Creative industries international: Integration of creative industries and international cultural policy?

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ifa Input 4/2018

The integration of cultural and creative industries and international cultural policy can renew current internationalisation processes: It can serve as a source of inspiration and a driving force. It can be incorporated into foreign communication and the work of intermediary organisations, and it can also be integrated into the promotion of foreign trade. While countries such as Great Britain and Austria have growth and export-oriented policies for creative industries, other European countries have developed policies with a sectional approach and orientation. The Netherlands, France and Scandinavian countries associate the potentials of the creative industries with cultural and social attributes. What could an integrated view of an international economic policy for the cultural and creative industries look like which surpasses the dichotomy of culture and the economy, and then, for example, places creativity, inclusion and transnational networking at the centre of its foreign policy activities?

Ambivalent structural issues

On the one hand, internationalisation points towards an update of the external visibility of location-bound markets such as the creative and cultural industries. On the other hand, however, it is about the improvement of the capacity to absorb international cultural practices, innovation and policies at a European location (Lange 2017).

Germany and its creative and cultural industries have been undergoing rapid transformation processes. For one, the games and software industries have generated many dynamic effects in conjunction with digitisation: regional creative locations and specific market structures unite in various manners and ways with major global events, festivals and highly specialised international creative and tech conferences.

Furthermore, the new interactions went hand in hand with transforming markets, actors and institutions of the tech sector, the digital economy and the media economy, giving rise to a sense of "disorientation" of the sectional mentality as yet prevalent in the creative and cultural industries with regard to cultural and economic policy.
Due to associated growth dynamics of the metropolitan regions and through newly located NGOs, foundations, private capital, academic migrants from the European and global south, a strong influx of refugees, enormously ambivalent structural issues concerning, for example, affordable workspaces, international visibility and the capacity for cooperation with larger companies and institutions for the creative and cultural services have become pressing issues in Germany.

In addition to rapid growth in Germany and the concomitant problems and challenges for the creative and cultural industries (spaces!), there are several grounds for developing a long-term creative and cultural economy while continuing the funding of projects.

Adaptation of location profiles

Internationalisation endeavours in an aesthetic and cultural sector such as the creative and cultural industries are indeed ambivalent. It must be noted that improving the transfer effect and the visibility of the creative and cultural industries' potential in a strategically coordinated effort involves enhanced exchange processes that can lead to similarities with other location profiles. This would entail the loss of the original profile and would thus give rise to unintended global uniformity.

Despite the increasing presence of regional creative and cultural industries on the global market, some sectors have seen homogenisation following the benchmarks of the Anglo-American creative and cultural industries, and their projected image as the global standard.

In order to avoid this, it is important not only to address the issue of diversity and the inherent logics of the creative and cultural industries, but also to preserve some aspects of the location's individual tradition because they are entwined with its history and the system of the creative and cultural industries. This means that not only the content that is specific for the federal context should be transported, but it should also be conveyed in diction that reflects the uniquely federal logic in the globally homogenic language of competition.

Internationality of cities and regions

For some years, internationalisation in Germany has been in a contradictory relationship to internationality as a lived status quo – i.e. the experiences of people in a small town as well as a (metropolitan) city which have been shaped by a divergent extent of diversity, heterogeneity and liberality since the beginning of the 20th century. While, on the one hand, a large extent of internationality has existed for several decades on a daily level due to internal migration and labour migration in Europe, the creative and cultural industries are defined less by a comprehensive policy of internationalisation than by a lived practice of international networking.

In many creative and cultural industries, this would mean understanding the internationality of cities and regions as a strategic resource that is to be developed and can be used to generate higher visibility of the participating actors (of the creative and cultural industries). Furthermore, to a significant extent, the buzzword digitisation addresses the extent of lived internationality, its cross-border practices of communication and interaction as well as their de-territorialised media practices. They generate and simultaneously open up new digital spaces in the 21st century.

Networks as the basis for governance

For the policies of internationalisation that are based on this and are directed at the creative and cultural industries, this entails that an amended and adjusted governance needs to be conceived on the basis of logic and networks.

