I am Culture

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Since 2011 Symbola Foundation and Unioncamere (the Union of the Chambers of Commerce, Industry, Agriculture and Craft) have collaborated on a research project on the role of the Cultural and Creative Industries in Italian economy, called *Io sono cultura, I am culture*. This report, which came into being also thanks to the valuable contribution of 40 leading personalities in the different sectors analyzed, thorougly examines and describes the cultural industry, from a quantitative and qualitative point of view. It analyzes and measures the Italian Cultural and Creative Production System (SPCC), that is the set of sections of economic activity connected with two different dimensions: *Core* (historical and artistic heritage, performing arts and visual arts, cultural industries, creative industries) and *Creative-driven* (businesses not strictly linked to the cultural dimension, but characterized by close synergies with it). The inclusion of the latter in analysed sphere arises from the need to consider the culturalization process that is taking place in many production sectors. The presence of creativity in the *Creative-driven* activities has been considered proportionally, depending on the presence of cultural and creative professions.
The collected data show that the SPCC is one of the primary driving forces of Italian economy: it is responsible for 6.1% of Italy's Gross Domestic Product (89.7 billion euros) and for 6.1% of the total employment (1.5 million people). This added value increases further if we consider how the SPCC affects the rest of the economy: 249.8 billion euros are produced by the entire cultural industry, representing 17% of the national added value. Tourism is the main beneficiary of this driving force.

I am Culture annually analyzes the SPCC, or that set of sectors of economic activity that, being as precise as possible (according to the classification of production activities ATECO 2007, used in Italy to comply with and enhance the European classification NACE rev.2), identifies five categories of production linked to the cultural and creative industries. The first four categories form the *Core* dimension and refer to: the conservation, enjoyment and enhancement of the historical and artistic heritage (*historical and artistic heritage);* the new culture production activities, both non reproducible (*performing arts and visual arts*) and reproducible (*cultural industries*); non strictly cultural production activities that draw creativity from culture and contribute to convey meanings and values in the production of goods and services, namely design, architecture and communication (*creative industries*). To this dimension, we need to add the one connected to the *Creative-driven* production, that is all those businesses not strictly linked to the cultural dimension but characterized by strong synergies with it.

The inclusion of these activities allows us to understand better the pervasiveness of culture in the country's wealth creation processes, thus highlighting the unique Italian model of industrial specialization.

The approach used in the report *I am culture* derives from a careful and deep analysis of the works developed in the international scene[1], in order to follow a pattern that is distinctive, like the Italian one (well summarized in the expression *made in Italy*, used for our best known productions) and, at the same time, consistent with significant experiences.

In regard to this, it should be pointed out that, despite the common features and similarities among the methods used to delimit this extremely complex and varied world, many specificities have been taken into account. As a matter of fact, if we consider the main existing studies on an international level, the NACE codes correspond in only 10% of the cases.

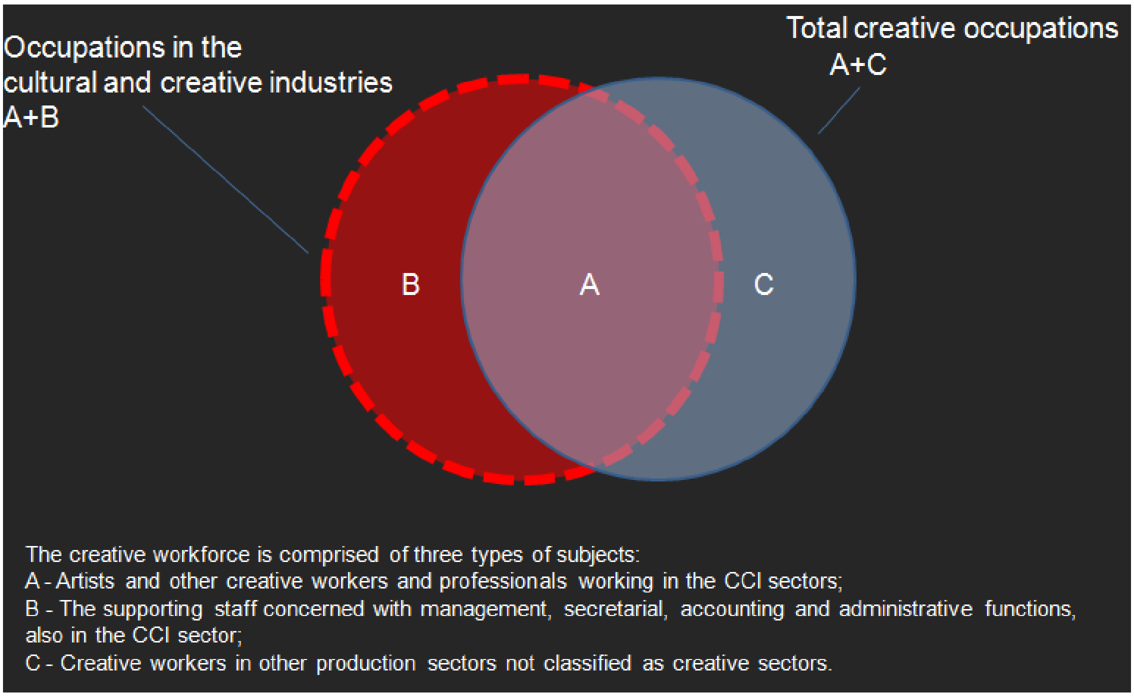
In this work, forty-four 4th level classes of economic activities were selected; they represent the SPCC *Core*. This delimitation, which implements and revises the international literature, is characterized by an explicit structure that allows consistent comparisons of countries, because it can be analysed by using international databases. These sectors perfectly match the cultural field: in fact, they represent its backbone. Their evaluation, therefore, must consider all the related businesses, without any distinction; the same applies for the contribution they make, in terms of added value and employment.

