

Lotta Häkkinen

KEEPING COUNT OF CULTURE, CREATIVITY AND COPYRIGHT

A comparison of approaches assessing the economic contribution
of copyright, creative and cultural industries



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FINNISH COPYRIGHT SOCIETY  Finnish Copyright Institute

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A COMPARISON OF APPROACHES ASSESSING THE ECONOMIC CONTRIBUTION OF COPYRIGHT,
CREATIVE AND CULTURAL INDUSTRIES

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FINNISH COPYRIGHT SOCIETY  Finnish Copyright Institute

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CREATIVE AND CULTURAL INDUSTRIES ¹

Background

During past decades there has been increased interest in the relationship between culture and economy from a quantitative perspective. Public sector and intergovernmental organisations from different parts of the world and with differing political stakes have sought to develop means to somehow quantify and “objectively” measure the economic activities seen to be cultural and creative by nature. Much of this particular reading of culture in political discourse can be seen to be linked with concerns and expectations regarding new sources of economic growth in a post-industrial society but also with other contemporary debates.

The purpose of the paper is to compare three approaches which have been developed in the pursuit of means to assess the economic contribution of industries and activities relating to culture, copyright and creativity. The covered approaches are:

- The copyright-based industries approach endorsed by the World Intellectual Property Organization (WIPO) and in particular the methodological guidelines presented in the Guide on Surveying the Economic Contribution of the Copyright-based Industries (WIPO 2003).
- The creative industries approach adopted by the Department for Culture, Media and Sport (DCMS) in the UK, and more specifically the methodology used in the annually published Creative industries economic estimates.²
- The cultural industries approach and the project to develop a satellite account for the cultural sector in Finland.³ The pilot project carried out in 2007-2008 was a joint effort of the Ministry of Education and Culture and Statistics Finland.

The underlying aim is to provide means for understanding the basis on which related studies and figures are produced and their respective limitations. The focus of the paper is on the methodological aspects of the compared approaches, primarily seen as statistical exercises. Questions of more conceptual, theoretical and political nature are not covered and are touched upon merely in an indirect manner.⁴

¹ This paper was originally written as a discussion paper for the Finnish Ministry of Education and Culture in 2007. The original paper was later updated in 2011.

² http://www.culture.gov.uk/what_we_do/research_and_statistics/4848.aspx

³ See *The Value of Culture?* Memorandum by Working Group for the Assessment of the Economic Impact of Culture (Ministry of Education and Culture 2006) and *Culture Satellite Account* (Ministry of Education and Culture 2009).

⁴ Related terminology and its connections with policy have sparked up much debate. For more information on this discussion see, for example, Cunningham (2004), Galloway & Dunlop (2007), Garnham (2005), Jones et al. (2004) and Oakley (2004).

One of the inherent challenges in comparing the three above-mentioned methodologies is the fact that the approaches and respective practices have been developed for different purposes, in different contexts and in different points in time. Thus, the initiatives for the setting up and developing the methodologies build on different perspectives and also as methodological tools the approaches are in different stages of development. Therefore, before proceeding to the actual technical comparison of the methodologies, their respective backgrounds will briefly be presented.

Copyright-based industries approach / WIPO

Grasping the economic aspects of copyright has raised interest over several decades. The first studies quantifying the economic contribution of copyright-based industries were completed during the 1970s. By the 1990s several countries had already produced national surveys on the topic and a number of countries were monitoring the development of copyright-based industries systematically. Though the studies differed somewhat in terms of their methodology, this wider adoption gave new credibility to and raised general interest towards the discussion surrounding copyright-based industries. As time passed, aspirations that future studies should build on previous experiences to improve research data and techniques, thus avoiding problems such as double counting and augmenting the basis for meaningful comparisons between different studies, were put forward.⁵

The main contribution of the WIPO approach relates to the underlying aim of developing a practical instrument that strongly builds on existing experience. A central driver behind the methodological development has been the demand to standardise national studies to support related comparability and reliability. The actual Guide is freely available and the methodological framework is presented therein in detail. At the time of writing this paper a number of surveys have been published which build on the WIPO methodology.⁶ However, as the guidelines give some room for manoeuvring, related practices are still developing.

