

ARTS AND CULTURE INDUSTRY – AN ECONOMIC PERSPECTIVE

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OUTLINE

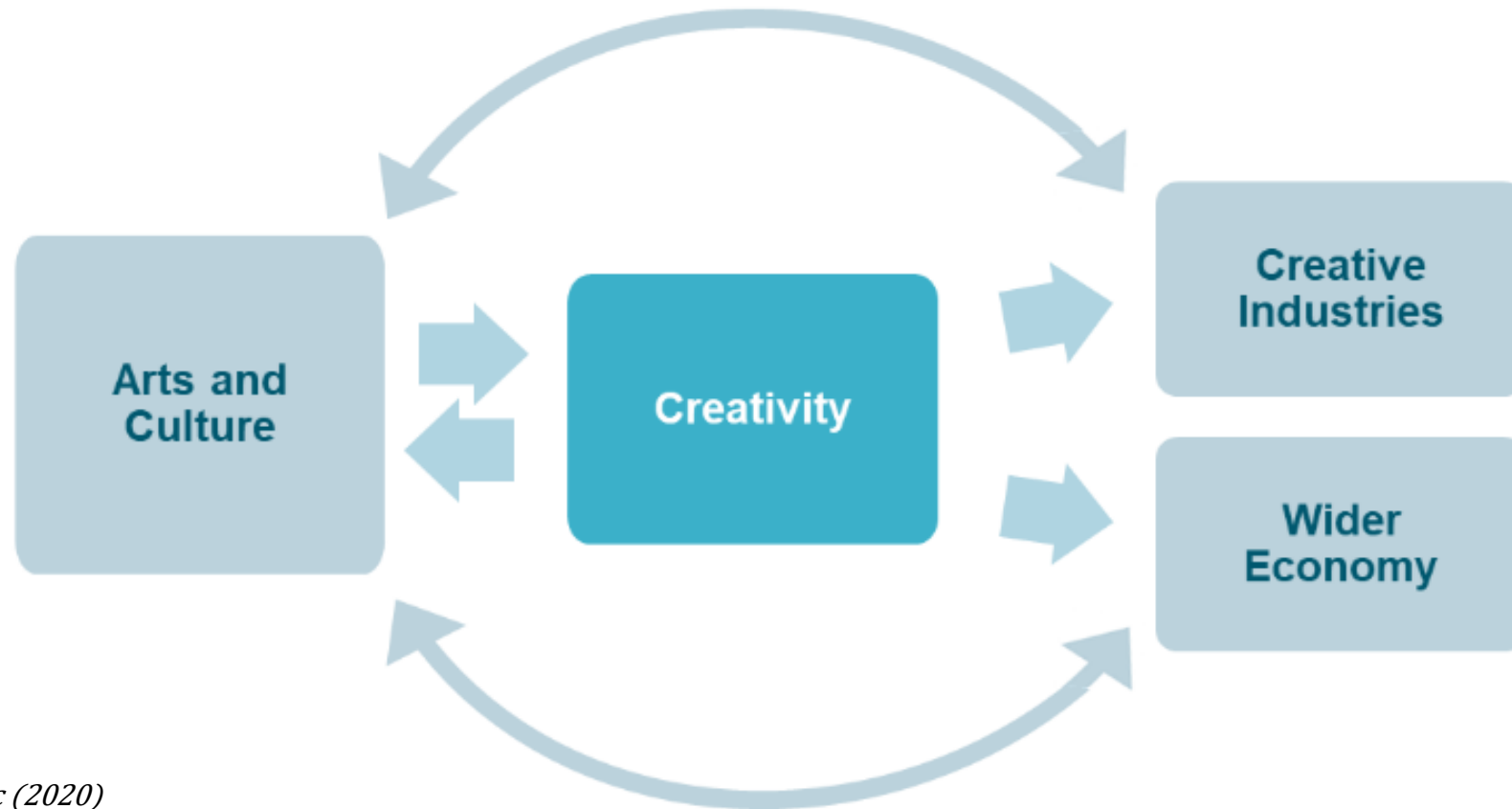
- **Role of Arts & Culture in the creative industries and wider economy**
- **Total Economic Footprint of the Arts and Culture Industry**
- **Measurement of Cultural and Creative Industries**
- **United Nations Sustainable Development Goals**
- **Key Players in the Art Market**
- **Next steps**

