CULTURAL ACTIVITIES: WHICH CHALLENGE FOR ECONOMICS?
At the end of the 18th century, aesthetics lend to the arts a singular quality, a sensible impression irreducible to any other. At the same time, Economics intends to define and aggregate the value of varied productions in a normalized assessment even if feelings change from person to person.

Where aesthetic dangles a particular within something of general, political economy intends to exceed this variety by applying a general rule to any particular situation.
Outline

- The evolution of the debate
- Two types of cultural flows
- The sustainability of the cultural ecosystem
1. The Evolution of the Debate

A sociological tradition
From crisis to recovery?
On behalf of creativity?
From Crisis to Recovery?

- Culture as a resource: Monuments, Festivals, Museums
- On behalf of jobs and added value
- An economic curse?
  - Cost disease on the supply side
  - Uncertainty on the demand side
- Subsidies and impacts
- Between 2 & 2.5% of GDP
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<th>Cultural enterprises (number)</th>
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On Behalf of Creativeness?

The change of the economic theory:
- From exogenous growth theory to endogenous growth theory
- From exports perspectives to creativeness perspectives
- From a sector approach of culture to a more transversal one

New data: From 5 to 10% of GDP
Increased economic value of culture

(Industrial Age)
- land, labor, capital
- Automobile, ship-building, steel

(Information Age)
- knowledge, information
- Consumer Electronics, IT, Semiconductor

(Conceptual Age)
- imagination, creativeness
- culture, content, service
2. Two Types of Cultural Flows

The Global flows (more corporated)
The Local Flows (more participatory)
Global Players: Netflix, Spotify, Amazon, Live Nation

The characteristics of the global cultural good:
- Scalability
- Sunkeness
- Sameness

The specificities of the value chain:
- Domination of new media distributors
- From ownership to access: Copies, clouds and streams
- The consumer is a data
Experience and participation
- The relevance of local dimension
- From intrinsic to instrumental values

The economic specificity of experience goods

From experience to turbulence
- The issue of enterprises: constraints on growth more than structural fragility
- The issue of artists:
  - Bohemian, romantic, curator, trendsetter
  - Underremuneration?
  - Social services and pensions
The case of Museums: Global and/or Local

- Superstar and branding museums
- Events-making museums
- Local museums
3. For a sustainable Cultural Ecosystem Connecting Resources of Global Flows with Talents of Local Flows

- Making Creative Places
- Valorizing local flavors
- Clustering intrinsic and instrumental benefits
- Governments as brokers
Making Creative Places (1)

- Not marketing places, but making places: *Connecting, resources, meaning and services both for living better and attracting*

- Networking and sharing
  - *From strong lings to weak links: Engage everyone*
  - *Why is the recognition of cultural diversity so important?*

- Making the transitory more permanent
  - *The issue of festivals*
  - *Creative tourism*

- Connecting industries and services, connecting local and global
  - *The consumer is a prosumer*
  - *Access more than ownership*

- Outward oriented
Mixing hard and soft infrastructures
- *The decline of traditional cultural places*
- *New places for culture: What means outreaching?*

Examples:
- Youth orchestra
- Locals for artists
- Residential building programs
- Pop-up gallery
- Cultural entrepreneurial districts
Valorizing Local flavors: Only heritage will be in the future

- Understanding the particular value of the place (terroir)
- Mobilizing the vernacular heritage
  - Landscape, Music, crafts, gastronomy
- Intertwining with technology and innovation
  - From crafts to design and visual arts
- The issue of labels for landscapes, monuments and persons
Partnership more than hierarchy

("The artist is not a social worker")

The permanence of the activities

The mobilization of volunteers (crowdsourcing)

The mobilization of social budgets
Governments as Brokers

- From market failures to ecosystem management
  
  Livability, diversity and creativity

- Principles? Mining, highlighting and branding local cultural assets; Partnerships; Countering community skepticism

- Instruments: Real estate and venues; Education and training; Financial incentives

- Evaluation: Assessment, benchmarking, self-evaluation.

xg 11/12/09