Thus, the WIPO approach builds on an international perspective and the notion of the necessity of intellectual property protection rather than on national level agenda. The interests of WIPO itself as an international organisation relate to promoting the protection of IP throughout the world.⁷ The common reading from this perspective is to interpret the economic contribution of copyright-based industries as direct evidence of how the principle of copyright protection has contributed to establishing an economically significant and fast growing sector.⁸ This type of interpretation has also been criticised; for example, as Towse (2005) argues this would imply a counterfactual situation, in which it would be possible to compare economies with and without copyright protection.

⁵ For more background information see Guide on Surveying the Economic Contribution of the Copyright-based Industries (WIPO 2003).

⁶ See WIPO's publication series National Studies on Assessing the Economic Contribution of the Copyright-Based Industries, of which No. 1-5 have been published to date.

⁷ Convention Establishing the World Intellectual Property Organization (1967, amended in 1979), http://www.wipo.int/export/sites/www/treaties/en/convention/pdf/trtdocs_wo029.pdf

⁸ See, for example, Introduction in Guide on Surveying the Economic Contribution of the Copyright-based Industries (WIPO 2003).

Creative industries approach / DCMS, UK

The origin of the concept of ‘creative industries’ is often traced back to either Australia and its ‘Creative Nation’ policy from the early 1990s, or to the UK in 1997 and the then incoming Labour Government, which set up a Creative Industries Task Force to promote the so-called creative industries as an important driver of the national economy. In the UK, the Government’s political commitment to the creative industries has led to a number of studies seeking to quantify the economic impact of these industries.

The Department for Culture, Media and Sport (DCMS) established the use of related terminology and made the first attempts to measure the size and contribution of these industries in the first DCMS’ Creative Industries Mapping Document (1998). The concept of creative industries is still young and the extent to which related terminology has been embraced by national governments and has produced targeted initiatives and research has varied a great deal. A vast amount of related studies have also been carried out outside the UK,⁹ but as the scope and methodology of these studies differ from one to the other,¹⁰ this paper will focus solely on the methodology used in the DCMS’s annual creative industries economic estimates.

Compared to WIPO’s copyright-based industries approach, the DCMS methodology has been tightly intertwined with national policy and has thus been built on the perspective of national interests. As such, international comparability in terms of methods and results has not been a key issue. Furthermore, the UK approach is not solely focused on statistical analysis at an industry level (cf. WIPO approach) but pursues a more pragmatic approach where this type of analysis is only one part in a larger array of different analyses.¹¹

This background has also affected the methodology itself. Especially the early mapping documents published by the DCMS were, in a methodological sense, lacking transparency. Furthermore, creative industries mapping is not yet a part of official national data collection; related studies are undertaken under the supervision of the DCMS rather than by the Office for National Statistics. Such aspects have raised criticisms that related studies build on tainted ‘facts for advocacy’ rather than rigorous economic analysis.¹² However, the DCMS has tried to adopt a more systemic approach to providing timely and consistent data on the so-called economic estimates related to creative industries.¹³

⁹ Related studies have been carried out, for example, in Australia (Creative industries economic analysis 2009), Austria (e.g. Second Austrian report on creative Industries 2006), Hong Kong (e.g. Baseline study on Hong Kong’s creative industries 2003), Japan (Yoshimoto 2003), New Zealand (Creative industries in New Zealand 2002) and Singapore (Economic contributions of Singapore’s creative industries 2003).

¹⁰ For example, the approach adopted in Austria includes cultural activities in the public sector and non-profit organizations, such as related associations and foundations, in addition to private sector activities. The UK approach includes only activities in the private sector. See for example Hölzl (2007) for an overview of different approaches towards creative industries in Europe.

¹¹ Examples of related projects include Analysis of Firm Level Growth in Creative Industries, Multinationals in the Creative Industries, International Demand of Creative Industries, Creative Industry Spillovers, Creative Industries Performance against Productivity Drivers.

¹² See, for example, Towse (2001).

¹³ DCMS’s (2001) Creative Industries Mapping Document and subsequent annually published Creative Industries Economic Estimates Statistics.

Another, though related, complication regarding the analysis of the DCMS approach is the fact that the underlying methodology has been under constant development and refinement throughout its whole existence. Therefore it is hard to compare it to other similar frameworks as the methodology does not truly have one established form. This also makes the interpretation of the reported figures challenging. It is commonly stated in DCMS publications that the figures from different DCMS studies are not directly comparable; the large fluctuations between figures from one year to another give a concrete example of the ongoing methodological development behind the published figures and related complexity.