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Role of Arts & Culture in the Creative Industries and Wider Economy

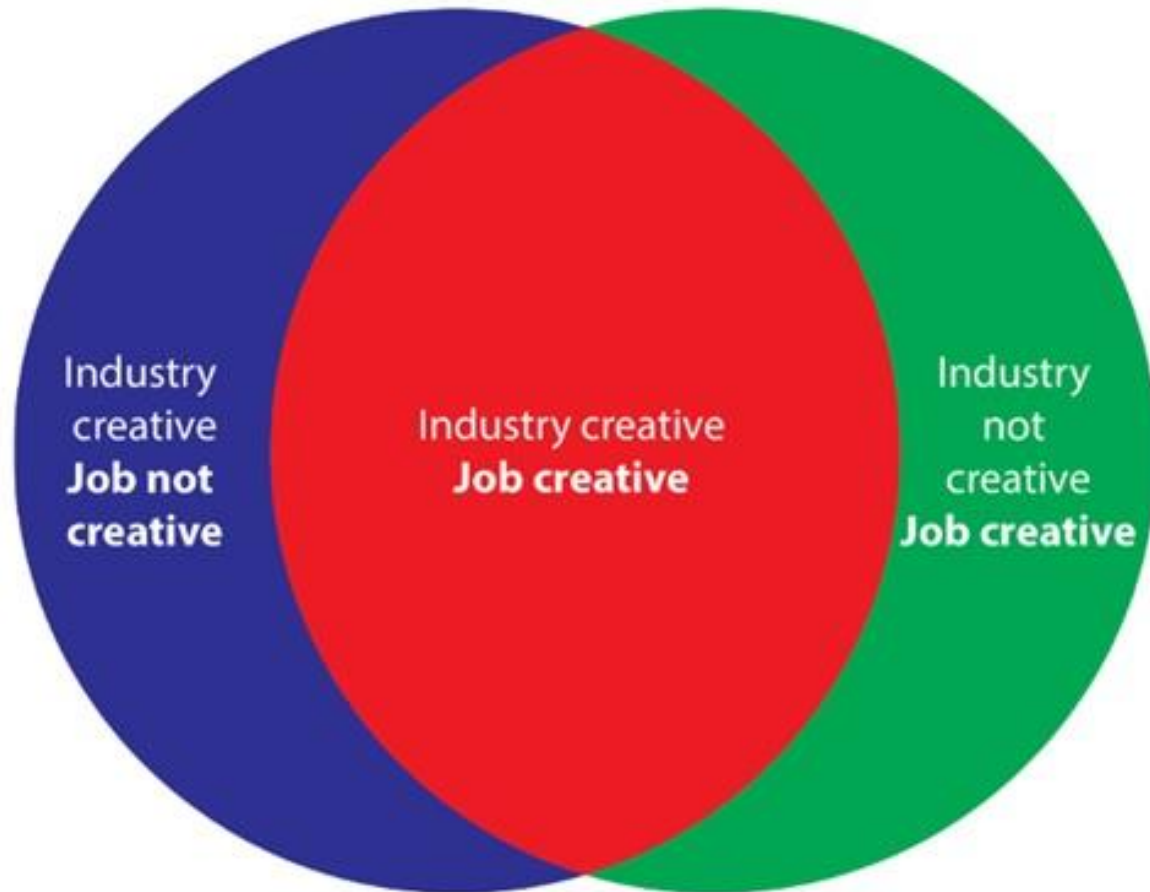


The relationship of creativity with arts and culture, creative industries and the wider economy



Source: Metro Dynamic (2020)

Definitions according to Department for Digital, Culture, Media and Sport (DCMS, 2015)



