european cultural foundation

The position of cultural workers in creative industries

The south-eastern European perspective

by Jaka Primorac

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Foreword

The Cultural Policy Research Award (CPRA) is a joint venture of the European Cultural Foundation (ECF) in Amsterdam and the Riksbankens Jubileumsfond in Stockholm. Launched in 2004, it aims to support and promote young cultural policy researchers, to strengthen cultural policy research as an academic discipline, and to contribute to a knowledge base of issues related to contemporary cultural policies and trends.

The CPRA encourages research that has an applied and comparative dimension in order to stimulate debate and inform cultural policymaking within a European perspective. Based on a European-wide competition, the CPRA jury (see Annexe) selects a cultural policy research proposal to be carried out by the award-winning candidate within one year. The selection is based on the curriculum vitae and already achieved research accomplishments of the candidate, as well as the relevance and quality of the submitted research proposal.

In 2005, the CPRA jury selected Ms Jaka Primorac, research fellow at the Institute for International Relations (IMO) in Zagreb and her project *The position of cultural workers in creative industries: the south-eastern European perspective*. She was awarded the prize at the annual assembly and conference of the European Foundation Centre, on 6 June 2005 in Budapest, Hungary.

The research project has been very challenging, both in terms of research analysis and in its methodology. Concepts and definitions of the creative industries are seldom consistent and the collecting and comparing data in the region in focus, south-eastern Europe, proved more cumbersome than expected. The exercise proved to be a tremendously rich experience, providing an early career researcher with the financial wherewithall to carry out an independent research project in the field of her interest.

In Jaka Primorac's words, *"This support has helped me a lot for the beginning of my research career, and I believe the Cultural Policy Research Award is very important for young researchers... Similar programmes in the field of humanities and social sciences are scarce, and that is why this initiative is even more important. I hope that the Cultural Policy Research Award will continue to support young people at a time in their career when help is mostly needed."*

We would like to thank the CPRA jury, chaired by Prof. Dr. Milena Dragicevic-Sesic of the Faculty of Drama Arts in Belgrade, for the intensive guidance and support it has provided throughout the CPRA cycle. We also thank the CPRA text-editor for working so thoroughly on the completed research document, and so closely with the award winner, providing her with an additional element of learning.

We wish Ms Jaka Primorac much success in her career of cultural policy research and hope that the research results will be useful to many other professionals in the field.

Isabelle Schwarz
Head of Cultural Policy Development, European Cultural Foundation

Preface

'It will take six months to reform the political systems,

six years to change the economic systems,

and sixty years to effect a revolution on the people's hearts and minds.'

Ralf Dahrendorf, 1990, in *Reflections on the revolution in Europe*

Globalization has triggered many changes. They demand that we redefine our understanding of culture. In south-eastern Europe (Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Montenegro, Moldova, Romania, Serbia and Former Yugoslav Republic of Macedonia [FYROM]) the symptoms of globalization have accompanied the process of transition and social transformation. Countries in the region have changed their political and economic systems from socialism to capitalism in the shadow of the 1991–1995 war in Croatia and in Bosnia and Herzegovina and its consequences.

The processes of democratic transformation opened up new opportunities as well as new problems for the region. The creative industries, by which I mean the publishing industry, film industry, multimedia and electronic publishing, design and advertising, architecture, and music industry, as well as the visual arts, were and still are a part of these processes, and within them we can see important aspects of social transformations, which are occurring faster than Dahrendorf predicted. People working in the creative industries sector were the first to sense these changes. Studies of the creative industries carried out in the last ten years at an international level neglected those people, known as – for want of a better term – 'cultural workers'. For that reason I have made them the subject of my research.

The research aims to analyze the specificities of the position and experiences of cultural workers in south-eastern Europe. (For a definition of cultural workers and creative industries see Glossary.) I believe that at a time when new member states of the European Union (EU) are becoming integrated into the Union, insights into the position of cultural workers in south-eastern European countries are an important contribution to the discussion of European cultural policies and European cultural cooperation. (To find out what is included in the research definition of south-eastern Europe, see Glossary). I also hope that this research will contribute to a better understanding of some of the issues surrounding cultural diversity that are pertinent for the development of comparative cultural policy, not only in south-eastern Europe, but also further afield.

The research was done primarily through interviews with cultural workers themselves, through data collection and desk research on cultural and other policy instruments in this domain. I have focussed on south-eastern Europe on the one hand because I come from Croatia, but on the other, because in some ways this is the most dynamic region in Europe right now.

Jaka Primorac
Research Fellow Institute for International Relations (IMO)

Introduction

The creative industries are a buzzword of the moment. They are one of the fastest growing industries, 'estimated to account for more than seven per cent of the world's gross domestic product and are projected to grow 10 per cent yearly on average' (UNCTAD, 2004: 23). Studies throughout the world, from Hong Kong through St Petersburg, Russia to Colombia, have identified creative industries as agents of regional development and urban regeneration and as boosters of national economies.

What, however, lies beneath the 'glossy' surface of the statistics about creative industries? What are the day-to-day preoccupations of people working in the sector? How different is the situation from sector to sector of creative industries? These are some of the questions that prompted this research.

Of course, what is special about the products of creative industries and distinguishes them from what other industries produce is that as well as having a monetary value they also possess value which cannot be priced – it is symbolic; this is what makes their social influence significant. This at once raises policy questions, such as
- Should the creative industries be supported because of their symbolic value or because of their economic value, or both?
- How much are they contributing to the homogenization of the cultural sphere, and how much are they contributing to cultural diversity?
- What models of support for creative industries are possible in a globalizing world?

These are some of the questions that usually occur when policy makers as well as academics discuss the creative industries agenda.

The research focus

South-eastern Europe[1] is a region undergoing rapid changes, which makes current development of its creative industries especially interesting. Within the definition south-eastern Europe I am including Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Moldova, Montenegro, Romania, Serbia and Former Yugoslav Republic of Macedonia - FYROM[2]. In just a little more than 15 years this region has experienced many alterations, caused by factors such as the change from socialism to capitalism, the war, the process of becoming part of the EU and the rapidly growing impact of globalization. All these changes had a large influence on culture and on the development of creativity in the region.

Creative industries were not only affected by these transformations; they were also influencing some of them. In this way, some of the new players such as small and medium-sized enterprises started to emerge rapidly in the cultural and creative sector, and private companies became sponsors of major cultural events. Nevertheless, the state funding is still the major resource of support for some creative industries.

What is happening in the creative industries highlights a change in the perception of culture – from a view of 'expenditure in culture' – culture as a cost – to a view of 'investment in culture' – culture as something that is worth investing in – that is starting to take root in south-eastern Europe both through the influences from outside the country and through

1   The author opted to call the region south-eastern Europe (SEE) as it is more appropriate in the light of EU integration processes and because 'it seems to represent a more open and more general option' as noted by Švob-Đokić (2001: 41). The term 'Balkans' is not being discounted – the terms are complementary.

2   The author tried to include all of the countries defined above as SEE in the interview part of the research; however it was not possible to undertake interviews in them all. The interviews covered Croatia, Montenegro, Romania and Serbia.

repositioning of the culture sector from the inside. The research aims to give an overview of the creative industries sector and to investigate the position and experiences of cultural workers in the creative industries, as a way of spotlighting key problems of the sector.

Research methods

The main tools of this research were semi-structured in-depth interviews[3] conducted with cultural workers. The interview questionnaire covered three groups of important questions:
- the relationship between cultural and public policies and the creative industries (key issues that should be dealt/changed within cultural or public policies, current situation, perception of legal instruments and its implementation, obstacles for the development of creative industries)[4]
- the relationship of the local and global markets for creative industries (obstacles in the market, global media/ creative companies and local sector, state vs. market, intellectual property issues), and
- the position of cultural workers in creative industries (defining creative industries, (self)-perception of the field, obstacles in everyday life and work, social recognition and status, educational and work background).

The analysis of these interviews is presented, together with findings of desk research. In sum they try to give an overview of cultural workers in creative industries in south-eastern Europe as well as identifying current trends among the region's creative industries.

Definitions

'Creative industries' encompasses here several fields of production of symbolic goods: book industry, film industry, multimedia and electronic publishing, design and advertising, architecture, and music industry[5]. I have included visual arts and photography in the research as some of these artists work in the above-mentioned fields. For a more detailed definition see Glossary.

By cultural workers I mean people involved in the field of creative industries on some of the following levels: primary cultural production/output, the distribution and interpretation of cultural and creative works, and cultural management. This differs from Yúdice's definition of cultural workers, which distinguishes between artists and cultural workers, where the labour of the latter is, 'patterned on the creative, innovative practices of the artist' (Yúdice 2003: 331). In my research cultural workers include not only artists, but also directors, producers and distributors of films, designers, visual artists, photographers, managers in creative marketing and advertising, directors of (and editors in) multimedia, music, book and electronic publishing houses, book and music distributors and producers, writers, singers, architects, and cultural managers[6].

3   An English version of the interview questionnaire is in Annexe 2.

4   More information on the research methods is in Annexe 1.

5   This is the definition that was given to interviewees if they were not familiar with the term 'creative industries'. It concentrated on cultural workers in private businesses rather than on people working for non-governmental organizations, academia or for public institutions, which are sometimes included in the definition of creative industries sector (See: Ratzenböck et al [2004]).

6   I would agree that 'whilst the hypothesis can be accepted that artists behave rationally in an economic sense, analysis of their labour supply decisions, and hence of their earnings, requires a somewhat more specific model than that used for other workers' (Throsby, 1992: 201), but the specificity of artists' work is not the focus here. All in all, I would agree that 'whatever model is used, the categorization of w orkers by industry brings together both creative and non-creative occupations' (Throsby, 2003: 177).

Cultural policies are here defined as recommendations for actions and decision-making undertaken by a certain entity (i.e. state, city or regional government, or even by civil society actions or business operations) towards the development of cultural activities and cultural life For more about the definition of cultural policies – see Glossary. In this research I concentrated mainly on government decisions and regulations concerning culture and creative industries, at the national and then at a local level within the countries in question[7]. Other deliberate actions concerning these fields (by civil society associations or business operations) were also reviewed where applicable.

Coming up

The first part of the report looks at the background of the creative industries in south-eastern Europe (SEE) that is still undergoing transition from socialism to capitalism.

Part 2 presents policy models for development of creative industries in SEE, with detailed examination of the fields included.

Part 3 offers an analysis of the most important factors for the development of the creative industries, with the special emphasis on the conditions of work of the cultural workers in creative industries in the regional context.

Finally, we come to conclusions and recommendations.

7   This interpretation is primarily influenced by the Council of Europe definition used for the National Cultural Policy reports (see: D'Angelo and Vespérini [1998]), and by McGuigan (2004).

Part 1

The context

of the creative industries

in south-eastern Europe

There has not been a great deal of research into creative industries in the SEE region, so not a great deal is known about them. But because of the rapid changes that are underway, especially in the context of enlargement of the EU, it is very important to find out what is happening in this area. In the last 15 years the region has seen a series of turbulent events and an overall sense of insecurity has accompanied this. The shifting of borders and regimes has resulted in the continuing task of redefinition and reassessment of the situation within countries as well as within the region as a whole.

The developments have not come without certain accompanying risks for the societies of the region and their citizens, such as

> '1 [t]he ethnic conflicts and the lack of state consolidation in the region with their consequences for regional stability; 2 the weakness and instability of the political regimes; 3 the deficits in the development of the civil society; and, last but not least, 4 mismanagement of the economic transformation, which on the one hand, starts at a level much lower than in Eastern and Central Europe and shows many elements of a developmental rather than a transformation process, and is, on the other hand, exceedingly misdirected by widespread corruption and criminalization.'
> (van Meurs 2001: 20)

The reasons underlying the difficult conditions for the cultural environment in the SEE region can be attributed to several factors. Dragićević-Šešić and Dragojević note these as: crisis in public policies and in the public sector; no communication flow between the three sectors (public/governmental, commercial and civil) which comes as a consequence of a poorly developed civil society and private sector; crisis in institutions and their social role; and crisis of participation in the local market (Dragićević-Šešić and Dragojević 2005: 28-29). One needs to stress that each of these crises has also had repercussions on the creative industries.

We are still in the process of transition, away from the previous regimes; but traces of the former political concepts can still influence what happens today. The process of dissolution of the political model of communism and socialism, seriously shook not only the SEE's political and economic spheres, but also produced problems in the cultural field of this region.