Cultural industries approach / Ministry of Education and Culture, Finland & Statistics Finland

The concept of cultural industry has long traditions both in academic and political discourse though the link between culture and industry has been given very different readings during the last hundred years. The first attempts to delineate and quantify cultural industries as a sphere of economic activity were made in the 1970s and 80s. In the 1980s cultural accounting became more widespread as encouraged by UNESCO and supported, for example, by the Council of Europe.

Currently, many national and international statistics institutions provide data on cultural industries on a regular basis. However, the scope of the statistics continue to vary though the basic approach is often similar. The activities covered commonly include cultural activities in both the private and public sector. This is a factor which often makes comparisons between different countries and related interpretation problematic; as Towse (2001) notes one country's 'cultural industry' is another's 'subsidised art sector' and thus attempts to compile and understand internationally comparable statistics require expert knowledge of each participating country's cultural perceptions and policies.

In this paper, focus is placed on the recent efforts taken by the Finnish Ministry of Education and Culture to develop statistics on cultural industries by establishing a satellite account for the cultural sector in Finland. The project has recently gone through a piloting phase. The first related report was published in 2009 and the aim of the Ministry and Statistics Finland is "...to supplement the computational basis and methods in coming years on the basis of experiences derived from the development work." (Ministry of Education and Culture 2009, 3) Thus, this approach does not yet fully qualify as an established methodology in continuous use. As is the case with the DCMS approach, the satellite account has been created for the purposes of one country. However, the technique builds on earlier practices and experiences from other countries, and as the project is being carried out by the national statistics office, the transparency of the used methodology and the reproducibility of calculations are relatively high.

In the following the three methodologies will be compared against their common dimensions, such as the scope and used methods of data collection and analysis. Finally, the commonalities and differences will be drawn together and broader questions regarding such methodologies and future development will be discussed.

Definition

All of the three approaches, at least partly, build on an industry-bound view in their definitions, where the underlying idea is to separate industries that are fully or predominantly based on legally defined (copyright, intellectual property) or more ambiguous (culture, creativity) features from other industries which depend to a less extent on such features. Measuring economic contribution through such an industry-specific approach described above has some drawbacks. First, it includes all activities of the industries included, even though some part of the activities may not be related to culture or copyright in the implied sense. Secondly, it is also obvious that material and immaterial practices linked to culture or copyright can have economic relevance and value outside the delineated industries, for instance in businesses where product design features, software or symbolic value play a notable role. Thirdly, such processes of delineation can be seen as profoundly political in nature, for example, in terms of labelling certain activities as “cultural”, “creative” or “economically valuable” and excluding others.

In terms of specific definitions, the DCMS definition underlines the role of individual creativity, whereas the WIPO approach discusses activities, such as creation, at a more systemic level. The broadest definition is that of the cultural industries approach.

The WIPO methodology distinguishes between four main groups of copyright-based industries: core copyright industries, the interdependent copyright industries, the partial copyright industries and the non-dedicated support industries. The most central group is that of core copyright industries. These are defined as *industries that are “...wholly engaged in creation, production and manufacturing, performance, broadcast, communication and exhibition, or distribution and sales of works and other protected subject matter”*. (WIPO 2003, 29)

The DCMS Mapping Documents published in 1998 and 2001 established the definition of the creative industries as *“...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”* (DCMS 2001, 5).

As the Finnish cultural industries approach is primarily statistical by nature, the approach builds on both conceptual and more pragmatic considerations. Furthermore, the statistical framework is not limited to covering certain industries but it is also involves dimensions such as products, occupations and non-private sectors. From an industry dimension perspective, cultural industries cover *“...both the traditional and new fields of art and culture from a creative act in various forms of art to distribution (artist’s creative work, its development and productisation to a work of art, presenting or performing it, distribution and reception – in addition to creative arts, also production and distribution systems, programme production, galleries, art markets, libraries, museums, radio and TV)”* (Ministry of Education and Culture 2009, 8)

Scope: industries, activities and sectors

The scope of the three covered approaches somewhat differs. As indicated above, all of the approaches aim at assessing the economic contributions originating from a set of delineated industries. Furthermore, all of the approaches view certain industries as being more central in connection to the notions of copyright, creativity or culture than others. These industries can be referred to as “core industries”, for instance. Other industries can further be recognised as bearing relevance to the phenomenon under scrutiny; for example, a portion of the industry’s activities may be related to copyrighted works or culture, and thus may be included under a different heading. Tables I and II summarise the industry groupings and overall scope of the examined approaches.