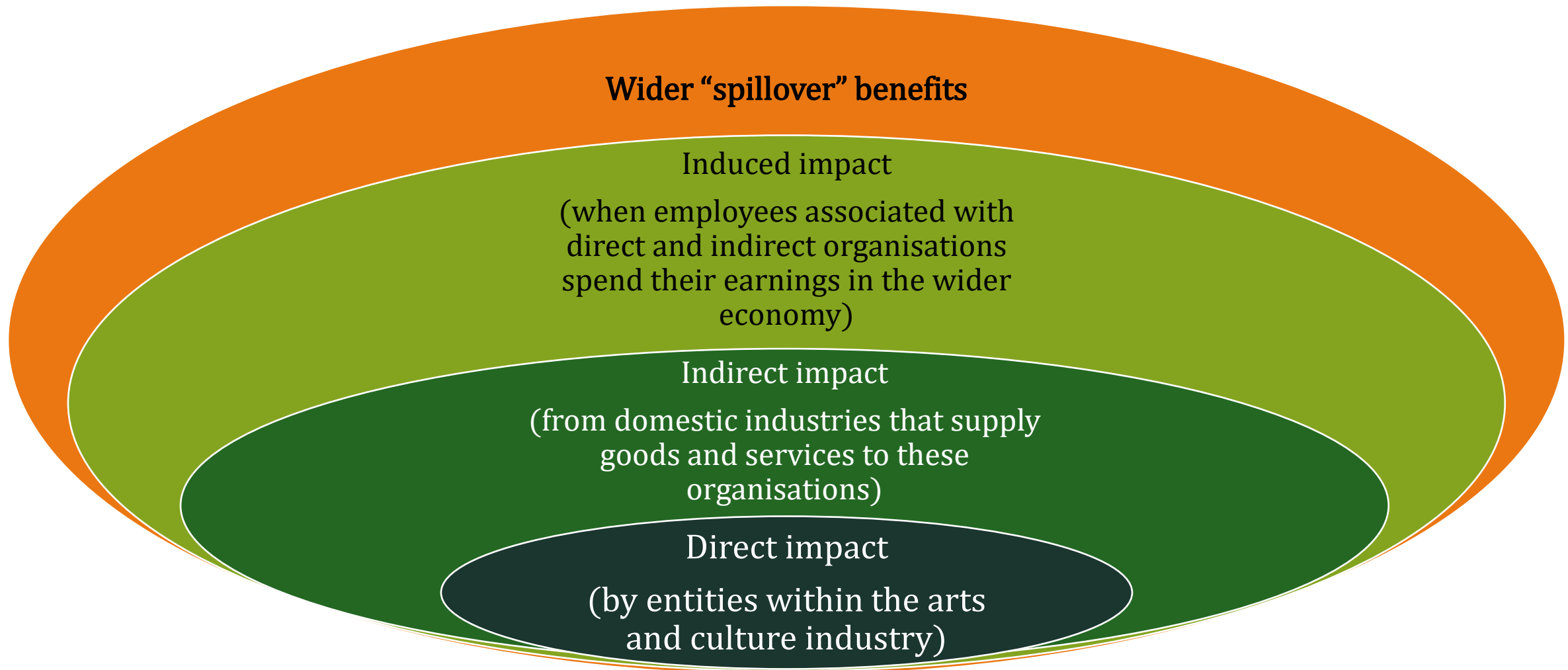
■ + ■ + ■ = Creative economy
■ + ■ = Creative industries

Source: <https://www.london.gov.uk/sites/default/files/creative-industries-in-london.pdf>

Total Economic Footprint of the Arts and Culture Industry



Value Generated and Jobs Supported



Diverse Skills Needed For Stronger Economy
S.T.E.M. to S.T.E.A.M.

Areas of impact

- **Innovation** (experimental/R&D process, arts & design skills)
- **Education** (diverse & creativity skills)
- **Collaboration** (new products & services created and value of output value extended)
- **Clustering** (agglomeration effect within sector driving productivity)

Spillovers

- **Knowledge spillovers** (news ideas, innovations and processes to wider economy)
- **Industry spillovers** (both vertical value chain and horizontal cross-sector)
- **Network spillovers** (agglomeration effects, development of social cohesion/branding of a location to a creative environment that foster entrepreneurship)