With this, we do not only refer to the technological paradigm of new production, consumption and distribution opportunities through digital technologies, but rather to an unlimited availability of, for example, music and other digital goods as consumer goods and also as drivers of cross-border cooperation relationships in the contentious interaction between artists, creative producers, providers of creative technology and events.

Digitisation explains how new networks and constellations of actors come into existence off the beaten track and how business models now come into existence as a media presence in growth sectors. Nowadays, new hybrid business models formulate themselves between digital technologies, new platforms and cross-sectoral exchange in these networks. From this perspective, digitisation is the necessary occasion to increasingly reflect on the internationalisation of the area in which the creative and cultural industries are active, and to present solutions for value, symbol, communication and dialogue markets, which extended beyond the boundaries of national policy a long time ago.

These solutions and proposals are not exclusively of a technological or techno-political nature, but refer to questions concerning partnerships, openness, adaptability, or, in a nutshell, a new form of governance for the creative and cultural industries and their ecosystems.

This becomes necessary due to unimpeded patterns of consumption by way of, for example, new interfaces between cultural heritage and design as well as software and the games industry, which are yet to be recognised structurally and strategically. Furthermore, new production processes in the digital industries have become discernible, which are still in a very unclear position towards other current economic strategies (digital, artificial intelligence - AI, *Augmented Reality* - AR).

Beginnings of internationalisation processes in the creative and cultural industries

Internationalisation processes in the cultural industries were first examined by Bernd Fesel on behalf of the German Unesco in 2007 (Fesel 2007). However, in those days, the economic perspective of the creative and cultural industries did not prevail. In 2014, the Federal Ministry for Economic Cooperation and Development (BMZ) did a survey on potential international sales markets for the creative and cultural industries (Lange 2015).

In 2016, the field "internationalisation of the cultural and creative industries" gained additional value because the Federal Ministry for Economic Affairs and Energy started focusing on "internationalisation" as part of the monitoring report, and the Federal Competence Centre for Creative Industries (BMWi 2017, S. 37 ff) addressed the issue.

The focus is on first quantification attempts of the cultural and creative industries with regard to their international export contribution as well as specific journalistic examples and inspiring success stories, which were presented by the Federal Competence Centre for Creative Industries (Lange 2015).

At the same time and in coordination with the activities of the Federal Ministry, international networking and platforms, creative transfer and cross-border co-productions have become more important for the Federal Foreign Office since 2015 so that actors of the creative industries have become a stronger focus of funding. For foreign trade, the Federal Foreign Office has the prerequisites and instruments to support the internationalisation of the creative industries in a targeted manner.

Internationalisation approaches in comparison

On the one hand, the great variance of international export services in the European context illustrates the role of historically determined production and distribution profiles. On the other hand, it is apparent that the value of a symbolic item (e.g. a picture, a design, an aesthetic product) in the national and international markets correlates with the size of the production company in the value chain. Many microenterprises in the creative industries thus attempt to cooperate with larger distributors or retailers.

Structural funding approaches for internationalisation processes are rather undefined and are structured in most different ways. As products and services from the creative sector are generally consumer goods, prognoses for the success of these goods in international markets and in other taste landscapes are not determinable.

In some sectors, the (economic) value of a product derives from its individuality and singularity. For example, this is the case in the fine arts, and in performative and visual art. In subsectors such as music, literature and design, production and distribution are closely linked to the trading rights for intellectual property, in particular copyright. In these cases, the value derives from the creation of, the administration of and the trade with these rights. Nevertheless, in both cases, the public demand as well as the discursive framing via media reporting, marketing, events and trade fair presentations, determine the value of the product in the long range.

In the EU, 80 percent of the companies of the creative industries are small and medium sized enterprises, of which almost 60 percent are microenterprises with one to three employees. Thus, there are special requirements for analogue and digital presentation locations, experience and consumption because visibility and publication promise market access and share. Major enterprises, which comprise less than one percent of all enterprises in the creative industries in the EU, generate 40 percent of the sector's turnover.

Internationalisation policies for cultural and creative industries can be divided into four types:

- **Type 1 Strategies for the creative industries:** There are countries with an explicitly export-orientated growth strategy for goods from the creative industries and clear economic target expectations for these internationalisation endeavours with regard to specific countries and international as well as national target groups (e.g. Great Britain, Netherlands).