PRIMARY INDUSTRIES	Core copyright industries	Creative industries	Cultural industries
	Press and literature (incl. library and archive activities, printing and related activities)	Publishing	Production and distribution of books Newspapers, periodicals and news agencies Printing and related activities Libraries, archives, museums, etc.
	Music, theatrical productions, operas	Music & Visual and Performing Arts	Sound recordings Artistic, theatre and concert activities Organisation of cultural events and related activity
	Motion picture and video	Film, Video & Photography	Production and distribution of motion pictures and videos
	Radio and television	TV & Radio	Radio and television
	Photography	<i>Included in Film, Video & Photography</i>	Photography (includes related equipment)
	Software and databases	Software & Electronic publishing Digital and Entertainment Media	-
	Visual and graphic arts	Art & Antiques	Art and antique shops
	Advertising services	Advertising	Advertising
	Copyright collective management societies	-	-
	Architecture	Architectural and industrial design	
	Design & Designer fashion	<i>Partly included in Architectural and industrial design</i>	
	Crafts	-	
		Amusement parks, games and other entertainment and recreation Manufacture and sales of entertainment electronics Manufacture and sale of musical instruments (includes related equipment) Education and cultural administration Sports industries	

Table I Comparison of primary industries of interest identified in the three approaches

S E C O N D A R Y I N D U S T R I E S	Interdependent copyright industries	Close economic relationship with:	Possibly to be included in later versions
		<i>Manufacture and sales (incl. rental) of ...</i>	Tourism
	Entertainment electronics	Hospitality	Games
	Computers and equipment	Museums and galleries	Open source activities
	Musical instruments	Heritage	Voluntary work producing services
	Photographic and cinematographic instruments	Sport	...
	Photocopiers		
	Blank recording material		
	Paper		
	Partial copyright industries		
	Apparel, textiles and footwear		
	Jewellery and coins		
	Other crafts		
	Furniture		
	Household goods, china and glass		
	Wall coverings and carpets		
	Toys and games		
	Architecture, engineering, surveying		
	Interior design		
	Museums		
	Non-dedicated support industries		
	General wholesale and retailing		
	General transportation		
	Telephony and Internet		

Table II Comparison of secondary industries of interest identified in the three approaches

When comparing the industry scopes of the approaches, it should be noted that the activities included in the calculations of each industry may differ. Both the copyright industries and cultural industries approaches state the scope of activities which the methodology seeks to cover. In terms of the so-called core and partial copyright industries, the WIPO methodology covers (a) *creation, production and manufacturing*, (b) *performance, broadcast, communication and exhibition*, as well as (c) *distribution, sales and services*. The included activities regarding interdependent copyright industries are *production and manufacturing as well as sales and rental*. The WIPO approach seeks to cover all of the above mentioned activities regardless whether they are performed by *individuals or organisations*. The Finnish cultural industries approach covers more or less the same activities – with exceptions such as the support industries - and also includes reception.

Differences in scope are perhaps best established by examining the sub-industries included in each approach. For instance, while all of the approaches include industries that are related to press and literature, the WIPO and Finnish approaches include specific sub-industries relating to the manufacturing, distribution and sales of related works (e.g. wholesale and retail of press and literature), but the DCMS approach excludes these sub-industries. However, this does not necessarily mean that these activities would be totally absent from the DCMS calculations; for example, large media organisations may include a wide array of activities, such as production and distribution, and may also have activities in several media industries. Thus, the organisation and structure of the industries also plays a central role in determining the scope of the calculations, as does naturally the quality of available statistics.

As a more general note, it can be stated that the approaches build on different conceptual frames of reference though they are not always made explicit. For example, the WIPO approach aims at tracing both the backward linkages (the relation between a copyright product and related business services, transportation, purchase of production factors, investment good, machinery) and the forward linkages (sales, consumption and use) relating to copyrighted works. In particular, the approach stresses backward linkages through the inclusion of so-called interdependent copyright industries and non-dedicated support industries. However, these industries cover only a portion of such backward linkages as functions are subcontracted to or entirely performed by companies also in other industries. In this sense, the WIPO approach comes close to value chain analysis.