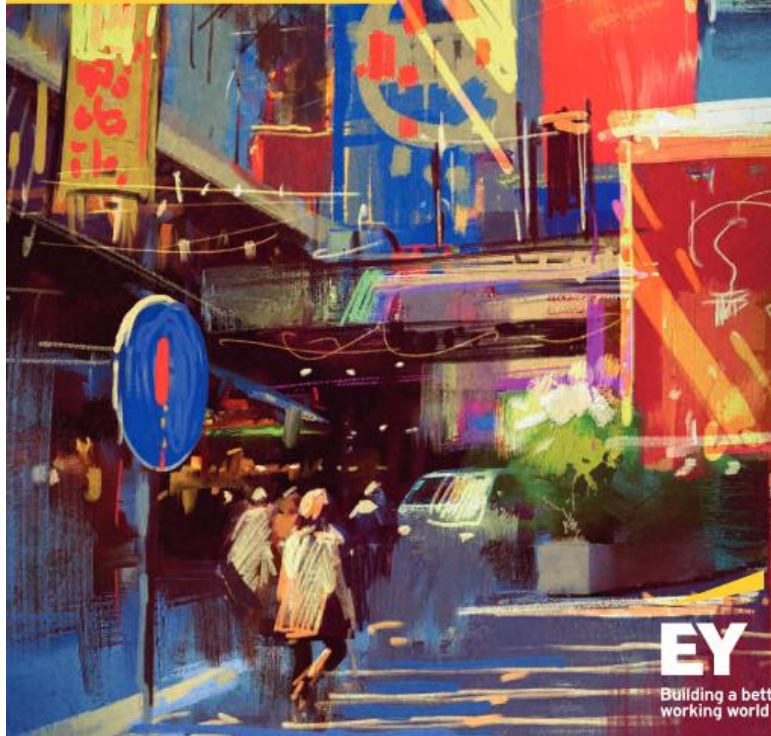
Measurement of Cultural and Creative Industries (CCI)



Cultural times

The first global map of cultural and creative industries

December 2015



Economic and social impact of cultural and creative sectors

Note for Italy G20 Presidency Culture Working Group



G20



Four key economic indicators to measure the economic contributions of the arts and culture industry:

- 1) **Turnover**
- 2) **Gross Value Added**
- 3) **Employment**
- 4) **Employee compensation**

Another direct measure of CCI is **Trade in services (imports/exports)**

Indirect economic contributions delivered through innovation, knowledge, talent and social impact.

CCI sectors	Revenues (2013, US\$b)	Employment (2013, number of jobs)
Television	477	3,527,000
Visual arts	391	6,732,000
Newspapers and magazines	354	2,865,000
Advertising	285	1,953,000
Architecture	222	1,668,000
Books	143	3,670,000
Performing arts	127	3,538,000
Gaming	99	605,000
Movies	77	2,484,000
Music	65	3,979,000
Radio	46	502,000
Total (before removing double counting)	2,285*	31,524,000*
Total (minus double-counting)	2,253	29,507,000

Source: Cultural times: the first global map of cultural and creative industries, EY, 2015

