THE POSITION AND PERSPECTIVES OF CREATIVE INDUSTRIES IN BALKAN COUNTRIES

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Abstract: The Creative Industries were defined in the Government's 2001 Creative Industries Mapping Document as „those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property".
This article presents the current position and perspectives of creative industries around the worldwide and in some Balkan countries. The influence of imported models of creative industries is reviewed in parallel with an in-view of the global creative industries on the local production and distribution where their influence on the infrastructural as well as content level is taken into account. For example, the UK has been a leader in the development of this agenda, not just as a driver of the economy but also promoting social inclusion, diversity and development.
The article also indicates the lack of cultural and other public policies in the field of creative industries throughout the region - if they are present they are not suitable to the local situation. The article denotes that the situation in the region is still very diverse and that the conditions for the further enhancement of creative industries are still not developed. Taking into account the heterogenic situation throughout the SEE region the author outlines some recommendations for creative industries that would be create the framework of strategies for sustainable cultural development.
Keywords: creative industries, Balkan countries, creative labor, economic contribution, development strategies.

All around the world, the „creative economy" is talked about as an important and growing part of the global economy. Governments and creative sectors across the world are increasingly recognising its importance as a generator of jobs, wealth and cultural engagement. But twenty years ago the terms „creative economy" and „creative industries" did not even exist. Yet when ancient traditions of cultural work and cultural industry - designing, making, decorating and performing - began to be woven together with a wider range of modern economic activities – advertising, design, fashion and moving image media – and, even more importantly, began to be given much greater reach through the power of digital technology - that was the moment when the 'creative economy', as most people use the term, was truly born.
A number of different models have been developed as a means of providing a systematic understanding of the structural characteristics of the cultural and creative industries. The most important model was proposed by DCMS, which includes 13 sectors:

- Advertising
- Architecture
- Art and antiques market
- Crafts
- Design
- Fashion
- Film and video
- Music
- Performing arts
- Publishing
- Software
- Television and radio
- Video and computer games [1].

The creative industries refuse to lie down and be measured like other sectors of the economy, and that is why economists and statisticians will probably never stop debating about how to define them and how to estimate their worth. To make matters yet more complicated, many of the people working in the creative industries, including some of the most influential and successful practitioners, do not regard themselves as working in an 'industry' at all. They are much more likely to define themselves as individual creators, entrepreneurs, artists, or even social activists rather than as industrial workers. They may choose not to define what they do primarily in economic terms. But the creative industries also include some of the biggest and most powerful businesses in the world, like software companies and media conglomerates. Together, these industries, large and small, are becoming an increasingly significant part of the global economy [2].

In 2012, Department for Culture, Media & Sport proposed a new list of classification and measuring the Creative Industries that are as shown in Table 1 below.

Table 1: List of Creative Industries proposed by DCMS in 2012

Sectors of Creative Industries			**Employment**		
Code		**Description**	**Sector (000s)**	**Creative (000s)**	**% creative**
58.1	Publishing of books, periodicals and other publishing activities, to include		177	91	51.3
	58.11	Book publishing			
	58.12	Publishing of directories and mailing lists			
	58.13	Publishing of newspapers			
	58.14	Publishing of journals & periodicals			
	58.19	Other publishing activities			
58.2	Software publishing, to include		18	8	42.9
	58.21	Publishing of computer games			
	58.29	Other software publishing			
59.1	Motion picture, video and television programme activities, to include		98	55	56.6
	59.11	Motion picture, video & TV programme production activities			
	59.12	Motion picture, video & TV programme post-production activities			
	59.13	Motion picture, video & TV programme distribution activities			
	59.14	Motion picture projection activities			
59.2	Sound recording & music publishing activities		13	5	43.1
60	Programming and broadcasting activities, to include		60	34	57.4
	60.1	Radio broadcasting			
	60.2	TV programming & broadcasting activities			
62.01	Computer programming activities		215	118	54.9
62.02	Computer consultancy activities		255	80	31.4
70.21	PR & communication activities		22	14	63.3
71.11	Architectural activities		99	62	63.0
73.1	Advertising, to include		123	56	45.5
	73.11	Advertising agencies			
	73.12	Media representation			
74.1	Specialised design activities		103	61	59.0
74.2	Photographic activities		47	35	73.9
74.30	Translation and interpretation activities		20	16	83.6
85.52	Cultural education		28	12	43.9
90.0	Creative, arts and entertainment activities, to include		140	101	72.5
	90.01	Performing arts			
	90.02	Support activities to performing arts			
	90.03	Artistic creation			
	90.04	Operation of arts facilities			
	All		**1,415**	**749**	**52.9**