Nevertheless, in order to provide a complete view of the phenomenon, not only the production units, but also the labour market has been analysed. Besides delimiting the sectors of economic activity, we also focused on the analysis of the cultural and creative professions.[2] This is because,

[1] The approach adopted by Unioncamere- Symbola for their work considers culture as a tool for classifying a sector of activity. This definition seems to be more functional than others. David Thorsby states that this definition of culture characterizes "the activities of a group of people, and the product of these activities is aimed at the 'enlightenment' and mind education." Here culture is used as an adjective (the 'cultural sector', the 'cultural industries', the 'cultural products'). According to Thorsby, three characteristics can be ascribed to these "cultural activities": a) they involve some form of creativity in their production; b) they generate and convey symbolic means; c) their final output potentially embodies some form of intellectual property (Thorsby D., Economics and Culture, Cambridge University Press, 2001).

[2] The main reference was ESSnet-CULTURE, European Statistical System Network on Culture, Final report, European Commission – Eurostat, 2012.

on the basis of the existing literature, we consider "cultural" employees not only those who work within the sectors that form the *Core* dimension, but also all those who are engaged in cultural and creative professions in sections of business that are not strictly cultural, but, nevertheless, contribute to generate cultural added value.



The quantification of cultural employment was made possible thanks to a survey on Labour Force carried out by ISTAT (the Italian National Institute of Statistics), which crosses the sectors of economic activity and the type of profession performed by each worker. Therefore, after having defined the sphere of cultural and creative professions, and after having verified their presence inside the *non-Core* sectors, we obtained a measure of the incidence (or, even better, of the *pervasiveness*) of the creative and cultural factor inside the sectors, which, in fact, represent a particular expression of our culture (consider, for example, handicraft and *Made in Italy*), but not necessarily other countries' culture. In other words, as it is for the price measurement methods in different countries, where the baskets of goods and services are more or less flexible depending on specific patterns of local consumption, we can also take into account the specificities related to the idea of culture in the context of analysis.

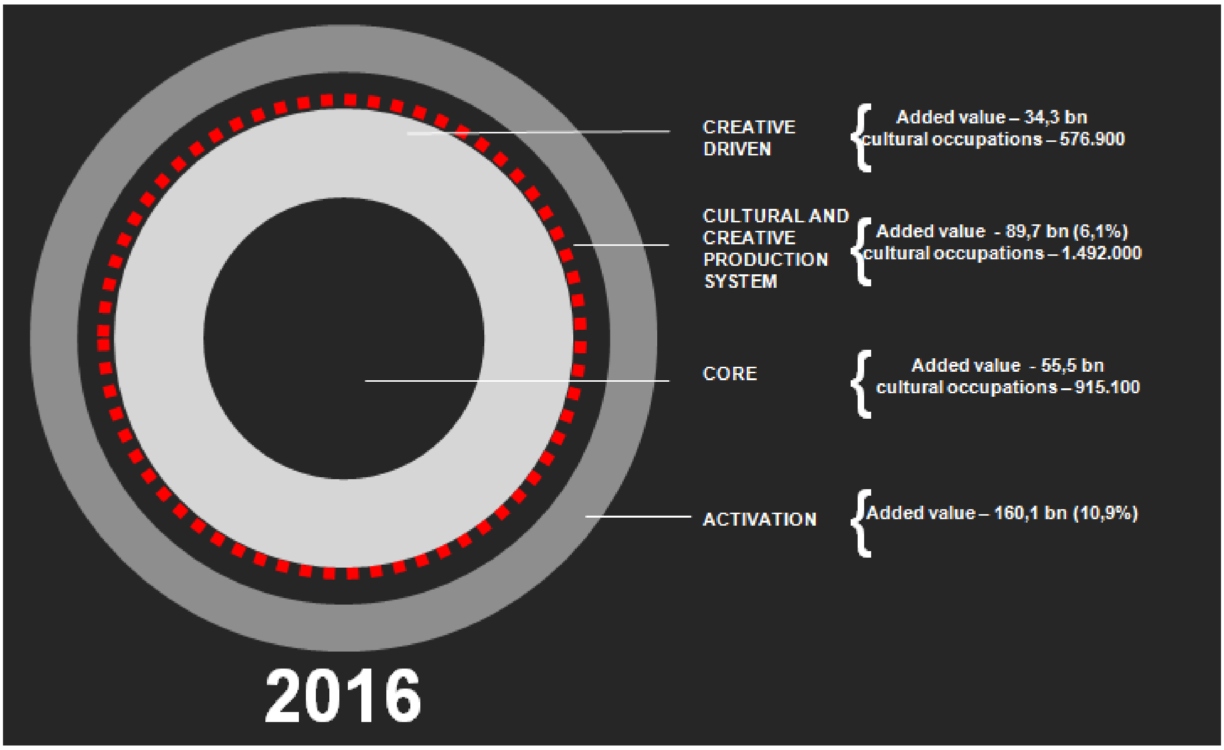
The presence of creativity, which is measured in relation to the presence of cultural and creative professions, should be considered proportionally: its intensity varies depending on the sector. In this way, we quantify, in terms of employment, those activities that complete the sphere and that we call

