
Hardware ^(d)	X		X
Heritage services		X	
Literature	X	X	X
Music	X	X	X
Museums, galleries, libraries		X	X
Publishing, print media	X	X	X
Software	X		X
Sport	X		
Theatre, dance	X	X	X
Television, radio, broadcast media	X	X	X
Video games	X	X	X
Visual art, craft, photography	X	X	X

Notes:

- (a) including “core”, “peripheral”, and “borderline” cultural industries.
- (b) including “core creative arts”, “other core cultural industries”, “wider cultural industries” and “related cultural industries”.
- (c) including “core copyright”, “interdependent copyright” and “partial copyright” industries.
- (d) including audiovisual and photographic equipment, musical instruments, etc.

Three models compared: industries included in “core”

	Creative/cultural industries: “core” classification		
	Symbolic texts model	Concentric circles model	WIPO copyright model
Advertising	X		X
Architecture			
Design			
Fashion			
Film, video	X	X	X
Hardware			
Heritage services			
Literature		X	X
Music	X	X	X
Museums, galleries, libraries		X	
Publishing, print media	X		X
Software			X
Sport			
Theatre, dance		X	X
Television, radio, broadcast media	X		X
Video games	X		X
Visual art, craft, photography		X	X

Research directions in the economics of the cultural industries

1. Macroeconomics

- interindustry relationships: interaction between cultural and other industries in the economy and the diffusion of creative ideas: how does it happen?
- cultural industries as dynamic sector in structural transformation: how significant are they?
- political economy issues: corporate power, cultural impacts of globalisation

2. Microeconomics

- value chain/value networks in cultural production
- role of creativity as an input in production processes
- emerging trends in consumption: consumers as co-creators?

3. Labour economics

- earnings functions, labour supply functions, labour market participation
- creative workers as a highly skilled, mobile, project-based labour force
- career pathways in cultural production; entry/exit decisions; the role of risk

4. International economics

- agreement on definitions of cultural goods and services in trade
- role of cultural goods in multilateral and bilateral trade negotiations
- role of cultural diversity in international relations

5. Law and economics

- copyright in the digital age
- freedom of expression, moral rights
- contract theory and cultural production

6. Locational economics

- reality of network effects: how important are agglomeration externalities?
- cultural industries and regional growth: effects on employment, inward investment, tourism, etc.
- cultural industries in urban livability

7. Economic development

- structure of cultural industries in developing countries
- role of cultural industries in meeting Millennium Development Goals
- sustainability: linking economic and cultural development

8. Cultural policy

- relationships between economic and cultural policy
- value creation as a policy objective
- institutional design and the pursuit of cultural policy