Source: Labour Force Survey, March 2011 – April 2012

In terms of comparisons with the broad sectors used in the DCMS estimates, the proposal reduces these from thirteen to seven. The table below shows the comparison, but the main changes are:

Table 2: Comparison between DCMS broad sectors and proposed broad sectors

DCMS sectors	Proposed sectors	Changes
1	**2**	**3**
Advertising	Advertising and marketing	Widened to include marketing
Architecture	Architecture	Same
Arts and antiques	None	Not included in proposed classification
Crafts	None	Not included in proposed classification
Design	Design and designer fashion	Conflated to form a single sector
Designer fashion		
Film and video	Film, TV, video, radio and photography	Conflated to form a single sector
Television and radio		
1	**2**	**3**
Interactive leisure software	IT, software and computer services	Conflated to form a single sector
Software and computer services		
Music	Music, performing and visual arts	Conflated to form a single sector and defined differently in terms of SIC codes
Performing arts		
Publishing	Publishing	Same

Source: Labour Force Survey, March 2011 – April 2012

The international trade of creative goods has seen sustained growth and expanded strongly in the last decades (see Chart 1). The total exports of creative goods rose in value terms by 47 per cent to $473,791 million in 2012. In terms of imports, the value expanded by 56 per cent for the same period [4].

Chart 1. Exports and Imports of Creative Goods Worldwide, 2012, value in million US$

Source: UNCTAD Global database on creative economy

The global market for traded creative goods and services totalled a record of $547,513 millions of dollars in 2012, as compared to $302,058 billion in 2003. It is important to note that several countries reported a decline between year 2011-2012 data. This is due to changes in methodologies related to the transition to the HS 2012 version in which many countries did not report data at the time (it was recently launched). This will be corrected with an update of the UNCTAD database [4].

In terms of sectorial exports of goods from creative industries, in 2012 about 69 per cent was accounted for by design and new media, and the remaining 31 per cent by publishing, visual arts, art crafts, audiovisual and performing arts. Dates are presented in chart 2 below.