> *'Transitional societies are at best* mixed societies, *simultaneously undergoing modernization processes engendering both first and (to a significantly lesser extent) second modernity phenomena. What's more, even this extent of second modernity configuration can be said to be present only in selected locations, and certainly not universally across the region'.*[8]
> (Tomić-Koludrović and Petrić 2005**a** : 18)

The problems of transitional 'mixed societies', such as instability, high unemployment, non-functioning legal systems, corruption and so on are still issues that are very much with us. In the light of the (for some) awaited EU accession most of these issues are under rapid development and in this context, the transitional societies of SEE as still undergoing system changes. The self-management system of 1970s and 1980s Yugoslavia was a special case, the changes started before the break-up of that country, as is evident in cultural policy documents, for example in the 'Red book' from 1982 – that contains all the relevant cultural policy documents for Croatia from the 1980s:

> 'Contemporary capitalism has strongly developed industry of consciousness (or industry of culture) as one element of a reproduction of civil society itself. Thus, culture has become an area of production of relative excess value. Socialism cannot take over the market on this logic, but it inherits the market. One could say that in this sense culture in our society is still determined not only by the influence of the state and the access of state-owned monopoly, but also by the market law.'
> (Zavod za kulturu Hrvatske, 1982: 25)[9]

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8   I have to note that selected locations mean larger cities of the region.

9   'Ono pogotovu u suvremenom kapitalizmu snažno razvilo industriju svijesti ili industriju kulture kao jedan elemenat reprodukcije samog građanskog društva. Kultura je također postala poprište proizvodnje relativnog viška vrijednosti. Socijalizam ne može preuzeti tržište na toj logici, ali ono tržište nasljeđuje. Moglo bi se reći da je u tom smislu kultura u našem društvu još uvijek determinirana ne samo utjecajem države i preostalom snagom državnovlasničkog monopola, već i djelovanjem tržišnih zakonitosti' 'Crvena knjiga' (1982: 24-25).

In other countries of the region, the orthodox state view was that culture was to be used as a tool for education and enlightenment of a 'new (socialist/communist) man'; it was 'not just matter of the state – it was owned by it'[10].

The 'value of culture' question and also the question of 'high' and 'low' culture is debated everywhere but it is an especially acute issue in the SEE region due to its historical background[11]. Creative and cultural industries as terms are viewed there as something of lesser value, not to be mentioned in the context of cultural policies on the national or city level, and therefore not to be the object of it For more about cultural industries – see Glossary. The situation may be somewhat similar to what O'Connor describes in Russia:

> 'In St Petersburg, "cultural industries" was an imported neologism profoundly disruptive of local understandings of "culture", and indeed, "industry". It represented a shift in policy terrain and caused bemusement and confusion; but it also represented a more visceral shift in the (self-) understanding of Russian culture and identity that often provoked defensives and hostility'.
> (O'Connor 2005: 45)

In the SEE region, notwithstanding the label 'industry', creative industries include sectors that are not 'industrial' in their type of production. They are more small-scale in the SEE region: 'Cultural diversification still prevails on the local level, not because it is less exposed to global influences, but because the type of cultural production remains artistic and artisan, which is particularly evident on the local, domestic level.' (Švob-Đokić 2002:126). This also comes from the fact that these are countries with small markets, with a target audience whose purchasing power is limited and whose language may be confined to its borders, and which also restricts the development of the creative industries. One should also mention here that cultural cooperation in the region is still rather low, and has just started to occur, but this could also be limited to the ex-Yu region, which is a special case in itself. On the other hand, because some sectors of creative industries at least are very much engaged in using new technologies, they have found models for development across and outside SEE.

In European centres such as Vienna, London, and Manchester, creative industries are being promoted by policy makers as a tool for regeneration and development. In south-eastern Europe this is not the case[12]. There are several examples that show how government as well as private investment in culture and cultural infrastructure is increasingly being neglected. In order to see some of these developments in detail let us take a look at what are the relations between the state, the market and the creative industries in south-eastern Europe.

10   As noted in Romania Cultural Policy Report - 2005, http://www.culturalpolicies.net/down/romania.pdf (accessed: 20.11.2005)

11   As Ràsky notes: '… even before 1989 there were striking differences among the 'real socialist' states, both as far as their conception of culture or openness was concerned, as well as in relation to the respective cultural administrating system' (Ràsky 1997: 21).

12   The most active promotion of creative industries' concept comes from British cultural policy experts.

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Part 2

Policy models

for development of creative industries

in south-eastern Europe

'I think there should be a certain balance between these financial activities of the state and of the market because I do not think that it is good to turn culture totally towards the market and to apply the market model as in other sectors. On the other hand, I think that the cultural sector is too much oriented towards state subsidies. What should be done is that everybody have a right to a subsidy but [has to give] a specific reason why some subsidy [should be] granted and what is to be achieved with it.'

Manager of a creative marketing house, Zagreb, Croatia

It is difficult to analyze creative industries in the SEE (south-eastern Europe) region, for a number of reasons. First, the concept is rather new and is still not well understood. Second, there is not much statistical material[13]. In SEE countries statistics of creative industries – PR, design, creative marketing, and so on – are not recognized as a special field – they are usually put into the category of 'other industries'. In Bulgaria, for instance, individuals working in the cultural sector are included in the employment data of both 'Culture and Information' and `Leisure and Sports'[14]. Moreover, it is problematic to evaluate the production of this sector, and consequently it is difficult to evaluate its impact on national economy.

The creative industries have an important social significance and in that way they influence cultural changes in local production and consumption. What needs to be highlighted, however, is that it is precisely by looking at the creative industries that we can most easily see the processes of cultural transition at work. We are speaking about changes on three levels – the functional, the level of transformation of values and the symbolic level; the changes on all levels are occurring simultaneously and are still ongoing (Cvjetičanin and Katunarić 1999).

The sector of creative industries has brought about the most changes on the functional level, such as non-hierarchical exchange of information and products, organizations that function on project-to-project basis, changes in the relationship between work and leisure, and so on, which cannot be said for (public) cultural institutions. Nonetheless, the changes on the symbolic level have occurred, and there is a shift in the perception of culture by cultural workers. It is not longer seen as 'a burden on the budget, … the symbolic décor of political power, etc' (Cvjetičanin and Katunarić 1999: 241). Culture is identified more and more through production in creative industries, and less as an instrument of 'enlightenment', which was the role that it tended to be allocated in the context of a planned economy. Here we have to be really careful: we are not advocating instrumentalization of culture (use of culture for either politic or economic purposes) and its commercialization, but asking that SEE policymakers and politicians recognize and acknowledge the importance of creative industries for the local economy and for cultural life in general. We need a different approach to cultural management, and a perception that investing, with either public or private funding, in creative industries is worthwhile as important points of regional cultural production[15]. Different aspects of cultural production need different types of financing and the change in culture and creative industries has already taken place. Some analysts stress that we have to approach the problems of cultural policies in an intersectoral way (Dragojević and Dragićević-Šešić 2005) that is, linking up with other sectors such as economic policy sector, or urban planning. This approach will be one of the things that I also advocate.

In the countries of SEE state aid has been till recently rather important to the development of creative industries and local cultural production; they have relied on it and its goals have set the pace. The domination of the market leads to situations in which cultural policies do not stay on goals they are announcing, but are influenced, whether they like it or not, by economic interests and priorities.

When we analyze cultural policies in south-eastern Europe we see two approaches to creative industries. First there are countries where creative industries do not exist as a special field in national or local cultural policies, but which have laws and regulations in other fields that are categorized in this research as creative or cultural industries – these are Albania, Croatia, Moldova, and Montenegro. Then there is another group of countries that have already defined cultural/creative

13   A lack of cultural statistics is not only an SEE region problem. It applies on a European level, as well as globally, as the study Economy of culture in Europe shows (KEA European Affairs: 2006). Nevertheless, the problem in SEE region is especially acute although harmonization with Eurostat (the statistical office of the European Communities that provides comparable and harmonized data) is on the way.

14   Cultural Policy Country Report Bulgaria 2005, http://www.culturalpolicies.net/down/bulgaria.pdf (accessed: 22.11.2005)

15   It is important to remember that sponsorships from private companies in culture are rather new – for example Law on Sponsorships and Donations was enacted in 1999 in Romania; Law on Sponsorship (2003) in Albania; etc. (See country reports for Romania and Albania - http://www.culturalpolicies.net, Compendium, 2007).

industries as a special sector in national cultural policies (or have made changes in that direction), such as Serbia (Working group for cultural industries), and Romania (highlighted in the National Plan for Cultural Sector 2007-2013). Almost all the countries receive international help for projects in this sector[16], and the influence of United Kingdom should be especially emphasised.

Promoting the concept of creative industries

The United Kingdom has played a large part in promoting the concept of creative industries, as it spread its creative industries initiative into the region through its UK South East European (UK SEE) Creative Industries Strand during 2005-2006. This venture aimed to spotlight the importance of the creative industries for the development of cities. So far cities that have been included in this project are Iaşi, Romania; Plovdiv, Bulgaria; Podgorica, Montenegro; Priština, (Kosovo), Belgrade, Serbia; Split, Croatia; and Tuzla, in Bosnia and Herzegovina[17]. These initiatives should not be disregarded as they provided some preliminary data on creative industries in south-eastern Europe and these projects have raised questions of applicability of this concept to the region. Local problems and specificities need to be taken into account before trying to implement direct solutions from other countries. Tomić-Koludrović and Petrić, for example analysed the appropriateness of Kulturstadt – 'city of culture', which is primarily linked to the social-democratic notion of a city rich with cultural life accessible to all citizens and the 'creative city' model in the south-eastern European context. They argue for countries in the SEE region to adopt a model that combines both of these approaches and adjusts them to the local situation (Tomić-Koludrović and Petrić 2005b). For more about the creative city concept – see Glossary.

The idea of a `creative city' and creative industries is sometimes perceived as a panacea for all problems, such as urban revitalization through cultural participation while putting these principles into practice needs a more complex approach, which combines approaches from several fields (for instance, urban planning as well as economic and cultural policy). Landry's recommendations to Shkodra and Pogradec, Albania and to Bosnia and Herzegovina, for example, need to be rethought more thoroughly in the light of local conditions and of possible missing links in the concept (Landry, 2006 and 2002). This brings to mind Tomić-Koludrović and Petrić's[18] comment when analyzing Richard Florida's 3Ts, (tolerance and technology and talent), preconditions for what Florida defines as the 'creative class' (mainly knowledge workers whom he sees as the driving force of post-industrial society). Tomić-Koludrović and Petrić noted how two out of three Ts (tolerance and technology) are 'missing' in full in the south-eastern European region (Tomić-Koludrović and Petrić (2005b: 135). Therefore, creative industries and a 'creative class' need more time and investment to develop.

But what is the situation of these industries in relation to the state and the market in south-eastern Europe? In general, when analyzing the policy models for the development of creative industries, two perspectives dominate; first, creative industries in the sphere of public funding and influence and secondly, creative industries in the market.

Let us now take a more thorough look at these two perspectives and explore which creative industries fall under which of these models for creative industries development.

16   Projects by OSI (Open Society Institute), USAID (The United States Agency for International Development), MATRA Programme for social transformation funded by the Ministry of Foreign Affairs of the Netherlands, British Council, Chartamede Foundation, PRO Helvetia etc.

17   Some of the teams have already published mapping reports such as 'Creative Iaşi', published by British Council Romania (2006), (available at: http://www.industriicreative.ro/download/ghidul_industriilor_creative.pdf); Jovičić, S. and H.Mikić (2006) 'Kreativne industrije u Srbiji', British Council Serbia and Montenegro; Ljumović, J. (2005) 'Start-up Creative Podgorica', and a short Plovdiv mapping study, British Council Bulgaria.

18   United States urban theorist, Richard Florida, developed the 3Ts as part of his influential work on the rise of the 'creative class' as one of the key drivers for urban regeneration (Florida 2003).

Public funding and influence

In SEE region those creative industries that are primarily in the domain of state funding and for whom sector-specific cultural policies are constructed are: the film industry, book industry, music industry, visual arts and photography. I have included workers from visual arts and photography in the research because they take part in the work of creative industries as individuals.

There are two main reasons why these industries are mainly in the domain of public financing. Their sectors are very fragmented (due to bad distribution systems, piracy, lack of purchasing power), and they have only small markets with small-scale production, limited by language barriers. (For a definition of piracy see Glossary.)

The book industry

'From the other side there exists this 'simulacrum of the market' which is like a 'stuffed animal'. It is there, but it does not have either meat or bones. It is filled from a very strong public budget, and there is this caste of editors and authors who live off this budget and who are every day more and more removed from their audience.'
Director of agency for book information, Zagreb, Croatia

The book industry always had a special place in the region – a culture of reading was valued in all the countries, and literature was also a place of revolt and change. In the past the whole system was centralized; the state produced and distributed books[19], so that when the markets opened up after the socialist systems dissolved, it was the first time that it became possible for just anyone to decide to publish a book. The old distribution systems collapsed[20] and new publishers and titles proliferated, the number of published copies per title dwindled. After this initial frenzy of book publishing, things settled down and only serious business-minded publishers survived[21].