- **Type 2 General internationalisation approaches (with a focus on creative industries):** There are countries with an international strategy which concentrates on the internationalisation of the country's own culture, cultural profiles and cultural actors (e.g. Denmark).

- **Type 3 Culture-political and cooperative internationalisation approaches:** There are countries with a general export strategy, which also includes cultural and creative sectors (e.g. Scandinavia, France).

- **Type 4 Support strategies for international networks and clusters:** There are countries without specific strategies for exporting products of the creative industries. However, these countries implement various networking measures and/or institutions, which support exports from the cultural and creative industries, mainly through a sector-related approach (e.g. design, music, fashion) and in reference to existing clusters and networks. Export endeavours and internationalisation intentions of goods from the cultural and creative industries are included in other important planning and strategy documents, or are an element of national development plans.

These four internationalisation policies show a broad range of national policy approaches. They range from purely export-oriented measures of traditional country-specific core sectors (e.g. design in Scandinavia, fashion in Italy, music in Great Britain and Scandinavia) which show non-uniform volumes and growth returns to cultural-political exchanges and platform projects.

In this context, it is striking that there is only rarely any reference to the funding of games and software industries. France and Finland constitute exceptions. Possibly, the size of the sector, its relative location-dependency and the global market expansion is a reason for not placing this qualitatively enormously important sector of the creative industries at the focus of foreign policy and support measures. A more precise relationship to the digital agenda of the federal government could also constitute an area of activity where the creative industries and cultural policy could enter into new associations with the Digital Agenda.

The majority of the above-stated approaches concerning support orientate themselves toward the improvement of structural access to platforms, exhibitions, events and other multiplier formats. Generally, coaching and marketing are deployed to accompany structural access for a better market performance. Symbolic framing such as "go-international“, "Cool Japan“ and "Growth“ are leitmotifs, transmitting the signalling effect to the external as well as the national market.

Only few of these national approaches are in a superordinate, socio-political field such as digital transformation, educational issues or the transformation of the energy sector. The Netherlands are an exception where the creative industries are embedded explicitly as transformation drivers on the route of changes affecting society as a whole.

Many other countries expect indirect advantages through internationalisation processes in the form of positive reflux with regard to growth, employment security and expansion as well as the extension of the basis, in particular for micro-enterprises and small and medium enterprises (SMEs) of the creative industries.

The foreign cultural policy has been introducing its stance and funding practice for the cultural and creative industries in successive steps since 2016. In this context, economic interests with regard to issues of inter-cultural dialogue are less conducive. Cultural, communicative and dialogic practice resume a sceptical stance to the economic dimension of culture as well as economic interests of individual actors in the creative industries.

In particular, networking processes can help to embed this structural dichotomy (art versus commerce) into the aims of foreign cultural policy and to introduce successful spill-over effects to superordinate challenges that affect society as a whole. The assessment of the fields of action of the international cultural and creative industries shows that incrementally formats and country-specific profile and topic cores (e.g. form the areas of film, fashion, music) are incorporated into the practice of the foreign cultural policy.

Many measures of the examined internationalisation policies explicitly start with the support and stabilisation of market accesses, market positions and market visibility, which, in particular, but not exclusively, is enormously helpful for cultivating international relations for microenterprises and SMEs. Structural aims of the internationalisation policies are thus measures for improving the access to platforms where spill-over effects can be achieved. Actors from the cultural and creative industries can present their products on platforms and furthermore symbolically frame their principles, which can serve to convey their respective cultural and creative-industrial services.

The policy approaches assessed here – the majority of which are essentially assessed from a European perspective (with Japan and Canada as exceptions) – are as yet only successively connected to issues of digitisation as well as the direction and strategies of innovation of other branches (in particular, Finland and France) as well as to specific core leading markets (in particular fashion and design in Scandinavia).

