What lessons can be learned from the past experiences of data collection and aggregation exercises in relation to the cultural and creative sector?

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Credits

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Responsible partner	City University
Work package	The CICERONE project consists of seven work packages (WPs). This report is part of WP4, which aims at initiating (and creating a pilot for) a Cultural Economy Observatory. With the observatory, the CICERONE project showcases the added value of studying the cultural and creative sectors (CCS) through the analytical lens of global production networks. From this perspective, the CICERONE project claims a lack of data, in both quantity, quality and detail, and a poor or outdated conception of how these sectors operate. The observatory will build a proof of concept for the field. Through its action, it will provide leadership and focus for debates, and a repository for both the finding of the project and a potential nexus of information going forward. The observatory is to be the major legacy of the CICERONE project. This report (D4.4) reviews the institutional adventure of cultural observatories and seeks to draw lessons that might found the proposed CCS cultural observatory on firmer ground and provide it with sustainability. All papers of the CICERONE project are publicly disclosed on the project's website www.cicerone-project.eu and in its dedicated Zenodo community on https://zenodo.org/communities/cicerone-h2020.

Table of contents

1. Introduction

We have learned from working paper D4.2 (see Pratt and Bennett, 2021) that the existing data that has been collected on the CCS has opened many new perspectives, but has many gaps, and has been behind a drive to collect more data. The dominant approach has been to fill the gaps with ingenious reclassifications of industrial taxonomies, and the addition of proxy measures; these are effectively a tactical, short-term solutions: they do not solve the problem of data gaps on either innovative activities, or unrecorded functions. The technical nature of existing data treatments, quite different to simply identifying a relevant industry in a classification, has led to the call for establishing observatories that can aggregate and process such data. The common message is that there is a far from satisfactory data set available on the CCS; simply there is a lot that we still do not know about the CCS. There is an awareness of gaps in the data, but not a clear indication of how this structurally affects our understanding of the CCS; the analysis in D4.2 indicated that whilst the audio visual and publishing industries were relatively well covered, other industries we over under-represented in areas outside of content generation; this is particularly the case with understanding audiences and consumption, as well as their relations back to creation. Moreover, newer industries, such as computer games, were not represented at all; and the digital dimension of all industries in distribution and exchange was becoming opaquer. This suggests that the call for a dedicated CCS observatory is even stronger that we imagined.

The challenge of identifying the gaps in the statistical record is more difficult that isolating data for a particular missing classification, it is conceptual in nature: what we understand the nature of the CCS to be. As we noted in D4.2 concepts of the CCS has evolved over the past 50 years from the narrower notion of culture, and heritage, to the cultural industries, the creative industries and eventually to the creative economy and the cultural and creative sector. The key aspect of managing this change has been to expand the scope in the domains (industries) of culture that have been included in definitions. This is problematic for data collection as the traditional areas of culture were not classified as ‘industrial’ and were not comprehensively covered by classifications, especially in manufacture, distribution, and exchange, let alone archiving. The commercial cultural industries were better covered (notably audio-visual), but even then, there were significant gaps and difficulties, notable regarding crafts, fashion, and design. The data classifications exist are associated with outdated conceptions of the cultural of creative economy, and industry. The dominant shift in CCS of recent years in terms both of convergence and a complex functional separation of activities has rendered the

CCS increasingly invisible to (existing) data taxonomies. A comprehensive review of data and existing observatories was carried out by KEA (2015)[1] of the EU, and our work builds upon, and extends, this in a critical dimension: by deploying a relational concept of the CCS, based on functions as well as domains (industries), paying particular attention to the relations and flows of gods and services, and the organizational structures under which they operate. This generates innovating information on process and organization, which complements and supplements the predominantly output and employment metrics that have previously been used.

A particular manifestation of the transformation of the CCS has been the reorganization of the intermediation steps in cultural production; previously, much of this activity was internalized in large companies, either corporate or state owned. However, the last 50 years has seen a massive fragmentation of cultural production, in part a strategic response to the growth in product choice, known as flexible specialization. A further dimension of change has been the digitization of intermediate steps, whereby digital goods have replaced material ones, and data collection systems have not recorded them. This organizational system, a vast ecosystem of cultural production, is not captured in our data and reporting, in effect treated as an externality by the economic processes underlying the classifications of industries; as such it is invisible.