State subsidies for book publishing and state-funded acquisitions for public libraries continue; they still have a major influence on cultural policy for literature. The private distribution chains are under-developed and cultural policy decision-makers misunderstand the whole book industry process and take very little action. In almost all countries (except Albania and Moldova) direct public funding for book publishers is still available[22].

People whom I interviewed emphasised that they often encountered a general misunderstanding of the problems of the book industry. They found that politicians and policymakers fail to take into account all the processes that are part of the book industry. From these processes (production, distribution, sale and consumption) only the production of books was considered important as far as policies about books were concerned (that is, subsidies for the production of books). There was also some awareness about the need for policies about buying books, that is about acquisition for public libraries. One problem that has been rather neglected in cultural policies is the problem of the infrastructure of the book market; the distribution and sale in particular – bookstores were treated in the same way as any other store, whereas they would need financial encouragement for starting up as they, in a way, represent small cultural centres.

19   There were three state-owned publishing houses in Albania, and 27 in Romania around 1989, with the biggest The Royal Foundations Publishing House.

20   For example, when the Office for Book Distribution in Romania folded it caused a heavy blow to the publishing industry. State-owned SOFKNIGA in Bulgaria had a wide distribution network that was too big for an easy takeover.

21   Those who were involved in other activities and who published a book per year failed commercially.

22   http://www.culturalpolicies.net/web/comparisons-legislation.php?aid=33&cid=45&lid=en (accessed: 03.04.2007)

Publishing a book is easy – new technologies mean that anyone can do it – thus, the quality of editions has diminished, and likewise the rule of the editor has disappeared[23]. However, what to do next, once a book is in print, is the real problem.

The issue of fixed book prices is a 'chicken and egg' debate, as respondents note: whether the market should be organized so as to apply the fixed book price or whether the fixed book price could be applied only to organized market. Since fixed book prices have only just been introduced in Serbia and just recently in Croatia it is too early to assess the situation. One of the problems that has emerged is so-called 'phantom books', or books produced only to be acquired by public libraries. The publisher prints only the number of books that it knows will be acquired by the libraries, and consequently these books never make it to the marketplace, they never reach a wider public. The dependence of the book industry on the state is not good for anyone; the state should be a regulator/corrector but not the only player in the book industry.

Piracy, such as photocopying of textbooks has diminished, although it is still present. Nevertheless, it is not advisable to take piracy infringements to trial as the legislation on piracy is not put into practice. The newspaper companies' enterprise, 'book with newspapers', disrupted the fragile book industry in some countries of the region[24]. What happened was that cheap books were distributed through large chain of newspaper stands and publicized for free in newspapers that published them. This was a blow to unregulated book markets of SEE with bad distribution chains and high book prices due to small circulation numbers. Successful publishers that are not entirely dependent on the state subsidies, operate as in a normal market, looking to maximize their sales. Hence they 'cherish commercial programs such as practical manuals like gardening, cookery books, psychological help, and Anglo-Saxon fiction known as best-sellers' (Breznik 2005: 48). State subsidies are certainly needed, especially for the non-commercial endeavours, but it makes no sense for subsidies to be boosting the profits of commercial editions[25].

The current VAT (Value Added Tax) for books differs: in Albania, Croatia, Moldova it is zero-rated;, in Montenegro it is 3.5 per cent; in Former Yugoslav Republic of Macedonia - FYROM it is 5 per cent; in Romania it is 7 per cent; in Serbia 8 per cent; in Bosnia and Herzegovina it is 17 per cent; and in Bulgaria, 20 per cent[26]. Interviewees noted that the aim should be for books not to be subject to VAT, and for this rating to be maintained after accession to the EU. Whether this can be achieved will depend upon the various countries' negotiating power in the integration process, but it also depends on the lobbying power of the book industry within its respective states. How much power the industry has as a whole is rather debatable since professional associations are not united.

The respondents whom I interviewed noted that the writers, publishers and editors continue to enjoy a respected status within their countries, although the book has lost its place at the top of the media ladder in the last few years. They observed that coverage of cultural events disappeared from the media in general and they connect this with the processes of its commercialization. What is needed is an independent critique, places for this critique in the media, places for creative workshops, for the public, for book clubs, readers' clubs, all the elements which make for a healthy

23   This is, of course, not only characteristic for the SEE region; as Bertrand notes in her review of François Rouet's Le livre: Mutations d'une industrie culturelle; La Documentation française, Paris, 2000: there are more 'editions without editors', and it is not that there are less books, but there are more titles that look the same (Bertrand 2001). This is a negative side-effect of the digitalization of publishing process.

24   The Spanish group Mediaset was the trigger of the phenomenon – it cooperated with newspaper houses in Croatia, Montenegro, Serbia by the end of 2004. The coalition of publishers in the respective countries protested that this 'business enterprise' was illegal, but no changes occurred.

25   'The government assesses the efficiency of libraries by the number of borrowings they achieve. As a consequence, libraries have been stimulated to put into circulation as many books as possible no matter what quality they are. It is in the interest of the librarian to buy books of easy genres that would be borrowed as many times as possible. In this way the government stimulated the commercialization of reading in public libraries' (Breznik 2005: 54).
26   http://www.culturalpolicies.net/web/comparisons-legislation.php?aid=33&cid=45&lid=en (accessed: 03.04.2007)

book market. People were very concerned that the organizations of the industry are fragmented, which only weakens their power to negotiate or lobby. This should be changed – the book industry has room for growth, and foundations for this growth should be made. The professional organizations in the industry should work together to solve problems and then lobby the appropriate ministry. The book industry should be treated as a whole, taking into account its value for society as a whole.

The film industry

'We have to have a strong production to do this, we have to have the law for such a production, and at the end of it all, we have never thought about distribution. That is, the key of cultural industries is who has the key to distribution – the one who makes it possible that products come to the consumers'.
Film producer 1, Zagreb, Croatia

'What does a Bosnian do when he wants to see a good movie? He makes one!'
Bosnian joke

The film industry in SEE has a long history – former state-owned companies have created important titles, as well as co-productions. With the end of communism and socialism production and distribution companies collapsed and only some parts of them have been saved [27]. New companies emerged, and the foreign companies (looking for cheap labour and nice scenery) have invested in the region.

Distribution has become a serious issue, because 'with the disappearance of state cinematography chains and "cultural centres" there was a drastic cutback in the number of cinemas, and this accounted for the lack of respectable distribution channels for film production (either domestic or foreign) within the countries, as well as abroad' (Primorac 2004: 67). The emergence of multiplexes, DVDs, and cable TV, has resulted in even more cinemas being closed[28].

Since film production is highly dependent on primarily state subsidy the chief structural problems surrounding the film industry manifest themselves mainly as the problem of funding. New models are in the making – a large number of films are now made as co-productions, mostly with regional and Eurimages partners[29]. (For more about Eurimages, see Glossary.) This is more evident with every passing year at the Sarajevo Film Festival[30], which conceptually is concentrated on the region, and is the biggest festival of this kind in this part of Europe.

27   For example in Albania the state-owned film studio, 'Shqipteria e re'/ 'New Albania' was divided into three firms, while the Alba Film Distribution went bankrupt. The question of Boyana film studios (Bulgaria), former state-owned is still a hot issue regarding privatization bidding by Nu Image, USA. The privatisation of Jadran film Croatia, former so-called 'Balkan Hollywood/Cinecittá', was mismanaged so that today the company is far from its glory. Buftea studios from 1998 are now owned by MediaPro studios – and are oriented more to TV production.

28   For example, in Albania in the period 1991-2000 the number of cinemas dropped from 65 to 25 cinemas. Between 1999-2006 Bulgaria the number of cinemas dropped from 191 to 66 (National Statistical Institute of Bulgaria (2007)). In the same period in Romania the number of cinemas and film installations for feature films dropped from 595 to 152 (National Institute of Statistics, 2005). One positive example is that in Serbia in the last couple of years the number started to grow (2001-2004) from 149 to 152 cinemas (http://www.culturalpolicies.net/down/Serbia.pdf)

29   Eurimages is Council of Europe's fund for cinematography (see Glossary). Bulgaria was the first SEE country to become member of Eurimages on 1 January 1993, then Romania followed on 29 May 1998, Croatia on 1 January 2003, FYROM on 1 May 2003, Bosnia and Herzegovina and Serbia joined on 1 January 2005. Albania, Moldova and Montenegro are still not members. (http://www.coe.int/t/dg/eurimages/default_en.asp 20 May 2007).

30   http://www.sff.ba

Attitudes of cultural workers (as well as the general public) towards the film industry in the region are gradually changing, and only recently with the introduction of foreign cooperation and investments did people begin to realize that film could bring profit.

These changes have already happened in some countries of SEE, but in some this is still a pertinent issue. The respondents I spoke to stressed that the system still needs to be reshuffled, and that they themselves need to lobby for better legislative tools so as to give more scope for producers to find resources from other (international) funds, and sponsors who should be treated as partners. As in the book industry, respondents stressed that the role of the state should be reduced, and that a creation of 'bodies that would be at 'arm's-length' from the ministry of culture, such as a film fund/film centre, are necessary (see Glossary for more on arm's length bodies). Each country needs to find a specific solution for itself and not merely copy the existing models (for example, a mistake made in Romania in the past, which copied the French system)[31].

The distribution of domestic films should be stimulated since the current situation creates situations in which films are produced for their own sake, with producers giving little thought to audiences and what they might like to see. Until now, the cultural policies have been focussed too much on domestic production, while neglecting distribution and presentation – these parts of the film industry should be taken into account as well. One has to take care of film culture as a whole, taking into account the need for special venues that show film classics, and 'other', non-Hollywood cinema, keeping in use some traditional cinemas, and so on.

When considering other public policies that would be helpful, respondents called for a system of loans for film production and buying equipment. This would help domestic companies to provide film services for foreign companies, as well as cooperation with other countries (especially regional co-productions), other companies, and so on. Better training would also boost the industry, interviewees believed. People in the industry need practical education, not only for the film crew but also in management and production skills.

The position of cultural workers is very insecure as the core funding for their films comes from the state and in irregular instalments. This irregular cash flow creates a peculiar instability which makes some production firms diversify their activities – they produce commercials, run festivals, become event managers, all activities that may have a better chance of attracting sponsorship. Of course, their counterparts in the 'West' experience similar financial insecurity, but it is a new experience in the region and the alternative ways of bringing in cash are also a novelty.

The music industry

'Therefore, what occurred was a total breakdown, ie, it is not profitable to invest in recording (it is profitable if you are investing in one, two, maximum three products), which in its essence is OK for the country of four million people. Objectively speaking, no more than three or four performers can exist.'
Music producer, Split, Croatia

The music industry has suffered a lot during the 1990s, when piracy in the region devastated production, as well as the distribution systems.

'When looking at domestic production in the recording industry, one notices that it is a situation of small-scale production in the local record industries – the same as in the movie industry sector. Questions concerning the work of domestic

31   In some countries of the region such arm's-length bodies already exist, and they manage most of the issues regarding film industry independently from state (although one part of the funding still comes from the public budget). Such centres are: National Centre for Cinema in Romania, National Film Centre in Bulgaria, while Albania has National Film Centre. Macedonian Film Fund will start in 2008 (Law on Film Fund has passed in May 2006), there is a Film Centre of Serbia while Moldova, Bosnia and Herzegovina, and Montenegro do not have such bodies, while in Croatia it has just been established in September 2007.

music artists have also been raised in cultural policies as the problem has occurred of domination by world media corporations in the area of SEE.' (Primorac, 2004: 70)

We have included music industry in this group of industries under public influence, because in some of the countries of the region there are policies towards music (subsidies for classical and folk music mainly) which are intended to support and safeguard cultural and national identity.

Under the socialist and communist regimes the music industry was quite developed. Governments emphasised high-quality music as an important factor in the creation of the 'new socialist/communist man', and emphasized the dangers of western popular music[32]. In my interviews cultural workers from the music industry noted that now, in the countries of SEE, even less people than before can make a living from this kind of work, that only the big stars can live comfortably from music, and that others are merely coping or getting by. They observed that the markets are too small, and only people targeting broader markets can make a decent living. Some of them think that one should concentrate on the promotion of a few stars, rather than have too many bad examples. In this sense the SEE music industry shares many of the precarious conditions as its western counterparts, but what respondents note as different is that the conditions of work (concerts, gigs, and technical help) are very bad, and the only thing that is somehow functioning is the recording studios. The management, promotion and distribution of recorded music is catastrophic – this is the field that needs dedicated people.

