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Structural Industrial Statistics for Cultural Industries - A brief overview -

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As in the cases of all other economic sectors/subsectors, formulation of viable development policies and strategies for the cultural industries requires structural economic statistics for key areas such as production, trade, investment and so forth relating to the industries directly or indirectly. This is because of the fact that in the globalized economy coherent and optimum development of any economic sector should focus on potential source(s) of growth¹. To identify such source(s) within the sector in question, internationally comparable data on detailed structural statistics are indispensable. Lack of relevant statistical information on industrial activities, economic potential and human resource seriously hampers the formulation of such policies and strategies.

There have been various attempts to develop internationally recognizable standards for statistical measurement and observation of the cultural sector. However such attempts have not been really successful so far because there has been no international consensus with regard to what to measure and observe.

For the statistical convenience, the UNESCO Institute of Statistics (UIS), for instance, defines various cultural products in accordance with CPC and SITC while the World Intellectual Property Organization (WIPO) defines “copyright-based” industries in accordance with ISIC.

Some cultural activities are classified as manufacture (e.g., publication of books, recording of music) while others as services (e.g., software development, entertainment business). Throughout this paper, cultural industries refer to only those of manufacture.

There is a discrepancy between a data collection system and economic realities and the increasing importance of the elements relating to the knowledge economy. For instance, designing that links to creativity, cultural codes and intellectual property is a key element

¹ This is particularly true in the case of developing countries where resources are very limited.

in mature economies. However, the wide existence of designing activities in the economy makes them difficult to be included in the measurement of the cultural sector.

On the other hand, crafts and heritage manufactures are by their definition culturally significant. However, the existing industrial and product classification schemes are not sensitive to the cultural value of manufactured products and manufacturing activities. Thus, no relevant statistical data for craft and heritage industries/products are readily available in an explicit manner.

National statistical offices (NSOs) that are responsible for periodical surveys/censuses on industry to compile structural industrial statistics generally do not distinguish the statistical units (e.g., enterprises, establishments) that produce crafts or heritage products in their industrial statistics operations whatever the definition of those products are. Therefore, although much debate with regard to the development of cultural industries has been taking place in public discourse, it has not been on the consistent and systematic statistical ground.

Despite their conceptual difference to some extent from cultural industries, the identification of cultural industries may start with, for instance, WIPO's classification of copyright-based industries in terms of ISIC(Revision 3)², which are listed below.

a) Core copyright industries:

2211 - Publishing of books, brochures, musical books, etc.

2212 – Publishing of newspapers, journals, and periodicals

2213 – Publishing of recorded media

2219 – Other publishing

2221 – Printing

2222 – Service activities relating to printing

2230 – Reproduction of recorded media

3000 – Manufacture of office, accounting and computing machinery

3220 – Manufacture of television and radio transmitters and apparatus for line telephony (incl. Cellar telephones) and line telegraphy

3230 – Manufacture of television and radio receivers, sound or video recording or reproducing apparatus, and associated goods

3691 – Manufacture of jewellery and related articles

3692 – Manufacture of music instruments

3693 – Manufacture of sports goods

² WIPO, *Guide on Surveying the Economic contribution of the Copyright-Based Industries*. Year not indicated.

b) Partial copyright industries (e.g., design-based industries, craft industries, heritage industries):

Part of 172 - Other textiles

Part of 1730 - Knitted and crocheted fabrics and articles

Part of 1810 - Wearing apparel, except fur apparel

Part of 1912 - Luggage, handbags and the like, saddlery and harness

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Part of 2029 – Other products of wood, cork, straw and plaiting materials

Part of 3610 – Furniture

Part of 2022 - Builders' carpentry and joinery

Part of 2691 – Non-structural non-refractory ceramic ware

Part of 2601 – Glass and glass products

With regard to the “core copyright industries”, clear-cut data on industrial statistics are generally available in the context of periodical surveys on industry conducted by NSOs. Among these industries, however, the industries producing hardware and electronic (e.g., those of ISIC 3000, 3220, 3230, 3692 and 3693) are essential to produce certain cultural products but their products are not necessarily cultural³.

In the case of the “partial copyright industries”, severe difficulties arise if an internationally common classification in accordance with the cultural content of their activities/products is to be established and hence if internationally comparable (in terms of product/activity definition) data for them are to be compiled. The main reasons for the difficulties are that the component of designing or copyright activities is difficult to be distinguished from the information provided by establishments/enterprises and thus not measurable under the current survey system and that identification of craft and heritage industries/products is country specific and therefore differs from country to country (e.g., manufacture of certain national dress). In fact, craft and heritage industries are often defined by individual countries on the arbitrary basis or under policy consideration for their development/preservation.

Nevertheless, the statistical framework on the cultural industries should be established in the context of maximizing international comparability of data and for instance in the case of tangible and intangible heritage to identify ‘universal value’⁴. Thus, it needs to be flexible but should retain key elements of data comparability by employing international standard concepts and definitions of variables that are to measure country-specific cultural subsector of the manufacturing sector.

³ Similarly, software and databases are important economic element in copyright but they are only part of the cultural sector if they have a cultural content.

⁴ UNESCO Institute for Statistics, *Creating Global Statistics for Culture: Expert Scoping Study*, December 2006, p.iv.

Once country-specific identification of such industries is made, a related register of statistical units will have to be developed for data collection. This task would not be easy particularly in developing countries as the majority of the target population are usually micro /informal enterprises that are not registered in any existing administrative record. Even if they are recorded in, for instance, the register of statistical units maintained by the NSO, the information for their products/activities with regard to the extent of “design”, “heritage” or “copyright” nature is generally not given. Once a proper register of the enterprises/establishments belonging to the country-specific manufacturing subsector relating to “culture”, the data collection for the subsector could be incorporated in the existing industrial statistics operation of the NSO.

For the technical reasons mentioned above, the core cultural industries that can be identified exclusively in accordance with the national industrial classification scheme could be the first group of the cultural industries for international comparisons. For the partial cultural industries that usually differ from country to country particularly in the case of heritage industries, the reference points such as variables for which data are to be compiled should be the same in terms of concept, definition and valuation in principle as those for the core cultural industries but the survey framework thus needs to be country specific and arbitrarily defined based on, for instance, political demand, national consensus regarding the country’s heritage products and, of course, on statistical feasibility for data collection.