The argument of the CICERONE project is that only a re-conceptualization of the CCS based upon a GPN model will effectively identify these intermediate steps, their relations and flows, and render then potentially visible to measurement and analysis. As we noted in D4.3 (see Pratt and Bennett, 2022) there is a significant area of 'known unknowns' of the data matrix re-founded on the basis of a GPN conception of the CCS. We argue that understanding what we do not know, as well as what we do know, is important in terms of policy making and analysis; so that we can at least appreciate and compensate for the missing information. Moreover, given the costs of new data collection, such an exercise potentially helps to strategically identify the areas to focus future data gathering exercises on.

As we have already indicated, data is never 'innocent'; it is always collected for a purpose by a particular body. As noted above, the focus on traditional manufacturing and material production of industrial census taking both has skewed our knowledge of the economy (which is dominated by service activities in general) and underrepresented the CCS in particular (in fact it has rendered it invisible). Moreover, as we have also pointed out, the blindness to the organization of intermediation of cultural production, has also been underrepresented in our data and understanding. This is why there is an argument for the move away from sole reliance on employment and final output measures (and only on economic activity), but also it should alert us to not only the existence of metrics, but the purposes for which they are suited, or were initially developed. Simply old metrics may not be suitable for 'new policies' that address a conceptually transformed CCS.

[1] KEA (2015) Feasibility study on data collection and analysis in the cultural and creative sectors in the EU, Brussels.

Using the GPN perspective we can at least be more aware of what is missing; and this gives us a good starting point for new data collection. Finally, the clients of most data collection are nation states seeking to manage and allocate resources, regulate, or establish subsidies. Policy needs are dominated by 'old cultural policy' of public goods and not 'new (cultural) industrial policy' making of strategic planning. Moreover, many other user groups don't play a significant role in defining the data landscape: industries, unions, and the public. All data is potential strategic, it decreases ignorance, and reduces risk in decision making; not only can data be useful to policy and politics, but it can also be a critically important aspect of innovation for new cultural producers seeking to navigate rapidly changing patterns of consumer and audience taste and demand.

The broad notion of a cultural observatory has been circulating for last 25 years; early usage being attributed to Girard[2] who was recommending the idea to UNESCO. However, it is an idea that has a certain vagueness, and it is an idea that has not reached sustained legitimacy. Looking back, it is notable that it is the short-term existence of a variety of cultural observatories that have been established. The exceptions to the rule are the European Audio-Visual Observatory and Compendium. Nevertheless, it is a common clarion call at the end of contemporary research projects on both cultural policy and the creative industries for the establishment of a cultural observatory. Clearly, such a call is heartfelt, based on the frustration of the absolute lack of, or the right kind of, data available, but it is of limited use unless we can state the purposed with precision and why the notion of a cultural observatory in its previous incarnations is; and, arguably more importantly why and new version is needed, and what it is responding to. This paper reviews the institutional adventure of cultural observatories and seeks to draw lessons that might found the proposed CCS cultural observatory on firmer ground and provide it with sustainability.

We conclude with a refined case for a CCS observatory, that focuses not only on creating an integrated platform for existing resources (such as Eurostat and existing Observatories, such as the European Audio-Visual Observatory and Compendium), and encouragement and support for significant stakeholder engagement with users (particularly sector representatives and user groups, labour representation, and local communities). These have already been proposed, what we add to the picture is the mobilization of a relational concept of the CCS and embodied in the idea of the GPN. This, it is argued should be a novel and parallel focus for primary data collection to create informative and sustainable information about the dynamic processes of the CCS, to complement existing resources and to articulate them to this new understanding. It is integral to the relational idea that data sources and uses are integrated into a wider institutional understanding of the policy process: the support and development of policy networks and cross sectoral partnerships. Hence, the mobilization of the institutional identity of the observatory to host and moderate such a dialogue; importantly, such an institution is well positioned to play a strategic role in exploring emerging and

[2] Girard, A. (1998) Intergovernmental Conference on Cultural Policies for Development, Stockholm, https://unesdoc.unesco.org/ark:/48223/pf0000113935

future trends and associated foresight activities linked to broader societal challenges (which are also cultural challenges) of the environment, diversity, and technological change.