Interface culture/creative industries and international cultural policy

The international cooperation between the cultural and creative industries and companies in other sectors harbours assumingly untapped potential concerning work, education and cultural-political processes as well as for innovation and growth (Lange et al., 2016). In the cultural and creative industries, social innovation processes are bundled beyond the technological innovation paradigm, which is referred to as "open innovation". The term strongly challenges politics and institutions when, for example, open government is introduced in forms of participation and political decision-making processes, radically changing the routines of political forms of participation.

The task of shaping internationalisation in the future is to promote innovation, including through stronger cooperation with other sectors abroad. There is little practical knowledge, for example relating to start-ups and SMEs in the creative industries, who can act and network appropriately not only across sectors but also across Europe, and can generate new value creation processes. The open innovation and cross-innovation practices underlying these processes need to be aligned with specific actor actions, target group expectations and industry logic. Value creation links between creative industries and other industries should be further promoted and expanded in the future.

In promoting this co-production of innovations, there are a number of aspects to be considered: The creative industries should play the role of an initiator and catalyst because of their ability to innovate, and also to provide innovation impulses in neighbouring sectors.

Social innovation processes abroad represent an important dimension in strengthening partnering foreign and domestic civil society forces, especially in the field of civic participation processes in regions hit by crises.

The media, design and advertising industries can develop new forms to shape work and innovation processes (e.g. open innovation, design thinking, co-working, virtual collaboration) and thus achieve a pioneering role for other sectors as well as for processes relating to the Digital Agenda. In the future, this could be more clearly reflected in the design of an interface between the Digital Agenda of the Federal Ministry for Economic Affairs and Energy (BMWi), the Federal Commissioner for Culture and Media and the foreign cultural policy of the German Foreign Office.

Integration of the cultural and creative industries in international cultural relations

The creative industries recommend themselves as a source of inspiration and a driving force for internationalisation processes due to their cross-sectoral impulsiveness. Therefore, they became the focus of ministerial expectations for internationalisation endeavours. As many creative actors operate "out of the box", the innovations practised by them are, however, executed differently in the established cultural fields as well as in research and development areas: they must enter into new working areas, often only temporarily, and recognise them quickly. They work in networks, with an orientation towards projects and practice, and also as service providers for other sectors.

They are a relevant help for initiators in order to promptly influence major social challenges in an innovative manner and to helpfully re-interpret somewhat well-trodden paths in internationalisation as well as in international and inter-cultural cooperation. Actors of the cultural and creative industries contribute other mentalities, procedures and perspectives to project work which can be surprising, and can initiate new dynamics into, frequently, structurally conservative procedures. From the perspective of politics, the question is raised which implications internationalisation has for, e.g. a municipality or a state ministry, when they formulate new policy approaches for the export of local-regional cultural and creative goods.

For many sole entrepreneurs (i.e. self-employed with up to three employees), internationalisation is an endeavour which involves a high degree of risk. Uncertainty in business transaction procedures, customs disagreements, more complex business transaction procedures, insecurity, a lack of experience in finding cooperation partners and entering into international cooperation are factors which, for many actors, accumulate to factors which seriously impede them becoming active in this area at their own risk.

For this reason, reliable structures are necessary on the part of the public sector to facilitate initiation processes between partners and international cooperation which had not previously interacted. A graduated scheme for specific platforms and events which was jointly developed in a creative process in the spirit of the creative industries could be a model to practice the potential interaction in advance and to evaluate it in order to strategically penetrate more market-affine business sectors of sufficient size.

Positive examples: Great Britain's model shows a clear export orientation of the cultural and creative industries, and thus serves as a specific policy role model for the creative industries. In this narrowness – together with quantifiable target expectations (growth and increasing investment in Great Britain per year) – it seems less apt for foreign cultural policy. The strongly growth-oriented targets are given by the foreign trade ministry in Great Britain. In Germany, this could only be represented credibly by the BMWi or other business-funding institutions. In contrast, the Scandinavian variants which are successively internationalising the value chains of the creative industries and their networks in conjunction with a cultural policy mandate could provide orientation (Easton and Neelands 2015). The creative industry policies of the Netherlands and the Scandinavian countries seem suitable for Germany.