Piracy damaged heavily the sector in the 1990s, and is still taking its toll, but with the development of new technologies it is not such a flourishing business, as now anybody can download or copy a song or a film. Piracy is no longer perceived as a major problem. As a music producer from Split, Croatia, put it, it 'did its deed, destroyed the industry, and showed how it should be done'. Some musicians propose that alternative copyright collecting agencies should be created to take on this issue. What interviewees felt that the music industry needs in this region is education for suitable cultural managers, adequate spaces for concerts and for practice, as well as lowering CD prices. They also noted the rising commercialization of the music industry[33]. Respondents also wanted the legislation which covers copyright collecting societies/agencies to be put into practice in such a way that the process of copyright collecting is clear for everyone[34]. The advancement of these industries needs linking up to, for example, urban policy, economic policy and cultural policy, as well as sustainable planning of development of these industries. Policymakers should be aware of these issues.

In the marketplace

Creative industries that do not receive any kind of support from the state are design, architecture and advertising. They are neglected in public policies. The advancement of these industries needs linking up of i.e. urban policy, economic policy and cultural policy, as well as sustainable planning of development of these industries. Policymakers should be aware of these issues.

32   Yugoslavia was the exception: there, western music was more widely spread, and the self-management system of companies, such as Jugoton and Suzy, worked in semi-market conditions and published western music editions as well. There was a 'Commission for Kitsch' as well. The Commission was deciding which music products were 'kitsch' after which these were obliged to pay a tax.

33   Most of the respondents mentioned the lowering of quality of published music and the rise of 'turbo folk' (Croatia, Serbia, Bosnia and Herzegovina, and Montenegro), manele (Romania), and chalga (Bulgaria) type of music in the region, which they disapprove of.

34   Copyright collecting societies/agencies are bodies that are usually created by copyright law. They collect royalty payments from individuals and groups for copyright holders.

Design and advertising[35]

'It is not well recognized in society – people think it is nothing special – like, "look that kid is playing on the computer"…
or: "What, you want all this money for just clicking your mouse a few times???"'
Web designer in an advertising agency, Podgorica, Montenegro

Design and advertising are not new industries but they have been developing rapidly in SEE in the last couple of years.
New technologies as well as the arrival of investment by foreign companies has changed the perspectives drastically.
A whole new view of design and advertising has appeared through the world of PR, branding, the importance of being
present on the internet, and so on. This view of design and advertising is rather fresh to the region and is still not widely
accepted. Design and advertising are not usually covered by cultural policies, and they are not even associated with the
sphere of 'culture'; they are more often associated with the commercial world.

The respondents working in design and advertising outlined several key problems. Clients, in common with the general
public, do not understand how business processes in these sectors work. This stems from the fact, the respondents
stress, that the people in marketing departments in (potential) clients' companies do not appreciate the value of a
good design and a well-designed and executed promotional campaign. The designers and advertising people are not
recognized as equal partners.

There is also a widespread lack of knowledge about intellectual property and authors' rights. (For more about intellectual
property rights and authors' rights see Glossary.)As the legal system does not function properly in the SEE region,
cultural workers have to find their own ways of protecting their creative rights, with various models of self-protection that
we shall look at later.

One could categorize companies into three types
  * large – usually branches of foreign companies, but there are also some local ones becoming 'big' players
  * middle-sized local
  * non-professional.

Regional branches of the global companies are taking over the big contracts, which is logical since they are globally
connected with the big companies, and they are large enough to work on these assignments. The second group
consists of smaller local design and advertising studios that are trying to compete with the unfair competition of the non-
professional agencies, set up by people who are usually self-taught. Thus, this third group of agencies charge lower
prices for their services, but due to the fact that the clients are uninformed about what professional design or advertising
is, they are prospering. As the system on the whole is not functioning, for small private-owned businesses it is quite
difficult to survive.

Workers in design and advertising are struggling to educate clients about relevant topics, irregular payments, and
infringement of intellectual property rights. Those people to whom I spoke felt that better legislation would help them;
currently the laws are hard to put into action as the legal system is slow. Cultural workers see the answers to their
difficulties in the introduction of education and general awareness of intellectual property rights, authors' rights, the
importance of design and branding for a successful company.

Respondents noted that throughout the last 15 years graphic as well as product and web design has been thought about
as something that belongs to the world of commerce and the marketplace. The role it might play in cultural policy has
been ignored. If the work by SEE designers was succeeded in international market, then it was mentioned in cultural
(and other) policy reports, otherwise it was ignored. Policymakers should recognize the potential of design for the
(cultural) development of a specific country. Respondents noted there was a pressing need for design centres to be set
up as 'arm's-length bodies', which would link governmental bodies, such as ministries of culture and entrepreneurship,

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35   The design field I have researched was limited to the fields of graphic, web and multimedia design. I have put
these two categories (design and advertising) together as they were closely linked in fields I researched.

together with private bodies, such as furniture companies, design studios, and so on. Respondents stressed that one should also work on improving the training of future workers in design and advertising, as the level of professional education in this field is really low. This is where other public policies such as education policy and economic policy need to be changed.

Architecture

'Regulations in architecture should provide incentive and not only punitive ...'
Architect 2, Bucharest, Romania

The architectural sector in the region has a distinctive tradition, especially in the context of a tradition of very strict urban planning under the communist and socialist regimes. Before the 90s the market for private housing projects was rather small, and the biggest projects were state-funded ones. Recently private investment in real-estate has opened up a new market and the architectural sector underwent a boom, there was suddenly an increase of building investment, taking place in highly unregulated conditions. This caused development of some important projects, but also transformed and in some cases brought about the disappearance of public space[36]. Architecture has only been included in cultural policies so far as it was connected to tackling the cultural heritage. Its regulation came through other public policies, such as regional planning and environmental policy.

Cultural workers in architecture face problems similar to those facing people in design and advertising. The 'quality of clients is bad'[37], they sometimes do not see the importance or the role of the architect in their real-estate development. Respondents felt there was a need for clients to be better informed about the importance of the role of the architect for the overall quality of people's lives, and for people to understand the need to create and retain community space. The problem is that in some countries the state has no money for investments in public building and therefore it cannot influence architecture in this way. In other countries governments have created an opportunity for younger generations to make their first projects[38].

Respondents said that architects should be more involved in discussions on the issues surrounding the transformations of public space in the SEE, and regulations should enable change to come about. For this to happen the profession needs to acquire a higher profile, the value of professional associations' contributions to debates on public space needs to be recognized, and their opinions need to be included in the development of public policy, as well as in community life. I would note that architects' professional education should take account of the changes prompted by new technologies, and have a less elitist approach than traditionally it has had.

36   Recently built real estate complexes have, for example, failed to take account the needs of the citizens living in the nearby area, especially the need for parks, green areas, children's playgrounds, and so on. The issues of political instability that led to particular economic and social changes in the cities of the region have been tackled in the Croatian 2006 Venice Biennale of architecture project 'Između sustava' - 'In between the systems', **and in** Romanian 2006 Biennale project 'Remix!'.

37   Architect 2, Bucharest, Romania.

38   Examples of this type include 'Program društveno poticane stanogradnje' (POS: Program of subsidized housing scheme project) in Croatia. This gave a generation of young Croatian architects the chance to develop their ideas, and consequently their firms and practices.

Multimedia and electronic publishing

'I would educate marketing departments in big companies, if I could. When I go to a company to sign a contract, the first thing I have to do is make contacts with marketing department people who don't know anything about the Internet other than Yahoo or Google.'
General manager of a media agency, Bucharest, Romania

Multimedia and electronic publishing is rather new to the region and it is difficult to assess how extensively it has taken root as the statistical indicators are still not registering such businesses. Also, their influence and business are not confined to national borders – usually most of these businesses are oriented towards an international rather than just a national market.

As these types of businesses are among the most newly-established, most of the problems come from people's lack of understanding of what they do. People are not familiar with the new technologies, nor about intellectual property rights and author's rights. Respondents emphasized to me that people in marketing departments in (potential) clients' or sponsor companies know little about the potential of the new technologies, what they represent today and what could be done with them.

Respondents stressed that there is a lack of awareness about new technologies and that professional education in new media is lacking. Also, respondents note that it is difficult to find co-workers educated in new software tools, as there is no specific education in this field and that is why some of the cultural workers look abroad for partners with which to cooperate on multimedia projects based on new media tools. At present local markets are just too small.
Public policies regarding this sector are minimal[39], as the sector is rather new and not strictly defined, and the infrastructure, the distribution system, is inadequate.

In my opinion, the creation of institutions at arm's length from the government in this field would be beneficial for the overall development of the field, as these could develop programmes of education in new media, and help educate the general public about the potential of information and communications technology in general. Such institutions could offer specialist courses on information, and communications technology should also be developed, along with further investment in small and medium enterprises. This more flexible position of an independent body would be more suitable for the field of rapidly changing technologies.

39   The respondents stressed the positive effects of the 'Razum' project for the small and medium enterprises working with new technologies, Ministry of Science and Technology, Croatia, 2001.

How cultural workers see the development of creative industries

Cultural workers are making choices about the framework in which they choose to see their future development, that of the field in which they operate and that of creative industries as a whole. The different perspectives that they express illustrate the transitional nature of the societies in which they live. Some people adopt a *commercial* perspectiv*e*; others take what one might call a *reformist* approach. The third option is to take a *globalist* perspective.

Commercial perspective

'This is an industry that is just developing (…) there are various strategies for developing the sector (seminars, courses, market research etc.) and I am very optimistic that this sector will develop further.'
Advertising agency planning director, Belgrade, Serbia

Some cultural workers want to see a radical change in the system of financing culture and creative industries. They believe that all remnants of the former state-centred system should disappear, and the market should be allowed to shape the future.

Reformist approach

'I am very satisfied with the status of a "self-employed artist". I think that in this way I can make some great things, and I hope that it will stay this way. I think that the artist's standard of living would fall if the model [of support for self-employed artists] was destroyed. In this way you at least don't have to think about the pension days – it is in a way secured. I am satisfied and I think it is a great thing. It would be even better if there were some more grants schemes, like abroad.'
Visual artist, Zagreb, Croatia

Some cultural workers, such as this artist, claim that a certain number of changes should be made but that some good features of the former system that are still in operation should remain, such as social security for artists, and subsidies, but with firmer and clearer criteria in public tenders. They want to see 'arm's-length bodies' created for different strands of the creative industries, such as film, design, book or multimedia; these would enable these fields to be managed more efficiently.

Globalist approach

'We became recognized by a marketing campaign for Google, for example, or advertising: we worked with TV, radio, flyer, freight companies. Our name is out there. But our projects are not based only in Romania, we also work in Switzerland, in Japan, Algeria, Belgium, United States.'
General manager of a media agency, Bucharest, Romania

Cultural workers with a globalist perspective are oriented towards the global market, and do not see themselves confined to national borders. They usually come from the companies that are oriented towards development through new technologies and whose products have a wider market reach (they do not depend on translation, for example.)

These three approaches bring to mind some of the models of operation of culture proposed by Dragojević and Dragićević-Šešić who note three different approaches to cultural policy operation – cultural diffusionism, cultural functionalism and cultural mercantilism (Dragojević and Dragićević-Šešić 2005: 24). The commercial and *globalist* approach we can classify under *cultural mercantilism* type that puts cultural consumerism in the focus of cultural policy operation, while the second, *reformist,* can be classified under *cultural functionalism* type that puts cultural life at the centre.

It is my view that a reformist approach is needed in south-eastern Europe, adjusted specifically to the situation in each country (and if necessary to regions within those countries). Legislation, such as it is, is not enforced, bureaucracy slows

everyone down and this prevents markets in the region as a whole from functioning properly. In addition, their small markets limit them for further growth. The next section will highlight other factors that are influencing the development of creative industries in the region.

Part 3

Factors affecting the development

of creative industries

The interviews highlighted several factors that need to be examined more closely to see how they are having an impact on the way in which creative industries are developing in south-eastern Europe. These factors include new technologies, decentralization of creative industries (production and distribution), and their position in the global and local market. This chapter also looks at the conditions of work in creative industries in relation to these factors.

Information and communications technology (ICT) and intellectual property rights (IPR)

'From the New Year [2006] *the authors' rights law will come into force and, believe me, I will be very strict about it. In these ten years, daily and monthly newspapers have published so many photographs of mine, which were never even attributed. I haven't received a dime. This photograph that you see there, that is the first time this photograph was attributed, and it must have been published in newspapers around 50 times.'*
Photographer, Podgorica, Montenegro

New information and communications technologies are still not widely used in the SEE region, but it is changing rapidly. One sign of the pace of change is in the statistics on internet use as shown in Table 1. The last column – user growth – tells its own story.