The structure of this paper is threefold; we conclude with a contextual proposal for a CCS Observatory that links both metrics and observation, policy making and stakeholders and is founded on a relational concept of the CCS. This is preceded first by a section that briefly runs though the functional history of data sources and observatories as a way of collating and combining CCS information. Obviously, it highlights the weaknesses of sources that has been previously discussed (e.g. Pratt and Bennett, 2021, Pratt and Bennett, 2022, and KEA, 2015), however what it stresses is a relative disconnect with both changing governance, concepts of the CCS and data sources and definitions. The second section recasts the history of data collection and CCS definitions into a wider institutional matrix of the aforementioned strands of concepts, governance and data, in so doing it highlights the relational connections between these transformations that have often been external to CCS data. The potential innovation then is that an observatory is not simply a reference library, but an active participant in information and insight generation, as well as networking and mobilizing stakeholders, as well as developing novel data collection from them. The pilot observatory of CICERONE is a potential foundation of such a plan, creating a novel and much needed relational insight into CCS production networks.

2. A functional history of CCS data collection

The debate about cultural observatories is balanced between measurement and interpretation. Girard perhaps favoured the latter as there was little to measure, or demanded from policy makers and politicians, and that cultural value/s are problematic to seek to resolve, moreover he would have been wary of the potential reduction of cultural value to economic value. Girard does have history with respect to measurement; and it is perhaps here that the debate about observatories, and their institutional forms can be best explored. In the 1970s Girard had advised UNESCO on ways of counting culture, or rather cultural practitioners, which led to an early schematic for the measurement of the cultural industries. He had departed far from what had previously been an orthodoxy of both the humanist and romantic tradition, by suggesting that culture should not be only expressed as artists and those of cognate occupation. These ideas were notably empirically explored further in the pioneering work by the Art Council that provides a measure if the number of artists in the UK.

Following Gerard's conceptual lead, O'Brien and Fiest (1995)[3] developed an early coherent and convincing methodology derived from national statistics based on selecting occupations and this generated a 'number 'that was accepted as valid by government agencies. Such a figure was not 'visible 'before, and the power of such a metric was to be demonstrated in its employment to justify and defend the budget allocation to the arts sector, which was then, as now, under threat. A parallel body of work, this time with a novel definition and measurement (based on industries not occupation) of the cultural industries was developed by in 1992 in Nord Rhein Westphalia[4]. Even though it attracted limited attention at the time, its legacy has shaped the development of one aspects of CCS metrics: employment.

Work developed by colleagues at the Policy Studies Institute (Casey et al. 1996)[5] leaned towards cultural economics but also sought to follow Girard's lead and widen their concern to cultural activities across the wider field of government (commonly not categorized as such, for examples military bands

[3] O'Brien, J and Feist, A (1995) Employment in the arts and cultural industries: an analysis of the 1991 census, Arts Council England

[4] A series of culture Industry Reports published by the government of NorthRhine Westphalia and prepared by a Task Force of specialists from the Universities of Dortmund and Witten-Herdecke, STADTart and the Zentrum für Kulturforschungsee (https://www.ericarts-institute.org/projects.php?aid=134&lid=en&al=&rid=999). This is just predated by the pioneering 1994 Australian mapping exercise for the 'Creative Nation' initiative, https://apo.org.au/node/29704

[5] Casey, B, Dunlop, R, and Selwood, S (1996) Culture as commodity/ The economics of the arts and built heritage in the UK, Policy Studies Institute.

fell under the military; even though the activities were exclusively cultural). It created a platform from which to debate the (then, hidden) contribution to culture, primarily in terms of funding. A parallel strand of activity, also derived from cultural economics, was explored by Myerscough (1988)[6], who used the technique of economic multiplier analysis to explore the economic impact of investments in the arts (as the direct impact was free at the point of use; and stimulated further activities in the wider economy). Thus, initial work had established that metrics could be developed to measure cultural activity, critically with reducing culture to a simple number, or value.

The legacy of Australian, New Zealand and Canadian measures of cultural industries built upon the pioneering work of Nord Rhein Westphalia resulted the UK Creative Industries Mapping document[7],it represented a definitive moment in the measurement of the creative economy (which does not include heritage). The key point here is that existing national statistical data sets were used as the foundation from which to selectively extract data and reclassify it as the creative industries. As such it made visible this construct, and allowed the attachment of metrics to it, such that it could be followed and managed (after a fashion, there were a number of problems with the metrics and data, see D4.2). In its simplest interpretation this bypassed the need for an observatory, as the data was now available; in a sense, responding to Girard's concern that no such data set existed. However, the strategy was perhaps too successful, as the desire for debate and discussion dried up, dominated by the numbers.

