



New opportunities for external relations – nurturing cultural exchange and economic development through the creative economy

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“Soft power” is increasingly recognised as a critical factor in the delivery of foreign policy objectives. The ability to engage with others through the attractiveness of one’s approach, the legitimacy of one’s policies and the inherent values that underpin both of these, has been an important factor in international relations for many years, long before the term itself was coined by Professor Joseph Nye.

Similarly, “cultural diplomacy” with its principles of exchange of ideas, information and other cultural elements, thereby fostering better mutual understanding, and “cultural relations”, being direct and indirect interactions between two or more countries, have been important tools in diplomacy for decades.

For many advanced economies the structures that can deliver soft power through cultural relations and cultural diplomacy have been in place for over 50 years: the Alliance française was founded in 1883, the British Council in 1934 and the Goethe-Institut in 1951. More recently, in 1991, Spain created the Instituto Cervantes and, in 1992, Portugal created the Instituto Camões, in both cases modelling these institutions on the earlier, successful, European models.

These institutions have traded heavily in culture; particularly language, literature and the arts. Their presentation of culture to overseas audiences (within which key influencers and decision makers have been the primary target) has been a critical tool in advancing their agenda. Over the years the model has changed, both in terms of the forms of art covered, with shifts to include design, fashion and musical genres that appeal to a wider audience of young people, and in the principles of exchange, with a diminishing sense of “teaching” and a wider sense of mutual “learning”.

It was against this backdrop that the creative economy agenda began to take hold in cultural relations dialogues, beginning with the British Council in 1999. Initially, many questioned the legitimacy of embedding an economic approach into a cultural relations programme; largely because they feared that an economic reading would undermine the aesthetics of culture. Of course, a purely aesthetic approach had never been adopted and culture has always been a tool in cultural relations, often allied to its ability to leverage in educational and social terms.

Arguably, for the British Council, the change reflected both a change in domestic political imperatives and recognition that these changes in themselves represented an important and innovative shift in cultural policy making. Innovation was part of the UK story that needed to be told.



Many European Union countries – specifically the then accession states of Bulgaria, Czech Republic, Estonia, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia – were beneficiaries of an early dialogue, fostered by the British Council, that examined the policy making challenges that this creative economy approach created. In some cases, through support for a mapping programme, they then began the process of developing a genuine economic understanding of the impact of the creative sector.

The British Council's interest in doing this was driven by an understanding of the importance of EU funds to support the early development of the UK's creative economy in the 1990's, during the period of refocusing the UK economy away from primary and secondary industries, like coal mining, steel making and ship building. Accession to the EU, and access to Structural Funds, presented a similar opportunity for targeted investment in the creative economy.

The British Council programme was not limited to Europe's transitional economies; indeed it was actually focused on the emerging and developing countries in which the approach provided fresh opportunities for engagement. Crucially, the programme fostered a different dialogue; one which both spoke to culture and cultural diversity, whilst also addressing the critical factors that these governments faced; the key economic issues around growth and new employment opportunities for young people.

The first pilot of this approach was in Colombia where, working with the city government in Bogota, the Chamber of Commerce and a network of local artists and creative businesses, a mapping of the creative economy was undertaken. The mapping was not about establishing a global orthodoxy around the approach which had been developed by the UK's Department for Culture, Media and Sport but instead about sharing an innovative policy experience, leaving it to local partners to determine its relevance to them.

In taking forward any project, the British Council ensured that ownership of the process was vested in local partners, with the British Council as an important but junior partner in the emerging dialogue.

Local ownership was crucial because, fundamentally, the engagement had to deliver in ways that empowered local partners, and then tasked them with developing appropriate interventions to leverage the potential of the sector. Economic mapping was – and is – crucial in this process, as it helps to develop better understanding of the sector whilst also providing a base line from which to measure the impact of any intervention.

Importantly, the British Council's programme was then further developed through the Young Creative Entrepreneurs awards, which reached out to young people who were successfully building



creative businesses across a range of emerging and developing economies. The awards brought together young entrepreneurs from different countries, fostering both new business relationships and increased South-South trade between countries that might otherwise have difficulties in connecting.

The awards were perhaps the most vibrant manifestation of the potential of the creative economy to leverage new opportunities in terms of cultural relations. Through the creative entrepreneurs that they championed, they sparked the first publication of Roald Dahl's work in Arabic, international collaborations and dialogues around the music industry through Un- Convention, and new opportunities for creative entrepreneurs to do business through an alumni network that stretches across over 50 countries.

In doing this work I was often asked "What is in it for the UK?" By sharing our knowledge and experience in this way, people couldn't understand how the UK would benefit; instead they assumed that we were squandering a competitive advantage. The answer was always clear and simple and stems from an understanding of how business in the creative economy works.

Every successful entrepreneur in the creative sector recognises the importance of his or her network of contacts. They provide the competitive advantage, connecting the entrepreneur to new talent, new trends and new influences. Arguably, today, that new global phenomenon, that every entrepreneur wants to be a part of, is as likely to come from Indonesia or India as Iceland or Ireland.

To do so, creative entrepreneurs need networks of both breadth and variety. It is important to understand that the potential here is for a two way traffic. This isn't about cultural imperialism, instead it is about facilitating exchange in a world where much more and so many more diverse things are 'liked' today than would ever have been seen or heard before the emergence of social media.

A creative economy approach provides several wins. At a time of diminished pools for investment in cultural relations and cultural diplomacy, empowering creative entrepreneurs, investing in their networks and their access to markets, facilitates a greater exchange of cultural goods and services to be experienced. In this context, investment in entrepreneurs and their networks really can leverage wider reach for more diverse product and content.

In the context of cultural relations, there is arguably a second benefit from the market intelligence that a network of creative entrepreneurs provides. If there is a need to target a particular audience, creative entrepreneurs will be more sensitive to what this means in terms of the content or products that will achieve this. By working with local creative entrepreneurs, it will be easier to create a targeted programme, be it an exhibition or series of workshops, thereby leveraging both a greater



return and a greater guarantee of focused return.

All of this, inevitably, has an economic impact. More being traded and more collaborations being developed inevitably mean more business being done and more jobs being created.

The political and social impacts are harder to judge. There is certainly the wider understanding achieved by reaching new and more diverse audiences. There is also the inevitable fostering of the liberal values that the arts tend to prosecute, though there is never any guarantee that this will fundamentally change hearts and minds. Perhaps more importantly, the role that the creative economy can play in the creation of jobs and economic stability will always tend to create a more stable and open environment, within which discourse can more readily be fostered and those liberal values take greater hold.

Europe – from Tallinn to Lisbon and Derry to Nicosia – with its rich and remarkable heritage and diversity of cultures, has much to gain from building a creative economy approach into its external relations apparatus. The creative economy provides the opportunity to leverage the potency of our varied cultures in new ways, ways that provide new economic opportunities for both European countries and the countries across the world with which it wishes to build better, lasting relationships, based on mutual respect and understanding.

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