Table 1 The growth of internet use in Europe* and in south-eastern Europe

		Population (2006 est.)	Internet users, latest data	% Population (penetration of service)	User growth (2000-2006)
1	Europe*	810,000,000	315,000,000	39.0%	200%
2	Albania	3,087,159	188,000	6.1%	7,420%
3	Bosnia and Herzegovina	4,672,165	806,400	17.3%	11,420%
4	Moldova	3,727,246	550,000	14.8%	2,100%
5	Serbia	10,087,181	1,517,000	14.2%	280%
6	Bulgaria	7,673,215	2,200,000	28.5%	412%
7	Croatia	4,468,760	1,472,400	32.9%	636%
8	Macedonia	2,056,894	392,671	19.1%	1,209%
9	Montenegro	665,734	117,000	14.8%	2,100%
10	Romania	21,154,226	4,940,000	23.4%	518%

The Table is based on the data provided by the Inter World Stats (http://www.internetworldstats.com/) 6 April 2007.
*Figures for 'Europe' include all 52 countries of Europe.

Intellectual property rights and the offence of piracy are both deeply connected to the use of new technologies. In this context one could mention the data on IT software piracy as noted in the Business Software Alliance (BSA) study for the year 2006. Percentages of IT software piracy infringement were as follows
Croatia 57 per cent,
Romania 72 per cent,
Macedonia 70 per cent,
Bosnia and Herzegovina 69 per cent,
Albania 76 per cent
Serbia (and Montenegro) 81 per cent[40].

40   http://w3.bsa.org/croatia//upload/bsacroatia25july2006.pdf (25.01.2007).

In other sectors, such as music and film, the piracy situation is similar. Respondents were very concerned about the lack of respect for intellectual property rights in their home countries. Sometimes, they noted, the concept itself is not even understood[41]. For example, in Albania protection of copyright was introduced in 1993, and in 1994 Albania signed the Berne Convention, an international convention for the protection of literary and artistic works. The absence of copyright under the communist state resulted in some unusual cases: for example, the best known and most translated Albanian writer abroad is Ismail Kadaré, but the ceding of rights to his works was handled by the state with no provision for the payment of royalties to the author[42] .

The infringement of IPR is thus rather high, although this has been changing in a positive way in the last few years, respondents note. In this context where the IPR and authors' rights are not high on the list of public priorities, it was interesting to find out whether cultural workers knew about or used alternative models of intellectual property contracts. Unfortunately, most of the cultural workers were not aware of Creative Commons (CC) licences or other similar licences[43].The promotion of these types of licences is important as they offer alternative types of exchange and production of creative work. For more about Creative Commons – see Glossary.

If the use of information and communication technology continues to grow in the region at the same rate as it has been doing recently, and adequate education, training and increased awareness accompanies that growth, so that IPR becomes respected and alternative licences are used, this will help create conditions in which creative industries can flourish.

Decentralization

Creative industries are city-centred. There have been many studies done demonstrating their impact on cities. There has also been much research on the importance of specific preconditions for the development of creative industries (such as Florida's influential 3Ts – tolerance, technology and talent, [Florida 2003]), and for growth of the cities. These issues were important for the cultural workers whom I interviewed, as many cities in the SEE region have been transformed in the last few years. Rapid economic growth has been concentrated mainly in capital cities, which has resulted in the uneven development that is only now starting to develop towards decentralization.

There are two levels of centralization in process as far as culture and creative industries are concerned. Historically state funding has been centralized in the region. And now private investment, in companies of all kinds, is drawn to the capital cities of the region. Not only are the creative industries businesses concentrated in the capitals of the region, but so is the cultural infrastructure, such as cinemas, theatres, concert halls, clubs, and so on.

Reversing this trend is a pressing issue for all cultural policies in the region. The question is – what type of decentralization? Are local bodies prepared to carry out the roles that would be required of them? And for some ministries the question would be 'why?' – as Mucica stresses: 'public money spending/allocation is both an extremely important tool for shaping policies and implementing strategies, as well as being a very efficient instrument of administrative and

41   Similarly, some of these issues were highlighted in connection to the copyright law in Romania, as Ram (1999: 14)]noted, 'Implementation problems stem from limited staff, limited knowledge of the law, and unfamiliarity with the type of rights it protects. Not only are police, prosecutors, lawyers, judges, and custom officers "absolutely unfamiliar with copyright issues", according to the President of a copyright collecting society, but a prosecutor often does not continue with a penal case because they believe copyright infringement "has no social danger" ' (Ram 1999:14).

42   As noted in: Albania Cultural Policy Country Report 2005 downloaded from: http://www.culturalpolicies.net/ down/albania.pdf (accessed on 21.05.2006.)

43   This might come as no surprise as CC licences for most of the countries have not been used very much. That is, the completed and developed licensees for the jurisdictions of Bulgaria and Croatia are completed. For Romania the work on licence is in progress, while for Macedonia the licence will be ready in June 2007, and for Serbia in Autumn 2007.

political control' (Mucica 2005: 1). In this context, what is important in the region is that groups that are organized around grass-roots cultural initiatives – usually it is NGOs that are the strongest advocators, as well as actors, of decentralization – that are willing to make decentralization happen. Groups of this kind also foster regional cultural cooperation and offer the strongest critique of established cultural institutions.

It was important to find out how cultural workers experience cities that they work in, and how their urban surroundings contribute to the development of creative industries. This should be interesting in the context of the 'creative city', Kulturstadt, and the now widespread view that cultural regeneration brings about urban development. Moves towards decentralization are still minimal, and additional changes at state level need to be made, such as providing a framework for investment outside capital cities, and investment in cooperation projects between various cities (inside the country as well as outside).

In the interviews cultural workers drew attention to issues such as these. They also expressed other related concerns. Some mentioned that it was more difficult to work in the smaller cities – the markets are smaller and they are a long way from the centres of power and thus businesses. Finally some mentioned quality of life, which they saw as not necessarily better in capital cities.

Developments such as these have an impact on the conditions in which the cultural sector operates and on the perspectives of those within it[44]. Capital cities still have the leading role in the countries of the region and are the major influence on creative industries. Following the prospective and current state (cultural) decentralization policies, other cities should work on policies to encourage for creative industries – by providing better business infrastructure and quality of lifestyle to attract cultural workers.

Global and local production

'Material exchanges localize, political exchanges internationalize, symbolical exchanges globalize.'
(Waters 1995)

People often question whether there really is a market for cultural products in the region. Do the 'small' languages and small markets simply face barriers that are too hard for them to overcome in deregulated SEE countries? Some countries, such as those of the former Yugoslavia, see the opening of the common market as an opportunity, and many successful collaborations and cross-border projects have taken place, such as film collaborations[45].

In SEE one can notice the establishment of foreign creative industries as a big business. Foreign, largely American, film distribution is just one example[46]. In book publishing also, although local book production is on the increase, one notices that most book translations are of Anglo-American origin[47]. Global media, creative marketing, designer and PR agencies that entered the region with capital (connected mainly to the telecommunication agencies) have taken a substantial part of the market, but there is not enough information to assess how big this influence really is.

44   As Mucica also notes, 'At the same time, cultural private entities appeared, at once diversifying the supply of cultural goods and services, competing with the established public institutions for audiences and claiming their right to equal access to public financial resources devoted to supporting cultural programmes and projects and to facilitating public participation' (Mucica 2005:1-2).

45   One film of this kind was Karaula directed by Rajko Grlić in 2006. It was a regional co-production between all the countries of ex-Yugoslavia and also included Hungary, United Kingdom, Austria and the help of Eurimages.

46   Of course, the US film industry was present in the region before, but not with this intensity.

47   As the research of Book Information System Croatia notes, 'For over a year no domestic title was able to hold its own at the top of the list. Translation titles are dominating, we look like just another former colony of Great Britain' (www.knjiga.hr - News section on: 16.11.2005).

There is some data: 'Almost 95 per cent of the foreign movies originate from the USA, whereas the number of movies from European and other countries is significantly low'[48]. Also, public television channels are trying to compete with same tools as commercial television channels, creating reality and entertainment shows[49]. As a result they are, in my view, commercializing public television and thus, homogenizing the media sphere. Thus, local creative industries are struggling to find their place in the local market, and to position themselves towards regional, European and global markets.

How much can 'opening of the market' help the cultural sector and not diminish the positive effects of other cultural policies already in place? Breznik stresses, 'We can thus conclude that the two goals of cultural policies – first, the elimination of the 'hostile' attitude towards culture through a policy of 'democratization', and second, the liberalization of culture by means of the 'cultural industry' that is supposed to be the 'backbone of all cultural events' – are hypocritical at best because they work towards producing conflicting effects' (Breznik 2004: 52). Both processes are done in the name of 'democratization' of countries in question, but one should take a look at whether it makes sense to create cultural policies that foster commercialization and homogenization of the cultural sphere while at the same time trying to promote cultural pluralism and cultural diversity.

The data on audio-visual industries' (as a part of creative industries) turnover of the 50 leading companies worldwide, (European Audiovisual Observatory, 2005) shows that in 2004 most of the income of audio-visual companies went to companies from the United States (48.65 per cent); companies based in Europe earned 29.34 per cent; Japanese companies received 14.84 per cent and the rest is covered by all the other national companies. The key creative industries are conglomerates, most of which are based in the USA. The book industry has similar patterns.

What is of interest here is that the globalized EU audio-visual formats, the second largest by income in the world, are the same ones that policies for the development of the local EU creative industries are fighting against. It is an example, on the European level, of the paradox noted above by Breznik. On the one hand EU policies are encouraging EU audio-visual industries to become stronger globally and on the other hand there are EU policies which aim to promote local small-scale creative industries in the form of small and medium sized enterprises by offering them some protection from these same globalized industries[50].

The question of small markets and the language issue is a problem in other countries in Europe, but they, unlike the SEE region, have markets that are more or less regulated. What could help small-scale production in the deregulated market of south-eastern Europe? Co-productions and regional cooperation might be part of the answer.

The structures of the markets may also play a part. In my interviews cultural workers noted that foreign companies have a significant influence in all the creative fields in the region, partly through ownership, but mostly through content. In some fields, barriers such as slow bureaucracy and an inefficient legal system still exist for foreign investors and make it hard for them to invest in creative industries.

Some respondents hope that the UNESCO *Convention on the protection and promotion of the diversity of cultural expressions* might encourage some improvements in the rise of local cultural production, in the name of cultural diversity

48   Cultural Policy report for Macedonia – 2005, available on Compendium website http://www.culturalpolicies.net/down/macedonia.pdf (accessed on 30.05.2006).

49   For example, there were debates in Croatia when public television launched a talent show Coca Cola Music Stars at the same time that the commercial televisions launched theirs, Croatian Idol (RTL), and Story SuperNova (Nova TV). Most of these shows are on air in the same time slot.

50   This was stressed in the recommendations by the study on 'The Economy of Culture in Europe' KEA European Affairs (2006) , and was also mentioned in 'Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Region on a European Agenda for Culture in a Globalizing World',European Commission (2007).

(UNESCO 2005). (For more about the Convention, see Glossary.) Others noted that it should be at government level that policies encouraging the development of domestic small businesses are made. Such support is especially important before a country enters the EU; once in the EU its underdeveloped local creative industries companies could just perish in the face of competition.

Conditions of work

'I consider myself to be a freelance cultural manager, but my family considers me to be unemployed.'
Participant at the Creative City Seminar, Dubrovnik, 2006[51]

The trend towards the blurring of the strict boundaries between leisure and work is especially evident in the cultural sector and the creative economy (Castells 1996). This change of the nature of work and its advantages and disadvantages needs to be researched further. Other authors note that one can talk of self-exploitation in the new cultural economy – of young, highly educated workers who are giving themselves to what is, actually, a 'lottery economy'[52], a 'winner takes all economy' in which those who emerge as stars actors take all, and the rest remain in an insecure 'labour-intensive workplace' that is most fit for young people (McRobbie 2002). How far might this be applicable in the SEE context, where the market is still not regulated and the creative industries are in their perhaps precarious initial stage with uncertain development paths ahead?

Cultural workers in south-eastern Europe are entering this unregulated market with little prior knowledge about the obstacles that they may encounter. In my opinion, the experiences of other countries that have more developed creative industries sector should also be drawn on and adapted, to help avoid the pitfalls.
Artists (visual arts and photography) occasionally work in the creative industries and that is why we included them in the research. We have examined the models that currently exist for their support. In some of the countries of south-eastern Europe (excluding Albania, Moldova and Romania) there are even social security laws to help self-employed artists[53] (see Table 2).

51   The postgraduate seminar was organized by Institute for International Relations (IMO) at Inter-University Centre (IUC) from 8-15 May 2006, in partnership with European Cultural Foundation (ECF), and with the help of British Council Croatia, Ministry of Science Education and Sports, and City of Dubrovnik. More on http://www.culturelink.org/conf/cultid08/index.html

52   The expression, 'lottery economy' in McRobbie's work can be traced all the way back to Adam Smith, as Towse notes: 'Unsurprisingly this leads to two related phenomena (which Adam Smith observed in the legal profession of his day – 'the lottery of the law', as he called it in the Wealth of Nations Book 1) – very low rewards to the majority of those who work in these industries and very high rewards to the few, whom we nowadays call superstars' (Towse 2002:12).