Creative-driven[3], which characterize uniquely the Italian culture and which, therefore, are not normally taken into consideration in the sphere of other countries.

The data collected in this study, according to the above described methodological approach, show that culture is one of the primary driving forces of Italian economy.

The SPCC is behind 6.1% of the Gross Domestic Product produced in Italy, which means 89.7 billion euros. Moreover, culture has a multiplying effect on the rest of the economy. In other words, for every euro produced by culture, 1.8 is activated in other areas. The 89.7 billion euros, therefore, activate other 160.1 billion euros, reaching those 249.8 billion euros produced by the entire cultural sector, which represent 17% of the national added value, where tourism is the main beneficiary of this multiplying effect.

The SPCC (alone, without considering the jobs activated in the other segments of our economy) employs 1.5 million people, 6.1% of the total employment in Italy.



Comparing the data with those of the last five years, the overall figures of the industry are increasing, although only slightly: + 0.6% of added value, +0.2% of employment. The importance

[3] We can find a proxy on the cultural relevance of the identified sectors in a measure defined by Alan Freeman as "creative intensity" (Freeman A., London's Creative Sector: 2004 Update. Published in: Greater London Authority Working Paper No. Report, April 2004).

of these figures can be fully understood only by comparing them with the negative ones of economy as a whole: -0.1% of added value, -1.5% of employment. Looking at the dynamics of the sectors, even in the ups and downs of this crisis aftermath, the most important performances are related to design (+ 10.8% of added value and + 13.8% of employment), to *creative-driven* productions (+ 5.4% of added value and + 1.4% of employment), to videogames (+ 3.7% of added value and + 1% of employment) and to music (+ 3.0% of added value).

If we look beyond the SPCC delimitation, we can see that tourism benefits significantly from the cultural drive, as it is reasonable to expect: more than a third (37.5%) of the national tourism expenditure is indeed activated by culture. Besides tourism, there is also the food and agricultural industry. Among the most promising alliances forged in recent years, there is definitely the one between the culture and the world of food, with renowned chefs that find inspiration in local cultures, design and art, and the cuisine, which is transformed from object to subject of communication, and, therefore, of cultural production.

In these numbers we can spot the signals of a broad cultural ferment, which affects the whole society and, by osmosis, the economy. They confirm the growth in traditional segments that mix culture and production. As Carlo M. Cipolla would say, they allow us to produce *things the world appreciates, in the shadow of bell towers*, like design, for example. Just consider that the design week of *Salone del Mobile*, the Milan Furniture Fair, has never had as many visitors as this year. Nevertheless, Italy has also grown in the segments that had fallen behind in the past, catching up in the international context; for example, in the videogame industry, where independent companies are multiplying; or in the record industry, thanks to the contribution of new technologies.

Digital technologies, indeed, come into play. Also thanks to a *tailor-made* training, they prove to be the main factor that enables a large part of manufacturing: from communication to handicraft 4.0, to public involvement in the design and development of products.

Many innovative experiences are being used to protect and enhance the cultural heritage: those that involve the energies of the whole society are particularly interesting. More and more spontaneous phenomena are emerging concerning the role of being inhabitants and beneficiaries of culture: the rediscovery of the collective role of cultural heritage is found, for example, in the work of associations, of crowdfunding, of independent centres of cultural production, of popular shareholding. These phenomena give an idea of the importance of a public-private relationship with culture that goes far beyond the issue of sponsorship. What happened in Mantua, the Italian Capital of Culture 2016, is a prime example. And, even more, what happened in Matera, which, one year after being awarded the European Capital of Culture for 2019, is experiencing a steady growth of tourism (+140% visitors) and city promotion.