However, one of the major shortcomings of all three approaches is that they do not cover forward linkages relating to consumption and use to a great extent. For example, at the level of copyrighted, creative or cultural content, it is obvious that such works can contribute to the added value of products and services outside the delineated industries. Examples might include businesses where content, such as product design features, software applications, or cultural and symbolic nuances play a notable role in value formation.

While in terms of industrial activities the WIPO approach adopts the widest scope, in terms of covering activities in different sectors the Finnish approach comes out as the most extensive, at least on paper. In this sense, the DCMS approach is probably the narrowest as its estimates currently only cover activities of private businesses.¹⁴ The WIPO methodology includes activities such as libraries (core copyright industries), art galleries (core copyright industries) and museums (partial copyright industries) which can commonly receive public funding and thus come into close vicinity of the public sector. However, as the WIPO guide leaves some room for interpretation in this aspect, the manner of applying the methodology in practice ultimately determines the extent to which calculations include public sector activities.¹⁵

The Finnish approach has the most ambitious aims as it proposed to cover activities in the profit-making, public, and non-profit sectors. In addition to the industry- and sector-specific dimension, the satellite is envisaged to include product-specific and occupation-specific dimensions, and distinguish between the supply (imports and production) and the demand (exports, investments and expenditure) side of cultural activities. In terms of trying to grasp the consumption of culture in an analytic and structured manner, the Finnish approach appears unique compared to the two other approaches though many questions regarding the practical implementation of the entire model seem to be open at this point.

¹⁴ The DCMS mapping document from 2001 still included figures, for example, on public expenditure on performing arts. Current statistics are stated to be built on data from the Annual Business Inquiry (ABI) estimates produced by the Office for National Statistics (with the exceptions of crafts and design). The ABI estimates cover all UK businesses registered for VAT and/or PAYE (pay-as-you-earn).

¹⁵ The Guide (WIPO 2003) suggests using the following types of data: official statistical data by industry classes, additional statistics (e.g. industry reports, other types of statistics on branch and company level, the national budget), and primary questionnaire data.

Data and indicators

The question of data sources and reported economic indicators relates more to the question of using methodologies in practice as a part of completing individual studies rather than to the methodologies as such. For example, practices in using WIPO’s guidelines are still very much evolving and possibilities for acquiring related data continue to vary from country to country. This naturally limits the possibilities of presenting certain types of indicators. Furthermore, at the present time the Finnish methodology exists more as guidelines of paper than as an established practice. Despite these limitations, in the following the data and indicators used in the three approaches will be compared in brief.

The main indicators used or recommended by the approaches are presented in Table III. As can be noted all approaches somehow address three aspects: (1) the value added produced by the delineated industries, (2) employment, and (3) foreign trade.

WIPO / Economic contribution of the copyright-based industries	DCMS / Creative industries economic estimates	Ministry of Education & Culture, Finland & Statistics Finland / Culture Satellite Account
Value added of copyright-based industries	Gross value added of the creative industries	Supply
Employment in copyright-based industries and independent artists (full-time employment equivalents)	Creative employment including employment in the creative industries and employment in creative occupations in businesses outside the creative industries (both employees and the self-employed)	Value added of cultural industries
Value of foreign trade in copyrighted products and services & international royalty flows		Value of imports in cultural products and services
	Value of export of services from the creative industries	Demand
	No of businesses in the creative industries	Value of exports in cultural products and services
		Public and private expenditure in culture
		+
		Additional dimensions that may be included in the future (such as investment in culture and related labour force)

Table III Main indicators used for quantifying economic contribution in the examined approaches

As established above, all three approaches adopt primarily an industry-bound view to grasping relevant economic activities relating to copyright, creativity and culture. As a result, all methodologies first and foremost seek to build on the best available, official statistical data, which adhere to a certain industry classification system, such as financial statement statistics. Though international classification standards exist, many regions or countries continue to produce official statistics based on regional customisations of these standards. Typically, studies strive to use 5-digit industrial classification code level data – in practice this is not always possible.

Regardless of the exact classification standard used, a common problem for such studies is that the structure of such classifications does not accurately reflect the structure of the defined scope of industries and activities. This means that complementary data sources often need to be included in the calculations; the extent of which naturally depends on the specific study in question. For example, previously, the DCMS calculations used to include a large number of (unofficial) complementary data sources.