It is at this time that we also see the development of the other dimension of Girard's initial concern, the establishment of cultural observatories. The first was The European Audiovisual Observatory[8] is part of the Council of Europe in Strasbourg, France in 1992 in order to collect and distribute information about the audiovisual industries in Europe. The Observatory provides information on the various audiovisual markets in Europe and their financing. It also analyses and reports on the legal issues affecting the different sectors of the audiovisual industry. Funding is in the form of direct contributions from its member states and the European Union, represented by the European Commission, and partly through revenues from the sale of its products and services.

At a more modest scale was the regional example was that of Grenoble, and transnational ones such as the 1999 Budapest Observatory funded by UNESCO and the Hungarian Government) set up to cover the emerging East and Central Europe. Just prior to this in 1998 the *Compendium of Cultural Policies & Trends in Europe* was developed and run as a joint venture of the *Council of Europe* and the *European Institute for Comparative Cultural Research* (ERICarts), in collaboration with a dedicated community of independent national experts and specialists from over 40 governments in Europe[9].

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[6] Myerscough, J (1988) The economic impact of the arts in Britain, Policy Studies institute
[7] DMCS (1998) The creative industries mapping documents, DCMS
https://www.gov.uk/government/publications/creative-industries-mapping-documents-1998
[8] https://www.obs.coe.int/en/web/observatoire/home
[9] From 2017, after a funding reform, *Boekmanstichting* (Amsterdam) acted as the service provider for the day to day management of the Compendium; responsibilities were further transferred to *Kulturpolitische Gesellschaft e.V* in 2021. (www.culturalpolices,net)

The period from the early 2000s saw the establishment of more regionally focused laboratories, examples being the Basque regional observatory and the London Cultural Industries Observatory[10], and the (UK) North West Arts Observatory[11]. These UK based observatories were able to benefit from regional data re-calculated on the basis of national figures, and indeed, spurred by a UK devolution agenda, the second Mapping Document had a regional annex; moreover, another piece of work the Regional Data Toolkit/Framework[12] was developed so that regions could develop their own data analyses.

Some more mature observatories are those of Finland[13] and Ireland[14] who accepted economic data from government agencies, and supplemented and combined it with contextual and exploratory research. The Finnish case is an example of the wider tradition of a repository of cultural policy information; a job pioneered by Compendium at an EU level seeking to maintain a database library of cultural policy. Finish case, and the European association for cultural observatories[15] seeks to collate a wider set of data about the cultural field.

The more recent period has been charactered by attempts to go beyond the limitations of existing metrics by attempting to develop new metrics, based on big data. Essentially, this involves searching crawling online resources to extract potentially usable data collected for other purposes, commonly user, sales, or participation data. Particularly innovative work has been carried out by the NESTA[16], which has used this technique to explore emerging labour markets in new technologies mobilized by creativity (called CREATEC) based on job advertisements[17].

More generally, the NESTA offers some innovative insights into what potential observatory functions might be. The initial work was based on extending the mapping of the creative economy using the 1998 Mapping Document as a foundation. Work was developed that explored the possibility of comparative mapping, using the same definitions in other national systems. Which, whilst in principle is possible, in practice it amplifies the data gaps and differences in the operationalization of industry taxonomies. A substantive focus of work was to explore the relationship between innovation and creativity. Techniques based on a notion of 'creative intensity' were developed (based on a combination of elected creative occupations in particular creative industries industries). This was then

[10] https://core.ac.uk/display/30316417 See a summary of the work by Roodhouse, S (2008) The London Creative Industries
[11] https://webarchive.nationalarchives.gov.uk/ukgwa/20080728093628/http://www.culturenorthwest.co.uk/how/nwobservatory/
[12] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/88403/DET_Technical_Report_August2004.pdf. DCMS Evidence Toolkit 2004
[13] https://lastenkulttuuri.fi/en/international-cooperation/international-projects/art-education-observatory/
[14] https://culturalpolicyireland.org/
[15] https://www.eno-net.phil.fau.eu/
[16] Now the 'Creative Industries Policy and Evidence Centre' https://pec.ac.uk/
[17] NESTA (2015) First Mapping of the UK's creative and high tech economies. https://www.nesta.org.uk/press-release/first-mapping-of-uks-creative-and-high-tech-economies-reveals-role-for-government-in-addressing-regional-imbalance/

linked to the clustering debate and used to identify potential policy interventions based on the most 'intense' combination of industry and occupation that acted as a proxy for CREATECH innovation, which strategically was designated as where economics growth lay[18].