53   Visual arts and photography are fields that are usually defined as purely artistic. They are, however, included in the research definition because a lot of cultural workers employed in them work either part-time or on a full-time basis in various sectors of creative industries. Therefore, the interest lies in the general condition of their (artistic) work as well as in their positioning on the market.

Table 2: Social security laws and measures in south-eastern Europe to support self-employed artists, Compendium 2007[54]

Country	Social security laws/ comprehensive public schemes	Tax measures		Unemployment assistance	Pension supplements
		Income tax deduction	Income averaging		
Albania	No law on self-employed artists	No	No	No	Yes
Bulgaria	*Ordinance on Social Security of Persons who Practice a Liberal Profession and of the Bulgarian Citizens Working Abroad (2000)*	Yes	Yes	Yes	Yes
Croatia	*Rights of Self-Employed Artists and Promotion of Cultural and Artistic Work (1996, amended 2000)*	Yes	No	No	Yes
Former Yugoslav Republic of Macedonia - FYROM	*Law on Culture (1998)*	Yes	Yes	No	Yes
Moldova	No law on self-employed artists	No	No	No	No
Romania	No law on self-employed artists	No	No	No	No
Serbia	*Laws on the Rights of Self-employed Artists (1993, amended 1998)*	Yes	No	No	Yes

The cultural workers in all creative industries very much appreciated the support that some of them had received under the old systems, (and some of them still receive) such as social security measures for self-employed artists, as they give them a certain kind of freedom in their work along with security. This is especially important for artists who are not working in the creative industries, as artistic markets are in a much worse condition than creative industries markets. This kind of support, if implemented in a way which is seen to be fair, can offer some shelter from the ups and downs of the open market.

54   Montenegro intends to update its law on Freelance Artist (from 1984, amended only 1985).

New ways of working

In transition states, countries of central, eastern and south-eastern Europe that are going through systemic changes (from different types of socialism to market economies and democracy), the changes in structure and modes of work are more and more evident. They are occurring under the influence of new technologies and processes of globalization, against a background of high regional unemployment. (The Glossary defines transition states in more detail.) The research asked cultural workers whether they were satisfied with their work, did they have to take on additional jobs to survive, and were they satisfied with the social status of their sector.

Workers in creative industries were experiencing what are sometimes called 'atypical forms of employment'[55]: flexible employment, part-time work, work on contract, voluntary work, and so on. A lot of cultural workers do several jobs (what we called 'additional work') which do not necessarily have any connection to the first job that they are doing within the creative industries. In south-eastern Europe the types of 'additional work' that cultural workers undertake is usually less connected to the main, creative industries job than is the case for their counterparts in the 'west'. Most respondents believed that holding more than one job is considered quite normal in creative industries. They had observed that for young people at the start of their careers especially, unpaid work and additional work is very common. Jobs are insecure and there is evidence in south-eastern Europe that cultural workers are working overtime either on multiple creative jobs or additional jobs in other spheres.

Setting up a private creative business is hard and takes time because of the small markets and many (usually) legal obstacles. If the situation were to become more stable (through a functioning legislative framework, stricter financial control of companies, regulated IPR), then people working in these small and medium companies would find it easier to work in a more relaxed manner (without multiple job holdings), and invest more in their work and company. Within research circles, the conditions of work in creative industries are much debated as research shows that, 'independent creative work is thus transitional in terms of lifecycle, with high levels of investment in the early years following the completion of education and training' (McRobbie, 2002: 2). The question is whether these high investments will ever pay off. On the positive side, what cultural workers usually stress is the sense of satisfaction that they receive from their jobs, and a sense of freedom. But this is where the discussion in creative industries research gets heated: there is a very high price to pay for this freedom – the precariousness and insecurity.

What also has to be emphasized is that cultural workers in south-eastern Europe are experiencing *double insecurity.* This is partly because the economies of the region are in a volatile state and partly because jobs in creative industries tend to be precarious. Some countries still provide cultural workers (mainly artists) with various social security benefits, which is especially important in a situation of such double insecurity. Another dimension of this insecurity is the widespread lack of respect for IPR, which makes cultural workers create their own ways of securing their work, as mentioned in the last chapter. All this makes new ways of work of cultural workers in SEE highly unstable.

55   The atypical forms of employment in creative industries are 'flexibility, mobility, project work, short-term contracts, part-time work, voluntary or very low-paid activities, employee-like, pseudo-self-employment/freelancing', according to the KEA European Affairs (2006).

Part 4

Conclusions

and recommendations

This report gave an overview of creative industries in south-eastern Europe with a special emphasis on the position of cultural workers. Because the countries in transition going through systemic changes from socialism to different types of capitalism, which is making their economies unstable, I have shown that the underlying characteristic of cultural workers is that of double insecurity – of precariousness of creative jobs as such, and on the other hand that of working in the transitional economy.

The creative industries in south-eastern Europe currently fall into two groups: those that rely on the help from public funding and others that are mainly market-oriented.

Those that depended historically on public funding – the film, book and music industries – remain somewhat closed in on themselves, hampered by small-scale production, language barriers, and above all undeveloped distribution systems. The more market-oriented creative industries, such as graphic design and web design, architecture, advertising, multimedia and electronic publishing are coping with the market and its rules and obstacles.

Cultural workers interviewed for this research see three trends in the development of south-eastern Europe's creative industries: commercial, reformist or globalist. Whatever their orientation may be, there are several key aspects that need to be taken into account while discussing the creative industries development. Foremost is the impact of the new technologies and the related question of intellectual property rights (IPR). This topic is new to the region where piracy still reigns throughout the creative industries. There needs to be much more emphasis on making people aware of the issues surrounding new technologies and IPR, while at the same time the new technologies should be more commonly used in the region.

The cultural and creative industry scene is also concentrated – first by its dependence on public funding (for one part of the industries), and on the other by being drawn to the region's capital cities. The impact of global (American and European) audio-visual and creative industries dominates the region. Some of the tools for protection of local industries need to be rethought as they might produce conflicting counter-effects.

Working in south-eastern Europe's creative industries, can be described as labour-intensive, with employees taking on multiple jobs in order to support themselves, but with personal satisfaction. The aforementioned double insecurity of cultural workers remains the mainframe of the analysis. The following policy recommendations have emerged:

For the professional organizations and cultural workers there needs to be:

- better communication between existing professional associations in all creative industries, to enhance joint working and give each industry stronger lobbying power
- where there are no professional organizations, they need to be set up
- advocacy for the copyright collecting societies/agencies to work in a way that people can understand and for them to be set up in places where as yet they do not exist
- better professional education in all creative industries
- pressure to preserve social and economic protection for self-employed artists or to create it
- education of cultural workers about intellectual property rights, as well as, Creative Commons or similar licences.

Public bodies – government departments, local municipalities, and so on – need to work towards:

- clearer evaluation and funding policies, at national and city level where applicable, for existing creative industries
- better legislation, especially on intellectual property rights
- setting up independent bodies at arm's length from government (such as film centres, book centres, design centres, or/and creative industries centres) at national, and if possible at local level
- introducing special credit facilities for companies in the creative industries
- supporting or setting up education opportunities for cultural managers and cultural producers about working in the new economic conditions
- investing in new technologies (ICT) for use by the broader public and public policies for their broader usage
- using taxation policies to encourage development of creative industries, such as tax incentives for anyone setting up their first company or for businesses dealing with new technologies.

Bearing in mind the differences between the various countries (two of the largest, for example, have already joined the European Union), it is clear that change is still very much under way. One cannot neglect the importance of creative industries, be it due to their symbolic value, or economic value The question of balancing these aspects of creative industries is one of the most difficult issues facing (European) cultural and public policies, that will have repercussions for the SEE region as well. Cultural workers and policymakers in the region have a difficult task to work out their problems and provide solutions that will support industries in SEE. I hope that this report will help them in this task.

Glossary

Acquis communautaire

The French term _acquis communautaire_ refers to the set of EU laws and policies.

Conditions of the EU for candidate countries wishing to become members include achieving a stable democracy, a competitive market economy, and the capacity to implement EU laws and policies (incorporating and implementing _acquis communautaire_). When countries negotiate to become members of the EU they adopt the EU's existing laws and must begin to put them into effect. At the time of the latest EU enlargement there were more than 80,000 pages of EU law, and this was divided into chapters to make negotiations easier.

Arm's length bodies

Arm's length bodies are independent institutions/organizations that are functioning on an arm's length principle. They make decisions independently from the government although they are partially dependent on government funding and may be a channel for government money to arts or professional groups. (The best example of such practice are arts councils, for example in the United Kingdom, Canada).

Article 151 (Article 128)

Article 151 in the Treaty of Amsterdam (formerly Article 128 in the Maastricht Treaty) defines those activities of European Union that are directed towards cooperation between the member states, about the need, support and complementing of their actions in: improving knowledge and popularization of the culture and history of European peoples; preserving and protecting cultural heritage of European importance, supporting noncommercial cultural exchange, and artistic and literary creation, including the audio-visual sector. In carrying out its goals, the EU strives to respect the national and regional cultural diversity of the member states, but puts their cultural heritage at the centre.

Authors' rights

Authors' rights are rights of creators of artistic, scientific and literary works that belongs to authors by the act of creation. An author is a person who has created original intellectual creation (author's work). Authors' rights give its holder and his/her heirs moral and material rights as well as other related rights. Further related authors' rights are linked to the system of legal protection of artistic expression, and protection of organizational, business and financial investment to performance, production, distribution and radio-diffusion of authors' works. Authors' rights can be achieved on an individual basis and through the system of collective rights. They have usually two components – moral right of the author, and economic rights in the work. Most often they subsist during lifetime of the author and 70 years after the author's death. The concept of authors' rights is connected to the French tradition (_droit d'auteur_), while in the Anglo-Saxon tradition the concept of _copyright_ prevailed. The key distinction between these two concepts lies in the difference that authors' right lays on the idea of personal rights of the author, while the rights of copyright are connected to the work as such.

Compendium

Compendium (full title: Compendium of cultural policies and trends in Europe – http://www.culturalpolicies.net) is an information and monitoring web-system of measures and instruments of cultural policies, debates, and cultural trends on a European level. Compendium is a joint project of the Council of Europe and the institute ERICarts (European Institute for Comparative Cultural Research – http://www.ericarts.org), and is prepared through the joint work of independent experts for cultural policies, non-governmental organisations and governments. The aim of this long-term project is to include all 48 countries that are cooperating in the context of European Convention on Culture.

Creative city

The creative city is a concept popularized by the book _The creative city: A toolkit for urban innovators_, by Charles Landry of COMEDIA, published in 2000. Landry argues for creative methods to revitalize cities, which put culture at the centre of

innovative methods of urban planning.

Creative Commons

Creative Commons is a non-profit organization, dedicated to spreading of alternative licences for the protection of creative work so that this work could be more available to a broader public for exchange and (remixing) under specific conditions set by the author (http://creativecommons.org/). As an organization Creative Commons has created several alternative copyright licences that are known as Creative Commons licences, which are based on four conditions: attribution (by); non-commercial (nc); no derivative works (nd) and sharealike (sa). Mixing of these four conditions creates 16 combinations, out of which 11 are valid CC licences.

Creative industries

The origin of the term 'creative industries', as the broader counterpart of the term **cultural industries**, can be found in Australia in the early 1990s[56], 'but was given much wider exposure by policymakers in the United Kingdom in the late 1990s, when the UK's Department for Culture, Media and Sport set up its Creative Industries Unit and Task Force', as a part of the 'Cool Britannia' New Labour Government agenda (UNCTAD, 2004: 4). Mercer notes that the concept of creative industries 'has begun to develop a wider-ranging and more conceptually useful purchase, especially in the English-speaking countries of Australia, Canada, the USA and the UK' (Mercer 2001:5). A much cited definition of creative industries defines them 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'[57]. Conceptually, one can see a switch from culture to creativity, and inclusion of those activities that lack an 'industrial' dimension; thus the industries include software production, PR, video games production, and so on. New technologies and digitalization are important for the development of this sector, and the rise of its influence, but it also opens other questions: such as the question of access, intellectual property rights, authors' rights and so on. Nowadays, the research done on creative industries is oriented more to pragmatic issues, such as analyzing the (mostly financial) potential of creative industries in relation to urban regeneration, (for example, for the city of Vienna: Ratzenböck et al. (2004). Critical review of the field is still rather dispersed[58].

Cultural industry/cultural industries

The term 'cultural industry' dates back to the 1940s when Adorno and Horkheimer first defined it as a critique of 'mass culture' and the standardization of all means of production, but above all the standardization of cultural production ([1993] 1944).