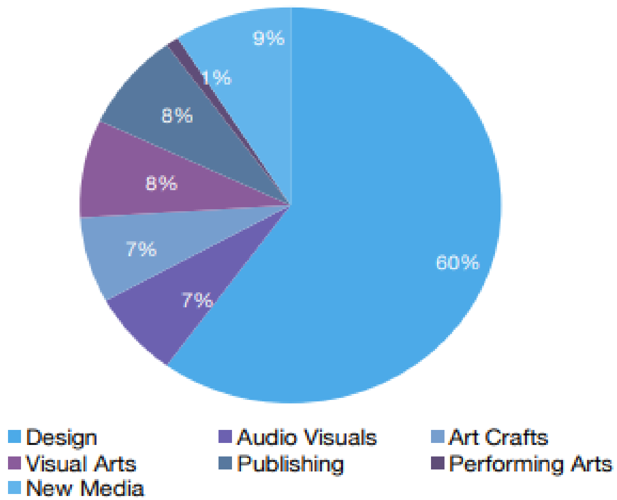

Chart 2. Exports of creative goods, by group, 2012, %

Source: UNCTAD Global database on creative economy

In Southeastern Europe the beginning of cultural industrialization was evident in the socialist period, but its true growth begun with the fall of socialism and with the development of different varieties of „capitalisms” in these countries. In this article the region of Southeastern Europe (SEE) comprises of the following countries: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Former Yugoslav Republic of Macedonia (FYROM), Kosovo, Moldova, Montenegro, Romania, Slovenia, and Serbia. Since it is the youngest among the countries in question and because the data on Kosovo is rather scarce, it was not referred to it specifically in this article. Especially taking into account that four of the countries in question are already members of the European Union (Bulgaria, Croatia, Romania and Slovenia), three of them are candidate countries (FYROM, Montenegro and Serbia), three of them are potential candidate countries (Albania, Bosnia and Herzegovina and Kosovo), while Moldova is still taken in the status of „other states”.

In West Balkan was mark the next indicators:

- Economic contribution about 9% GVA per year (UNESCO classification);
- Employment share abut 5,66%;
- Labour force (till 34 years old);
- 90% small companies with 5 - 10 employed;
- High educated people 45 - 55% of total employment;
- „Creativization index” - intensity of „creativization” of economy [5].

The analysis continues with the description of the situation of the creative industries in Bulgaria and Romania.

Table 3: Country profile of Bulgaria, value in millions US$

Indicators	**Creative Industries Trade Performance**					
	2003			**2012**		
	Exports	**Imports**	**Balance**	**Exports**	**Imports**	**Balance**
All Creative Industries	274.67	441.42	-166.75	401.79	632.06	-230.27
All Creative Goods	171.46	252.07	-80.61	358.80	531.64	-172.85
All Creative Services	103.22	189.35	-86.14	43.00	100.41	-57.42

Source: United Nations Conference on Trade and Development, Creative Economy Outlook and Country Profiles: Trends in international trade in creative industries, 2015.

As shown in Table 3, Creative industries exports of goods and services reached $401 million in 2012. Imports exceed exports reaching $632 million, generating a trade deficit of $230 million. This result can also be seen in Chart 3.

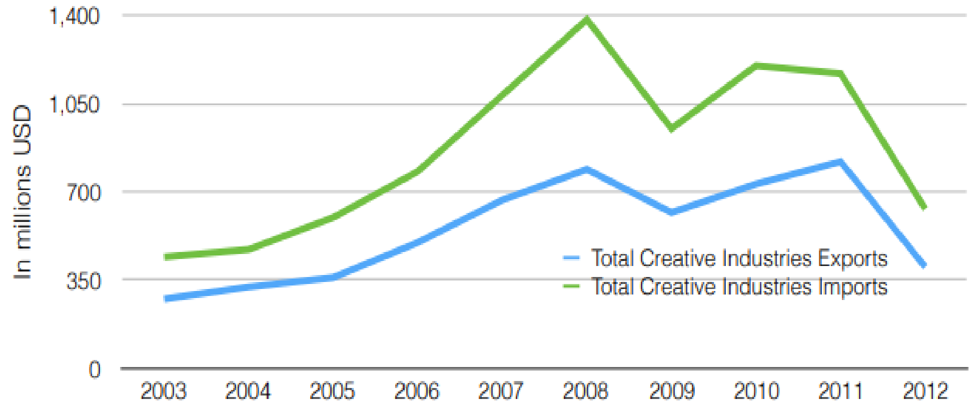

Chart 3. Bulgaria: Creative Industry Trade Performance, 2003-2012

Source: United Nations Conference on Trade and Development, Creative Economy Outlook and Country Profiles: Trends in international trade in creative industries, 2015.

The design industry, particularly, interior and fashion design have been showing positive growth and has been receiving international recognition in design competitions. Further, the Bulgarian fashion industry is also a leading sector of creative industries (see in Chart 4).