* Rounded figure

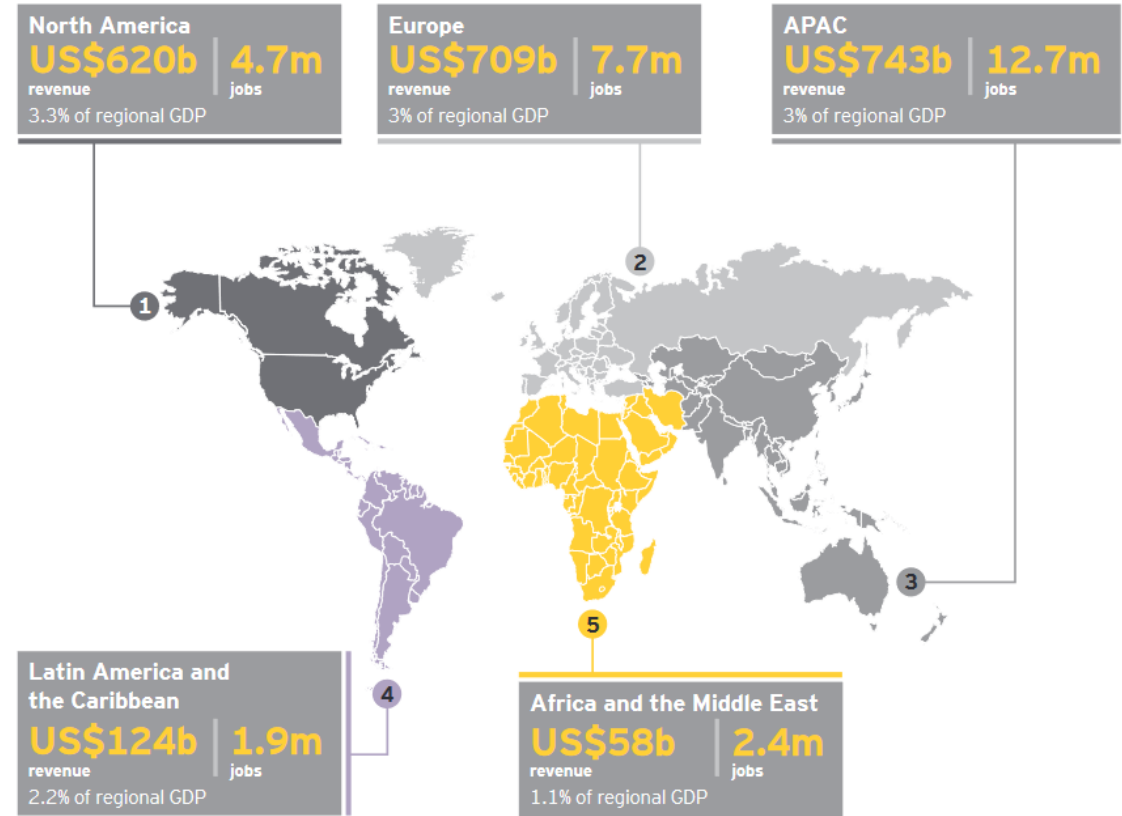


Global CCI revenues of **USD2.25 billion** (3% of world GDP)



Global CCI employment of **29.5 million people**

An unprecedented initiative to measure the global economic impact of **11 sectors** in **5 global regions**.



Brunei Darussalam

Standard Industrial Classification (BDSIC 2011)

R ARTS, ENTERTAINMENT AND RECREATION

90 CREATIVE, ARTS AND ENTERTAINMENT ACTIVITIES

- 900 Creative, arts and entertainment activities
- 9000 Creative, arts and entertainment activities

91 LIBRARIES, ARCHIVES, MUSEUM AND OTHER CULTURAL ACTIVITIES

- 910 Libraries, archives, museum and other cultural activities
- 9101 Library and archives activities
- 9102 Museum activities and operation of historical sites and buildings
- 9103 Botanical and zoological gardens and nature reserves activities

- 854 Other education
- 8541 Sports and recreation education
- 8542 Cultural education
- 8543 Tuition classes
- 8544 Driving schools
- 8545 Computer training schools
- 8549 Other education n.e.c.