Another problem relates to the level of aggregation of official statistics which more than often differs from the desired level of detail. Both the approaches adopted by WIPO and the DCMS point to the usage of weighting (or copyright) factors in cases, where only a proportion of the total activities within a certain industrial classification code is deemed to be included in the calculations. The basis for estimating the relevant proportion in each case differs between studies.

In terms of employment, practices of data collection and analysis also vary between studies. The most fundamental question from a methodological perspective is whether the approach covers employment in the set of delineated industries, as is the case with the WIPO methodology, or whether it also includes employment figures from other industries based on identified cultural or creative occupations, as is done in the DCMS's calculations. Typical data sources include regular labour statistics, industry specific statistics and occupational classification data obtained from the official census or sample surveys.

In general, studies on the international trade of cultural and copyrighted goods and services suffer from uncultivated statistics. Thus, surveys or more specific industry statistics are often needed to produce reliable estimates. In practice, such indicators may be excluded from the studies or related figures may be given at a highly aggregate level, which limits the relevance of the results. In addition to national trade statistics, commonly used data sources include international trade statistics such as those of the World Bank, the International Monetary Fund, the World Trade Organisation and UNESCO.

Main differences between methodologies

The commonalities and differences of the approaches are drawn together in the following.

Joint characteristics

- Exclude related activities outside the defined industries (with the exception of “creative occupations” used by the DCMS)
- Give disproportionate emphasis to the production of goods compared to consumption and service activities
- Results rely heavily on the quality, continuity, level of detail, etc. of official statistics and choices made when using the methodology in practice
- Dependent on aspects of and changes in industry organisation
- Influenced by policy aims and related agendas

Copyright-based industries approach / WIPO

- Structured, transparent and hands-on methodology with the aim of generating new studies in the same field using standardised practices
- Extensive approach in terms of industry activities when all copyright-based industries are taken into account
- Allows for the use of complementary data sources
- Includes (a) Software and databases, (b) Copyright societies
- Activities relating to e.g. architecture and design are treated as non-core industries
- Extent to which public sector activities are covered varies from one study to another (i.e. depends on how the methodology is used in practice)

Creative industries approach / DCMS, UK

- In a methodological sense has a “messy” history; methodological development is ongoing
- Uses a number of complementary data sources though their importance has decreased during recent years
- Includes (a) Design & designer fashion, (b) Crafts, (c) Software & computer games
- Excludes (a) Retail and wholesale activities, (b) Manufacturing and sales of related hardware and equipment, (c) Printing activities, (d) Activities in the public sector

Cultural industries approach / Ministry of Education and Culture, Finland

- Primarily a statistical approach; conservative, hand-picked approach
- Development is ongoing and no experiences of using the outlined template continually
- Does not include estimates or complementary data sources
- Most ambitious approach in terms of scope
- Includes (a) Entertainment and leisure activities, such as amusement parks and gambling, (b) Sports
- Excludes (a) Software and computer games, (b) Design (with the exception of industrial design)
- Touches upon multiple sectors (private sector, public sector, non-profit activities)
- Touches upon the consumption side of culture

Key challenges for further development

In this last section, broader issues relating to further methodological development in this field are mapped out.

Developing statistics while understanding the limitations

One of the main factors which continues to influence the practice of applying tools such as those outlined above is the quality of statistics. This determines how well the actual template can be put into practice. This question both relates to developing national and international statistics and standards in general as well as to some more specific questions. Overall, statistical tools do not currently enable to capture activities related to culture and copyright properly.

For example, the EC commissioned study, *Economy of Culture in Europe* (KEA et al. 2006), draws together some of these problems: statistical categorisations are often too broad; internationally data are rarely comparable; a considerable amount of cultural activity takes place in establishments whose primary classification is non-cultural and therefore not recorded within existing classifications; self-employed cannot be identified; electronic commerce, which represents a growing share of the economy of culture, cannot always be traced through statistics. At a more specific level, several sub-industries which are commonly included in cultural and creative industries do not exist as distinguishable activities in official statistics. Examples include design (fashion, interior, product, graphic), crafts and computer games. Statistics of international trade are, from a cultural and copyright perspective, still relatively uncultivated. These drawbacks naturally limit possibilities for making meaningful analyses. Thus, tools and standards for overcoming these obstacles can be seen as called for.¹⁶

While it is important to develop statistics and standards at national and international levels to improve the quality and comparability of studies, what is probably even more essential is understanding the inherent limitations of such figures. Statistics will always focus on the pre-defined outcomes of a certain phenomenon concentrating on known and measurable inputs. Exploring and grasping emergent activities is generally problematic when analysis is based exclusively on statistics that do not reveal the complexity and heterogeneity of activities. In the present context, industries are heterogenic, fast moving and their organisation is in flux. As a result, official statistics will always struggle to keep pace with practice and thus complementary ways for studying the phenomenon are also needed.