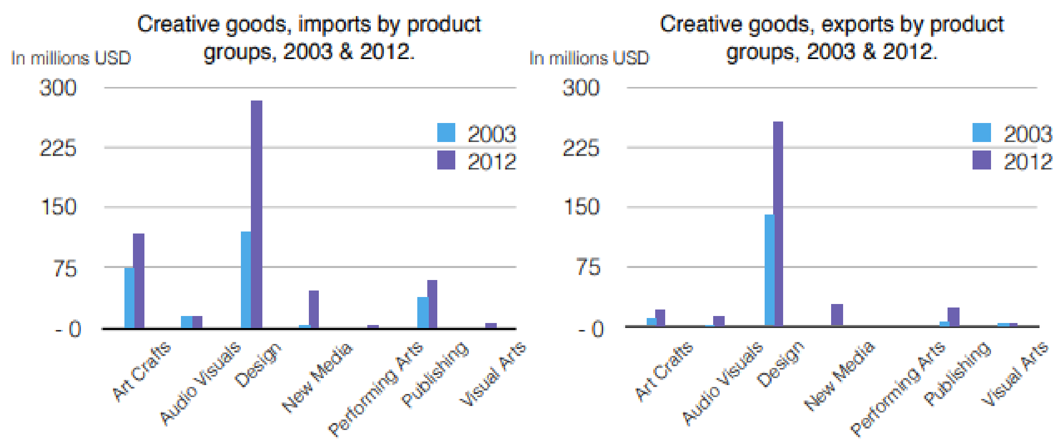

Chart 4. Creative goods, imports and export by product groups, Bulgaria, 2003 & 2012.

Source: United Nations Conference on Trade and Development, Creative Economy Outlook and Country Profiles: Trends in international trade in creative industries, 2015.

According to the Observatory of Economy of Culture, Bulgaria's movie industry is among the highest growing sector in Europe.

Table 4:Country profile of Romania, value in millions US$

Indicators	Creative Industries Trade Performance					
	2003			2012		
	Exports	Imports	Balance	Exports	Imports	Balance
All Creative Industries	1,337.54	1,210.24	127.30	1,399.16	1,947.90	-548.74
All Creative Goods	954.12	780.44	173.67	1,302.36	1,258.82	43.54
All Creative Services	383.43	429.80	-46.37	96.81	689.08	-592.27

Source: United Nations Conference on Trade and Development, Creative Economy Outlook and Country Profiles: Trends in international trade in creative industries, 2015.

Romania's creative industries imports increased from $1,210.2 million in 2003 to $1,947.9 million in 2012. Exports increased by only $62 million resulting in a negative trade balance of $548.7 million. This result can also be seen in Chart 5.

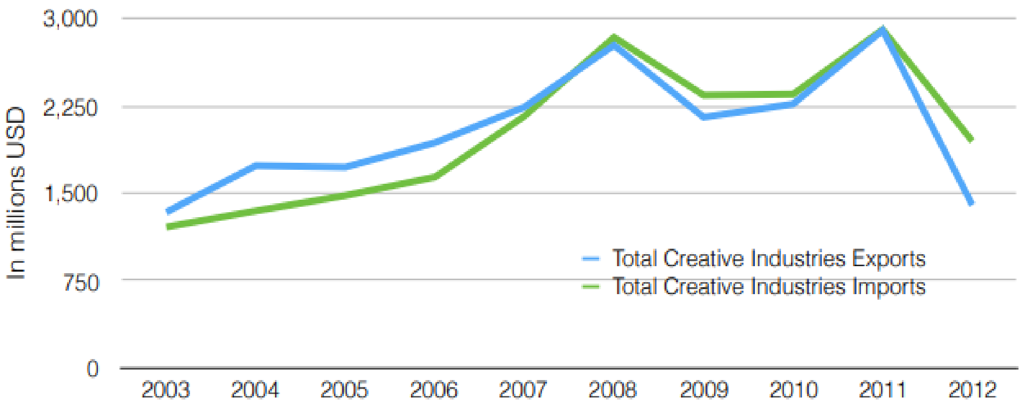

Chart 5. Romania: Creative Industry Trade Performance, 2003-2012

Source: United Nations Conference on Trade and Development, Creative Economy Outlook and Country Profiles: Trends in international trade in creative industries, 2015.

Design, art crafts, publishing and new media are the creative goods products with a better performance in 2012 (see in Chart 6).