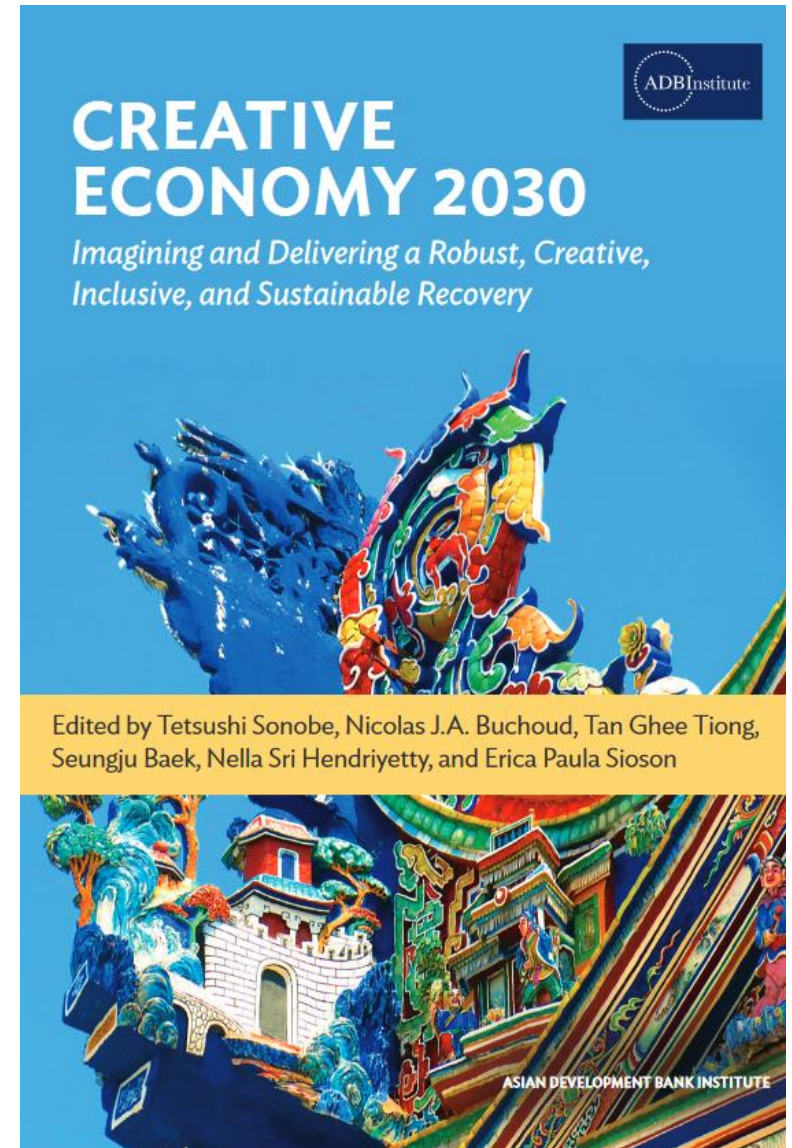
- 476 Retail sales of cultural and recreational goods in specialized stores
- 4761 Retail sale of books, newspapers and stationery in specialized stores
- 4762 Retail sale of music and video recordings in specialized stores
- 4763 Retail sale of sporting equipment in specialized stores
- 4764 Retail sale of games and toys in specialized stores

United Nations Sustainable Development Goals (SDGs)



2021 AS “INTERNATIONAL YEAR OF CREATIVE ECONOMY FOR SUSTAINABLE DEVELOPMENT”

- Declared in 2019 at United nations 74th General Assembly
- Pre-crisis forecast showed that the creative economy was to represent 10% of global GDP before 2030.
- **Highly transformative in terms of income generation, job creation and export earnings with spillover effects that stimulated innovation in other sectors, the creative economy also proved inclusive and agile, with low barriers to entry.**
- **The production and circulation of intangible goods also has a lower carbon and environmental footprint than many other economic sectors.**



Meeting SDGs through the Arts and Culture Industry

3 GOOD HEALTH
AND WELL-BEING



**ENSURE HEALTHY LIVES AND PROMOTE
WELL-BEING FOR ALL AT ALL AGES**

8 DECENT WORK AND
ECONOMIC GROWTH



**PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH,
FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL**

10 REDUCED
INEQUALITIES



**REDUCE INEQUALITY WITHIN AND
AMONG COUNTRIES**

Key Players in the Art Market



They have different roles in the economic ecosystem, including intermediaries



...also the roles of art critics, auctioneers, art agents, artist's representatives...

The background features several flowing, wavy bands of color. At the top, a thick band of red and orange flows from left to right. Below this, the background is mostly white. At the bottom, there are more flowing bands, with a prominent one in shades of red and orange on the left, and another in shades of yellow and orange on the right. The overall effect is dynamic and energetic.

Next Steps

How do we support the Art Industry to grow the creative economy?

- Establishment of an entity (e.g. Arts Council) to oversee the development of the art industry in Brunei Darussalam. It can act as enabler, facilitator, development agency and provides quality assurance.
- Mapping of the art sector, identifying key players.
- Supportive public policies to provide a conducive ecosystem.
- Facilitate the growth of the art industry organically based on strengthening the supply and demand aspects.
- Raise more awareness and develop professionalism to prepare the expansion of the market externally, beyond Brunei Darussalam.

THANK YOU