¹⁶ See also calculations and discussions in *Creative Economy Report 2010* by UNCTAD (<http://www.unctad.org/Templates/webflyer.asp?docid=14229&intItemID=5763&lang=1&mode=downloads>) and the 2009 UNESCO Framework for Cultural Statistics (http://www.uis.unesco.org/template/pdf/cscl/framework/FCS_2009_EN.pdf).

Scope and borderline industries

Though the basic approach of methodologies for assessing the economic contribution of copyright, creative and cultural industries is often similar, the industrial scope of related delineations continues to vary. There is no consensus between the three approaches on whether and to what extent one should include the following industries in definitions and calculations:

- Software
- Games
- Design
- Crafts
- Sport
- Other leisure activities and tourism
- Industries that are otherwise linked to content production (e.g. WIPO's partial copyright industries)
- Industries that are linked to the distribution and consumption of content (e.g. WIPO's interdependent copyright industries)

While the scope of an individual investigation is always bound to its specific objectives and the underlying basic premises, common guidelines on the treatment of such borderline industries would benefit related research at a more fundamental level.

Grasping activities in different sectors

Analyses have commonly been limited to a set of pre-defined industries and activities in the private sector. Such an approach inherently leaves out the role of goods and services relating to culture, creativity and copyright as a source of intermediate consumption and use in other industries (e.g. in-house product design activities of electronic manufacturers), non-profit activities and voluntary work in the third sector (e.g. amateur activities, open source activities, activities of non-profit communities), and certain activities of the public sector (the scope of which depends naturally on the used definitions and data). Though some calculations include certain public sector activities, common practices in this respect do not exist.

While several reports include expressions of interest towards unravelling this side of culture and copyright, rigorous methods for doing so do not currently exist. Furthermore, the intertwining of public, private and third sector activities increases risks for producing bloated figures due to double counting. From this perspective, it will be interesting to see how the Finnish satellite account handles such issues in its future versions and succeeds in balancing needs for rigour with those of relevance.

Understanding consumption

It has been suggested that the shift from a cultural to a creative industry perspective would imply moving towards a supply-oriented approach while undermining the importance of consumption and distribution (Garnham 2005). Similar criticism has been directed toward recent discussions around copyright and the development of related policy (e.g. Towse 2005). Without going further into such questions, it can be stated that from a methodological viewpoint the consumption side of culture, creativity and copyright is not truly covered in existing studies, even at a basic level.

As a result, current methodologies exclude the value of works and practices that are developed by users and organisations through using cultural, creative and copyrighted content. This view places emphasis onto current shifts in market uses and roles of various types of actors regarding production and consumption. This way of approaching the relationship of culture, creativity and copyright with economy, opposite to the traditional production-oriented approach which views consumption merely as the final point in a predefined value chain, provides insights into several contemporary issues, such as:

- The emphasised importance of consumption and secondary exchange through social relationships in cultural settings as a source of value creation. For example, the highlighted role of consumers and culture sharing groups as developers of new uses and usefulness through the social construction of meaning (cf. “soft innovation” (Soft innovation 2009)).
- The relationship between public access and barriers to the use of cultural/creative/copyrighted content. The question of the role of the public sector in this context.
- Broader dynamics of the relationship between culture and economy that may be difficult to grasp using solely methods of economic analysis and statistical approaches (see, for example, discussions on the qualification of economic activity (Callon, Méadel & Rabeharisoa 2002; Lury 2004)).

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KEEPING COUNT OF CULTURE, CREATIVITY AND COPYRIGHT

A COMPARISON OF APPROACHES ASSESSING THE ECONOMIC CONTRIBUTION OF COPYRIGHT, CREATIVE AND CULTURAL INDUSTRIES

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