Institutions for internationalisation: The examination shows that the formulation of internationalisation policies and the respective measures go hand in hand with the creation of new institutions in Germany. Such agencies and outsourced "operational units" prove to be agile, independent and flexible. For this broad and hybrid field of activity this seems effective and credible for activities on the national and international level. An agency with robust personnel and financial resources must be the focus in order to gainfully weave the endeavour "internationalisation of creative industries" into foreign cultural policy.

Clarity of goals: The range of internationalisation policies in this examination shows that there must be a struggle for effective and relevant thematic goals. While, for example, clear economic figures are to be achieved in Great Britain, the internationalisation policies of the Netherlands and Scandinavia point to aspects such as structural development work, intermediary platforms, intermediaries and coaching in order to strengthen market conditions of the cultural and creative industries on the national and international level.

Participation management: It is also to be considered to which extent the comprehensive package and model "Creative Industries" applied so far in Germany might prove to be too unwieldy and not robust enough for it to set internationalisation benchmarks. In contrast, from the perspective of achieving cross-sectoral impact returns, sub-sectors should be identified which pull other "strong leading markets" from the manufacturing or producing trades (e.g. design and industry; fashion and sustainability technologies). Instead of offering supply-oriented formats, demand-oriented ones would also be significant: With the aid of theme years or flagship competitions good and inspiring products, new actors and new processes can be taken into focus and the quality of the creative industries can be strengthened.

Participation qualities: Irrespective of the sector selection for the internationalisation endeavours of the creative industries, the internationalisation policies of the actors of the cultural and creative industries ought to be integrated into the process of shaping politics. Existing programmes (e.g. "Zentrales Innovationsprogramm Mittelstand" (ZIM)) are executed in sub-sections of production, research and distribution, which provide for co-financing and, in parts, already display their own international sales and cooperation processes.

Risk management: Participation in internationalisation processes shows that the temporary absence for a creative actor in his/her domestic market constitutes an enormous economic risk factor for him or her. Upstream and downstream time budgets during the internationalisation processes weaken his or her performance and presence in the domestic market. Any activity would have to be accompanied and observed on the federal level by a board of practitioners so that such risk factors do not arise and can be treated in a "market"-compatible manner.

Partnering – *Landing Culture* – thematic framing: In addition to the internationalisation intentions and aims, and the provision of reliable personnel and financial resources, quality criteria of partnering are becoming increasingly important: with whom and under which cooperative and collaborative premises are networks cultivated on the national and international level? The term "*Landing Culture*" indicates the nature of a culture of arrival for all participating partners. Thematic framing should give an indication that the thematic cooperation can be viewed internationally (e.g. on the level of the matching between SMEs and self-employed) and that "internationalisation" is to be understood as a call to define cross-sectoral cooperation and new leitmotifs.

Interface civil society – art – economy: Not sub-markets, but key topics at the interface of civil society, art and the economy are to be promoted, thus appealing to the entire creative sector. Local particularities of the host countries are to be differentiated and considered. As a socio-political mandate, internationalisation and network formation should also be advanced in regions and countries in which it is politically "difficult" (example: pop culture in Teheran). Here, the focus should be on decentralised structures and funding, and initiatives and partners which can implement projects on the regional or federal levels should be supported. Participation, ownership and *capacity building* are, in this context, central aspects of cooperation in process-oriented work procedures and the restoration of local connections.

Competence network: Expertise should be brought to Germany in order to promote its own development. Exchange through and search for hosting locations in Germany for creative events, festivals and trade fairs should be extended, and a competence network for international creative industries should be created. Pilot projects should be tested on a small scale to subsequently be implemented on a larger scale. Developing and not yet established projects should be given a platform (peripheral locations and scenes). To increase the visibility in other countries, cooperation between leading companies and SMEs could be envisaged.

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Imprint

The publication exclusively reflects the personal views of the author.

Publisher:
ifa (Institut für Auslandsbeziehungen):
Charlottenplatz 17, 70173 Stuttgart,
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Author: PD Dr. Bastian Lange

Editing: ifa's Research Programme
"Culture and Foreign Policy"

ISBN: 978-3-921970-11-9
DOI: https://doi.org/10.17901/AKBP2.09.2018