Extensive research in the field of cultural industries started with British and French authors – Miège (1987) and partners in the 1980s with their key works in the field of cultural production and cultural industries (in plural) for UNESCO [59]. The whole concept came to the fore in Britain during the time that Margaret Thatcher was Britain's Prime Minister: Myerscough published a report entitled *The economic importance of the arts in Britain* in 1988. In this context cultural industries were perceived as 'those activities which deal primarily in symbolic goods – goods whose primary economic value is derived from their cultural value' (O'Connor 1999)[60].

On a broader scale this triggered a wide discussion and research in the field of culture-led regeneration, connected

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56   See the document Creative Nation: Commonwealth Cultural Policy (Commonwealth Government,1994)
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57   More information on: http://www.culture.gov.uk/what_we_do/Creative_industries/

58   Critical insights into the concept of creative industries concept has been notably the work of the Institute of Network Cultures, Amsterdam, and EIPCP (European Institute for Progressive Cultural Policies).

59   The General Conference of UNESCO, at its 20th session, held in Paris in 1978, approved the implementation of a comparative research programme on cultural industries, and later approved the programme, budget etc. It should be noted that the Miège's involvement comes originally from his work for UNESCO.

60   For more on the development of the terminology see in: Flew (2002), Primorac (2005), O'Connor (1999), Segers and Huijgh (2005).

mostly to urban surroundings, as well as to local and regional development. Notwithstanding UNESCO's influence[61], the importance of the field of cultural industries on the European level was recognized in 1999 in the 'Essen Declaration: Ten Axioms for the Culture Industries in Europe' (see Glossary for more about the Essen Declaration).

One of the more influential definitions was given by Hesmondhalgh. He states that, '[t]he cultural industries have usually been thought of as those institutions (mainly profit-making companies, but also state organizations and non-profit organizations) which are most directly involved in the production of social meaning (…) they include: television, radio, cinema, newspaper, magazine and book publishing, the music recording and publishing industries, advertising and the performing arts' (Hesmondhalgh 2002: 11).

Cultural policy/cultural policies

Cultural policy/cultural policies are here defined as recommendations for actions and decision-making undertaken by a certain entity (i.e. state, city or regional government, or even by civil society actions or business operations) towards the development of cultural activities and cultural life. They are determined by certain values and principles of this entity. Cultural policy/policies can be determined directly, in an explicit way, by decisions and regulations of government or governing bodies, but also indirectly, through decision and regulations of bodies that do not have the field of culture in their jurisdiction, but are influencing it. In this respect the most important concept is that of policy transfer, which explains these processes. Usually a cultural policy is a public policy towards art and culture, that is brought about by authorized government departments (or agencies) on the national level, or (city) departments on local level. In some countries it is not determined on a government level (for example in the United States the National Endowment for the Arts is always taken as the main body for decisions about arts at a national level). Other institutions, foundations, NGOs and private bodies also influence cultural policies.

On European level cultural policy is not strictly defined – but with Article 151 of the Acquis communautaire the focus of interest of EU in this field was mentioned for the first time. The Council of Europe has done a lot in the field of cultural policies in Europe, primarily with its evaluation of national cultural policies, but also as one of the key actors in the establishment of **Compendium**, as the biggest European project on cultural policies.

On an international level the United Nations, body, UNESCO, is the most important specialized agency for intellectual and ethical questions in the field of education, science, culture and communication.

Cultural workers

Cultural workers are people involved in creative industries field on some of the following levels: primary cultural production, distribution and interpretation of cultural and creative works, and cultural management. This definition is based on joining of the creative and non-creative jobs (Throsby 2003). Some authors, such as Yúdice, differentiate between artists and cultural workers, due to the specific nature of artistic jobs (Yúdice 2003).

Culture 2000/Culture 2007

Culture 2000/Culture 2007 are framework programmes for European Commission funding in the domain of culture. Culture 2000 was active in the period of 2000–2006 with the budget of €236.5m, and it funded projects in all artistic and cultural fields, focusing on the projects from contemporary art and cultural heritage. It also gave support to translation works of contemporary European literature and human sciences.

Culture 2007, for 2007–2013, will focus on three goals: supporting the mobility of cultural workers, supporting mobility of cultural works, and supporting intercultural dialogue. All countries involved are obliged to have a Cultural Contact Point (CCP) that serves as a focal point of help for the execution of the Culture 2000 and thus Culture 2007 as well.

Essen Declaration

The *Essen Declaration: Ten axioms for the culture industries in Europe* was an outcome of the EU German Presidency

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61   UNESCO Universal Declaration on Cultural Diversity, UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions, 2005.

Conference: 'Culture Industries in Europe – A Comparison of Development Concepts', held in May 1999 in Essen, Germany. The axioms in this declaration are addressed to the different types of people involved in the cultural industries cycle, and can be summarized: cultural industries represent a distinct economic sector that needs a fitting context in Europe; they are future oriented; they can secure and create sustainable employment at regional level; they can help reinforce endogenous regional potential, they deploy Europe's historic heritage; they need an active culture and economic policy, support from urban development policy, and an integrated urban and regional policy.

Eurimages

Eurimages is the Council of Europe's fund for co-production, production, distribution and presentation of European cinematographic work. It was founded in 1988 and currently it has 32 member states. The aim of Eurimages is to promote the European film industry by supporting production and distribution of films and by encouraging cooperation among professionals.

Intellectual property rights (IPR)

There is a body of law about rights to `intellectual property', such as patents, copyright, trademarks, and so on. This umbrella term covers a group of specific legal rights that entitles authors, inventors and IP holders to hold and to exercise this right over period of time. Most frequently IP rights protect different forms of content, and in some cases some of these exclusive rights can overlap in content. It usually refers to creations of mind such as inventions, artistic works, names, symbols, design and such.

One of the strongest organizations for promotion and protection of the IP rights is World Organization for Intellectual Property (WIPO).

Authors such as Richard Stallman, Lawrence Lessig and others are suggesting other possibilities of protection of IP rights such as GNU public licence, **Creative Commons** licences, Open Source software – OSS (Lessig 2004; Stallman 1999).

Maastricht Treaty

In the Maastricht Treaty, a Treaty on European Union – signed in 1992, and coming into force 1993 culture was mentioned for the first time in an EU treaty. Article 128 of the Maastricht Treaty later became Article 151 of the Treaty of Amsterdam (see Article 151 – above).

Media

MEDIA is an EU programme of support for strengthening the competitiveness of European audio-visual sector. The first of the multiyear programmes started in 1991, while the new programme, MEDIA 2007, for 2007–2013, is the fourth such multiyear project. The priorities of MEDIA 2007 are: strengthening the European audio-visual sector, with an emphasis on respecting European cultural identity and heritage; increasing the flow of European audio-visual works within and outside the European Union, and strengthening the competitiveness of the European audio-visual sector by giving financial support to small and medium enterprises and to the usage of digital technologies. The budget for MEDIA 2007 for the period of 2007-2013 is €755m.

Outsourcing

This is the concept of transferring certain number of activities of an organization to outer suppliers of products and services with the aim of saving the organization's time and money.

Piracy

Piracy involves infringement of copyright by way of unauthorized copying, reproduction or unauthorized usage of selected authorized work – be it film, video, music, computer software, books and other authors' works. Piracy usually entails broader commercial distribution or selling of illegal copies of authors' works, but piracy also entails breaking intellectual property rights by private persons as well.

South-eastern Europe (SEE)

South-eastern Europe comprises: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Montenegro, Moldova, Romania, Serbia and Former Yugoslav Republic of Macedonia; sometimes Slovenia, Greece or/and Turkey are included. The region is sometimes referred to as the Western Balkans. The term SEE and the term 'Balkans' are complementary, but the term SEE is more appropriate against the background of integration into the EU. Also my definition coincides with that used in the 1999 south-eastern Europe Stability Pact, drawn up to assist the ending of the 1990s conflict in that region.

Transition states

The term transition states refers to the countries of central, eastern and south-eastern Europe that are going through systemic changes that include overall social transformation and democratization. They are leaving old models of development and are accepting (different models of) capitalism. 'Transition is a systemic change that implies social transformation. That is why an overall social transformation is an important but not sufficient prerequisite of transition. Other prerequisite for transition is successful international integration, that is, networking in joint exchange, communication and sub-region, regional and global connectivity' (Švob-Đokić, 2000: 9).

UNESCO *Convention on the protection and promotion of the diversity of cultural expressions*

This UNESCO Convention was approved by the General Conference at its 33rd session in October 2005. The main aims are to: reaffirm the sovereign right of states to draw up cultural policies; recognize the specific nature of cultural goods and services as vehicles of identity, values and meaning; and to strengthen international cooperation and solidarity with a view to favouring the cultural expressions of all countries, in particular those whose cultural goods and services suffer from lack of access to the means of creation, production and dissemination at the national and international level.

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http://www.uksee.net

REMARKS ON METHODOLOGY

After reviewing the preliminary selected literature and documentation on the issues of cultural policy, public policy and creative industries (CI), I have created an interview questionnaire that was used as the basis for semi-structured in-depth interviews[62]. Through the interview questionnaire I tried to cover three groups of questions important for this research. These categories are:

1) The position of cultural workers in creative industries (defining creative industries, (self)-perception of the field, history of involvement in CI, obstacles in everyday life and work, social recognition and status, educational and work background, Creative Commons and other initiatives),

2) The relationship between local and global market of creative industries (obstacles in the market, relationship toward global media/creative companies, and local sector, state vs. market, authors rights), and;

3) Cultural and public policies and creative industries (key issues that should be dealt/changed within cultural or public policies, current situation, perception of legal instruments and its implementation, obstacles for development of CI).

One has to add that interviewees were provided with the Research protocol (available in the Annex 2), before they were interviewed so as to be fully acquainted with their rights and the research and interview procedure. It should also be noted that I have used the questionnaire as the basis for the semi-structured interview, as it was necessary to ask questions in a different order for every interview because every interview has its own flow. As noted in the Research protocol, the interviews are anonymous: this is standard methodological procedure.

Subsequently, I have completed 27 interviews with 29 respondents (double interviews included) which were then transcribed. The interviews lasted around an hour each (in exceptional cases forty-five minutes until two hours). These are to be the final interviews for the research, undertaken done with cultural workers in five cities (Belgrade, Bucharest, Podgorica, Split, Zagreb) and four countries (Croatia, Montenegro, Romania, Serbia)[63]. The interviews were done during the months of October, November (Zagreb), December (Podgorica) of 2005, and March (Split), and May (Bucharest, Belgrade) of 2006. The list of the interviewees by their occupation and sector is available in the Annexe 4.

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62   As noted, English and Croatian versions of the interview questionnaire is available in the Annexe 2.

63   During the research Montenegro proclaimed its independence on the 6th of June 2006.

INTERVIEW QUESTIONNAIRE – CPRA 2005

1) Are you acquainted with the term creative industries? (if the interviewee is not familiar with the term, please give a brief definition)

2) Do you consider yourself to be a part of creative industries? If not, why?

3) Could you tell us more about your educational background?

4) How did you start to be on your work place? What is the definition of your occupation?

5) Can you live on income from your work? How much are you dependent on the state subsidies?

6) Do you have to do additional work so as to be able to do your (artistic, creative) work?

7) What is your opinion on these 'additional jobs'? (Do you consider them to be a part of your creative work?)

8) Do you think that this (practicing of additional jobs) is specific for the county that you come from?

9) Do you think that your activities have an adequate recognition in your society? (E.g. presence in the media, adequate social, material status, etc.)

10) Are you satisfied with the position of cultural workers in your country? (How do you see its general material and social conditions, status, etc?)

11) In your opinion, what are the major obstacles for the development of area of your work?

12) Do you think that cultural workers/artists are protected enough with the current legislature?

13) Do you think that some cultural workers/artists are privileged with the current legislature? (What do you think on the model of 'free artists' (if applicable)?

14) Do you think that the current models could be regulated differently? How?

15) Which instruments in the field of culture need to be changed so as to improve the situation in your work area? (e.g. question of cultural policy)

16) Which instruments in other areas need to be changed so as to improve the overall situation of your work area? (e.g. question of public policies)

17) What is the first thing that you would like to change in your work area?

18) What do you think of the implementation of legislature in your work area? Is it adequate? (for example, question of piracy)

19) What are the key characteristics of the market of cultural products in your country? Do you think that
20) it exists? (Is there a potential audience for it, do the prices match the offer, etc.) – put the special emphasis on the sector where the interviewee works

21)   How much profit do you gain from authors' rights?

22)   What do you think in the research the role of the state in financing of your work area and its activities? Does it need to be changed, and if yes – how?

23)   What do you think of the influence of media companies on the local market of cultural products?