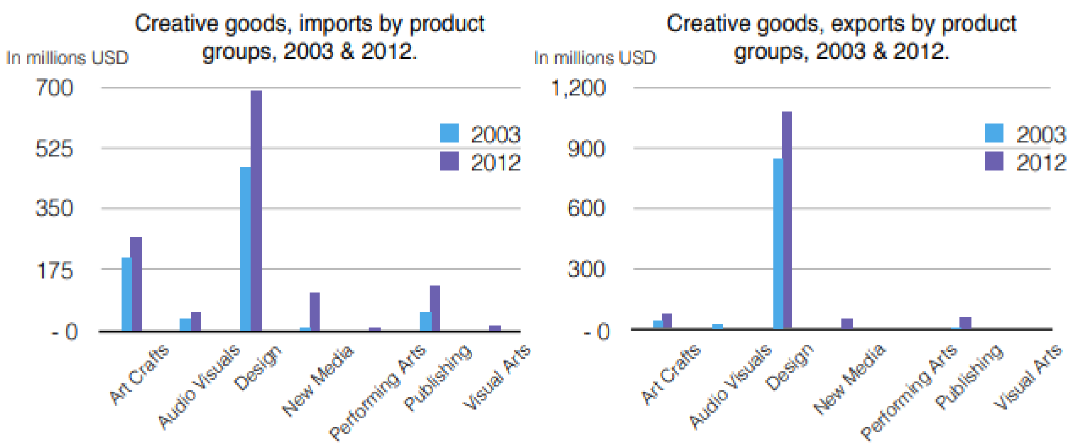

Chart 6. Creative goods, imports and export by product groups, Romania, 2003 & 2012.

Source: United Nations Conference on Trade and Development, Creative Economy Outlook and Country Profiles: Trends in international trade in creative industries, 2015.

CONCLUSIONS

1. The creative economy has become a powerful transformative force in the world today. Its potential for development is vast and waiting to be unlocked. It is one of the most rapidly growing sectors of the world economy, not just in terms of income generation but also for job creation and export earnings.
2. Unlocking the potential of the creative economy involves promoting the overall creativity of societies, affirming the distinctive identity of the places where it flourishes and clusters, improving the quality of life where it exists, enhancing local image and prestige and strengthening the resources for imagining diverse new futures. In other words, the creative economy is the fount, metaphorically speaking, of a new "economy of creativity", whose benefits goes far beyond the economic realm alone.
3. In Europe, but also globally, many studies have been prepared in order to 'measure the impact' or 'map the contribution' of cultural and creative industries, either on the national, regional or local levels. However, in contrast to the body of literature that documents strategies for regeneration adopted throughout Europe, there has been limited comprehensive analysis of this area of cultural policies (as well as of other public policies) in selected countries of Southeastern Europe (SEE).

4. Southeastern Europe is a rather differentiated whole, with many diversities across the region, but what can be viewed from this macro level in-view into the situation is that the conditions for a further enhancement of the local cultural and creative industries are still not well developed. Local markets are mainly unorganized and are not connected, and the networking of cultural and creative programs is minimal. Cultural and other public policies in this field are almost nonexistent; the models for development imported from outside of the region are present but are not attuned to the local situation.
5. In West Balkan, economic contribution of Creative Industries was about 9% GVA per year (UNESCO classification), employment share was about 5,66%; was record 90% small companies with 5 - 10 employed;
6. Creative industries exports of goods and services reached $401 million in 2012. Imports exceed exports reaching $632 million, generating a trade deficit of $230 million. The design industry, particularly, interior and fashion design have been showing positive growth and has been receiving international recognition in design competitions. Further, the Bulgarian fashion industry is also a leading sector of creative industries. According to the Observatory of Economy of Culture, Bulgaria's movie industry is among the highest growing sector in Europe.
7. Romania's creative industries imports increased from $1,210.2 million in 2003 to $1,947.9 million in 2012. Exports increased by only $62 million resulting in a negative trade balance of $548.7 million. Design, art crafts, publishing and new media are the creative goods products with a better performance in 2012.

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