24)   What could be the answer of the local cultural sector to the influence of global companies, and if it is necessary/possible?

25)   What do you think about the projects that are connecting art and market approach?

26)   How much are urban surroundings influencing your work? (Why do you live in this area?)

27)   Are you aware about the initiatives on copyleft, Creative Commons licences, and open source models? If yes, would you agree on the usage of such a licence?

Thank you very much!

RESEARCH PROTOCOL

Dear Sir/Madam,

My name is Jaka Primorac and I am conducting research entitled 'The position of cultural workers in creative industries' that is a part of scientific research project 'Creative and knowledge industries in transition countries' at the Institute for International Relations in Zagreb (project leader: Nada Švob-Đokić, Ph.D.). Research is financed through Cultural Policy Research Award granted by the European Cultural Foundation and the Riksbankens Jubileumsfond. (More details on the award: http://www.cpraward.org/winner_2005.html)

The research consists of a series of interviews with culture workers. These interviews will investigate what opinions culture workers have on the situation in the sector where they work, and submit suggestions for change of the current situation (if they see it necessary).

Thank you for accepting to participate in this research – your participation is very important for the success of this project. Before we start with the interview, I would like to highlight that:

Your participation in this research is voluntary.
You can refuse to answer any of the questions.
You are free to stop interview at any time.

A transcript of this interview will be held secret, and will be available only to the members of the research team. Parts of the interview will be used in the final report, but on an anonymous basis – only the marks of the occupation and place of work will be used (e.g. visual artist, Zagreb, Croatia; director, Belgrade, Serbia and Montenegro, etc.)

Please sign this form so as to show that you are acquainted with its contents.

Signature (printed letters):

Signature:

Date:

Please send me the results of this research project (circle):

YES   NO

If you have any further queries about this research do not hesitate to contact me on the following e-mail jaka@irmo.hr or telephone number ++385 1 48 77 471

Many thanks in advance!

INTERVIEWEES CPRA 2005 BY AREA OF WORK:

Book industry

Director of agency for book information, Zagreb, Croatia

Director of publishing house, Zagreb, Croatia

Co-director of publishing house, Split, Croatia

Writer, Split, Croatia

Director of publishing house, Bucharest, Romania

Director of publishing house, Belgrade, Serbia

Film industry

Film producer 1, Zagreb, Croatia

Film producer 2, Zagreb, Croatia

Director of Cinemateque, Bucharest, Romania

Design and advertising

Manager of a creative marketing house, Zagreb, Croatia

Designer in a creative marketing house, Zagreb, Croatia

Designer in an advertising agency, Podgorica, Montenegro

Director of an advertising agency, Belgrade, Serbia

Planning director in and advertising agency, Belgrade, Serbia

Director of a design studio, Zagreb Croatia

Architecture

Architect 1, Split, Croatia

Director of architectural bureau, Bucharest, Romania

Architect 2, Bucharest, Romania

Director of architectural bureau, Bucharest, Romania

Multimedia and electronic publishing

Director of multimedia publishing company, Zagreb, Croatia

Manager of a multimedia agency, Split, Croatia

General Manager of a media agency, Bucharest, Romania

Account manager of a media agency, Bucharest, Romania

Web designer in a media agency, Bucharest, Romania

Visual arts and photography

Visual artist, Zagreb, Croatia

Photographer, Podgorica, Montenegro

Music industry

Music producer, Split, Croatia

Singer, Split, Croatia

Music manager, Bucharest, Romania

LIST OF CPRA JURY MEMBERS

Milena Dragicevic Sesic, President of the Jury (Serbia)
Ritva Mitchell, Jury member (Finland)
Lluis Bonet, Jury member (Spain)
Veronika Ratzenböck, Jury member (Austria)
Michael W. Quine, Jury member (UK)
Mikko Lagerspetz, Jury member (Estonia)

Milena Dragicevic Sesic, President of the Jury (Serbia)

Professor at the Faculty of Drama (Cultural Policy and Cultural Management, Cultural studies, Media studies); former President of the University of Arts in Belgrade; Chair-holder of the UNESCO Chair in Cultural Policy and Management University of Arts Belgrade; former Chair of the Art & Culture Sub Board, Open Society Institute (Soros fund), Budapest; President of the Orientation Board of the European Diploma in Cultural Project Management (Marcel Hicter Foundation, Brussels); Board member of ELIA (European League of Institutes of the Arts, Amsterdam).

Lecturer: Moscow School of Social and Economical Sciences, MA-AMEC, Utrecht School of the Arts, CEU Budapest, Lyon II, Jagiellonian University Krakow, etc.

Published 15 books and more then 100 essays. Translated in English, German, Lithuanian, Hungarian, Polish, Russian, Macedonian, Romanian, Albanian, Mongolian, Turkish, French, and Chinese.

Expert, consultant in cultural policy and management for the European Cultural Foundation, Council of Europe, UNESCO, Marcel Hicter Foundation, Pro Helvetia, British Council, etc. Realized and developed more than 50 projects in cultural policy and management (policy trainings, strategic management and capacity building trainings etc.) in South East Europe but also in Belgium, Finland, France, Latvia, Lithuania, Mongolia, Russia, Kazakhstan, Egypt, Jordan, etc.

Ritva Mitchell, Jury member (Finland)

Director of Research CUPORE (Finnish Foundation for Cultural Policy Research), Lecturer at the University of Jyväskylä, Faculty of Social Sciences. former President of the Cultural Information and Research Centres Liaison in Europe (CIRCLE) and the European Research Institute for Comparative Cultural Policy and the Arts (ERICArts). Former President of the Orientation Board of the European Diploma of Cultural Project Management (Marcel Hicter Foundation, Brussels). Lecturer at the Sibelius Academy of Music (MA Programme in Arts Management) in Helsinki.

Presently she is involved in many European financed research projects (Women in the Arts and Media Professions, Creative Europe, Transmission, Compendium of Cultural Policies, Transformation of Nordic Cultural Policies). Member of the editorial board of the journal Nordisk Kulturpolitisk Tidskrift (Nordic Cultural Policy Journal). She has written widely on youth cultures, artists, cultural policies, new technologies and European issues in Finland and in Europe.

Former Head of Research at the Arts Council of Finland. She worked at the Council of Europe as a Programme Advisor (1992-1997). Earlier she worked at the University of Helsinki (Department of Political Science) and the Academy of Finland (four year research project on Equality and Democracy). At that time she was the secretary of the Finnish Political Science Association (1974-1976) and a member of the board of that association (1977-1979). She has been a part time secretary of the cultural division of the Finnish National Commission for UNESCO (1975-1983).

Lluis Bonet, Jury member (Spain)

Professor of the University of Barcelona, and former President of the European Network of Cultural Administration Training Centers (ENCATC).
Vice-President of the European Association of Cultural Researchers (ECURES), board member of the Association of Cultural Economics International (ACEI), and member of the Board of Trustees of Abacus (the largest Spanish cooperative on education and culture).

External advisor in cultural policies, statistics and economics at the Council of Europe, the European Union, the Inter-American Development Banc, UNESCO, and the Organization of Ibero-American States for Education, Science and Culture (OEI).

Member of several scientific boards of publications, international conferences, training courses, and panels of judges for awards. In 2002 got the Research Award of the Audiovisual Council of Catalonia.

Teaching Activity: since 1989 Director of the Graduate Programmes on Cultural Management of the University of Barcelona. Professor undergraduate courses at the University of Barcelona (Schools of Law, Economics, Documentation and Librarianship) concerning Political Economy Cultural Economics, Cultural Industries and Cultural Management and Policy. Assistant Professor of a semester course on Cultural Policy at the Massachusetts Institute of Technology (1991). Invited Professor in different graduate programmes on arts and heritage management: Madrid Complutense University, Granada University, Girona University.

Lecturer of several courses and seminars in more than 20 countries in Europe, Latin America and USA.

Research Activities and Publications: Director of a large number of research studies in cultural economics and cultural policies. Research Director in Cultural Economics at the Centre d'Estudis de Planificació (1985-95). Visiting Scholar at the Massachusetts Institute of Technology (1991-92).

Veronika Ratzenböck, Jury member (Austria)

Director of the "Österreichische Kulturdokumentation, Internationales Archiv für Kulturanalysen", a non-university institute for applied cultural research and cultural documentation founded in 1991. Applying an interdisciplinary approach, the institute documents, analyses and publicises national, European and international developments in culture, cultural policy and cultural research. (www.kulturdokumentation.org)

Research projects on culture, economic and social history of the 20th and 21st century; Visiting professor at the Institute of Philosophy of Law at the University of Salzburg (subject: "the European project") and lecturer in cultural studies and cultural policy at the University of Vienna. Since 1998 expert consultant to the Council of Europe, Programme: Evaluation on national cultural policies (Croatia and Bosnia&Herzegovina).

Focus of research and advisory work: Comparative cultural policy, European cultural and media policy and cultural aspects of European integration, cultural and creative industries, urban cultural policy, culture and employment, EU cultural policy, cultural studies (e.g. the "Exploitation and development of the job potential in the cultural sector" 2001, commissioned by the European Commission, DG Employment and Social Affairs, in cooperation with MKW Wirtschaftsforschung and others, or the project: "Cultural Competence. New Technologies, Culture % Employment" 1999, or the study "The potential of Creative Industries in Vienna" commissioned by the City of Vienna, the Vienna Filmfonds and the Vienna Chamber Institute 2004, www.creativeindustries.at).

Michael W. Quine, Jury member (UK)

Senior Lecturer in Arts Management at London City University.

Acting Head of Department, Department of Arts Policy & Management, City University London.

An extensive career in managing arts organisations, in educating arts managers and in research. Initially from a theatre background, his interests range from the economics of the arts to arts marketing and financing, and into international comparisons. His international teaching experience includes countries as diverse as the US, Greece, Finland, Moldova, Spain and he is now a frequent visitor to Russia, especially St Petersburg. He is a founding member a multi-university exchange programme, funded by the EU SOCRATES programme, encouraging staff and student mobility as well as annual conferences. During the last three years, as a Vice-Chair and Board member of ENCATC (European Network of Cultural Administration Training Centres), he organised the first non-Francophone AIMAC conference, in London in 1995, and also works within the Scientific Committee for successive conferences (e.g. in Australia, Helsinki, San Francisco and Milan) into international comparisons of these and a range of wider policy issues. President of the Thomassen Fund in support of the mobility of educators and trainers in arts management.

Mikko Lagerspetz, Jury member (Estonia)

Professor of Sociology at the Estonian Institute of Humanities.
Born and educated in Finland, and since 1989 he resides in Estonia.
Lecturer of Sociology at the Estonian Institute of Humanities (1990-1997) and now Professor of Sociology.
Rector, 1998-2001.
Docent of Sociology at the University of Turku, 1997-.
President, Estonian Association of Sociologists, 1998-2003 (re-elected twice).
Member of the Board, Open Estonia Foundation, 2001-2004.
Honorary Member, Wind Orchestra of the University of Turku, 1991.

Involved in research and evaluation of Estonian cultural policies. Research on cultural policies, social problems, and civil society.

Publications (among others): Constructing Post-Communism (Turku, 1996); Estonian Cultural Policy and Its Impact, 1988-1995 (with Rein Raud; Strasbourg, 1996); recent article: "How many Nordic countries? Possibilities and limits of geopolitical identity construction". Cooperation and Conflict, 2003.

Jaka Primorac

Jaka Primorac is a research fellow at the Institute for International Relations (IMO) in Zagreb, Croatia. Ms. Primorac graduated in Sociology from the Faculty of Philosophy, University of Zagreb, Croatia (2001). She holds an M.A. in Sociology from the Central European University, Budapest and Warsaw, accredited by Lancaster University, United Kingdom (2003). She finished a one-year course in Women's Studies at the Centre for Women's Studies in Zagreb (2001), where she cooperated in the project 'Women at the University'. Currently she is a PhD candidate in Sociology at the University of Zagreb. Ms. Primorac previously worked on the Culturelink Database, and as executive assistant to international postgraduate courses at the Inter-University Centre (IUC) in Dubrovnik. Her research interests include creative and knowledge industries, arts production, and cultural development. Jaka Primorac is the winner of the Cultural Policy Research Award (CPRA) for the year 2005, awarded by the European Cultural Foundation (ECF) and Riksbankens Jubileumsfond.

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There has not been a great deal of research into creative industries in the south-eastern Europe

region, so not a great deal is known about them. But because of the rapid changes that are

underway, especially in the context of enlargement of the EU, it is very important to find out what is

happening in this area. In the last 15 years the region has seen a series of turbulent events and an

overall sense of insecurity has accompanied this. The shifting of borders and regimes has resulted

in the continuing task of redefinition and reassessment of the situation within countries as well as

within the region as a whole.