A change of funding and focus of NESTA saw the establishment of the Policy and Evidence Centre (PEC)[19]. Formally, this was set up to work in parallel with a series of applied academic research projects on the dynamics of clustering, and creative job creation. In phase one (2018-23), a range of projects explored case study analyses of cluster activity, allied with experimental testing of policy initiative, such as creative vouchers. A second phase of projects was commissioned, the PEC being established to support these (applied) projects with evidence and evaluation support, the focus shifted on one hand to the digital, virtual and augmented reality and emerging business models, and on the other hand and to act as a experimental laboratory for development of evaluation methodologies, ranging from intellectual property and diversity and inclusion. Under new funding arrangements the PEC has been hived from to funding by the Arts and Humanities Research Council (AHRC) under the UK research council, UK Research, and Innovation, for the next 5 years. The PEC's focus is not simply on methodological and metrics, it has both a network of industry champions, and an international advisory council that provide a wider sounding board for its operations.

This theme of methodological innovation, beyond the statistical base, but related to policy needs finds an echo in the work that has been done on urban policy evaluation; in particular, that associated with the European Capital of Culture[20]. This initiative has been through a number of iterations, from its initial simple celebration of European culture to a tighter focus on economic impact, notably with the Glasgow event. After a major review of the programme and a refocus more attention was paid to evaluation, in particular the Liverpool iteration[21] set up as part of its legacy an extensive long term monitoring programme, and exploration of social and community, as well as economic benefits.

Finally, a further British initiative the Centre for Culture Value, funded by AHRC[22], is notable in seeking to develop methods to reflect the range of economic and cultural values, prompted by the Crossick report[23], this explored multi-modal research that sought to interlink qualitative and quantitative

[18] NESTA (2013) A dynamic mapping of the UK's creative industries, https://www.nesta.org.uk/report/a-dynamic-mapping-of-the-uks-creative-industries/

[19] In 2023 the PEC separated from NESTA, the initial programme of research of the PEC ran under the NESTA aegis 2018-23; building upon earlier foci of NESTA on innovation, technology and the growth of the creative economy. The Nation Endowment for Science Technology and the Arts (NESTA) was established in 1998, and the latest PEC is funded for 5 more years by the UK Research and Innovation (UKRI) via the Arts and Humanities Research Council (AHRC).

[20] A series of reports, 'the Palmer reports' from Richard, G, Dodd, D, and Palmer, R (2014) evaluating the European capital of culture programme. http://ecoc.poieinkaiprattein.org/publications-2/the-palmer-reports/european-cultural-capital-report-volume-5/

[21] https://www.liverpool.ac.uk/impacts08/

[22] https://www.culturalvalue.org.uk/

[23] Crossick, G and Kaszynska, P (2016) Understanding the value of arts and culture: the AHRC cultural value project. https://www.ukri.org/publications/ahrc-cultural-value-project-report.

methods more sympathetically; moreover, the centre had a particular focus on audiences (as opposed to production and employment).

Reflecting on the developments of metrics and observation functions that fall under the actual or proto- observatory function we can identify a strong line of developing metrics. However, despite much ingenuity and effort, these are hampered by the limitations of the basic taxonomies of public data collection. These data give an indication that the CCS exists, albeit a fuzzy one, and of the scale and dynamics of (some of) its activities. However, these are limited and unbalanced; limited by domain and function, and unbalanced in the sense that some areas of the CCS are relatively well covered (audio visual), but others less so.

There is a particular challenge with respect to innovation and creativity, not in the sense of 'the essence' of creativity, but rather the new and emerging areas of creative activity, which by definition tend to escape of be under reported in existing taxonomies. A complementary challenge is that of embedding and context. A shift of concern of observation and analysis can be noted with respect to concentration or clustering of creative activities: the analysis of the localization effects not based on simple co-location but related to interaction. A whole field of academic work has outlined the shifts in the organizational dynamics of industries, particular the creative economy, in that last 25 years; namely, those known as post-Fordist configurations. Accordingly, questions of organization, knowledge exchange, embedding and clustering, as well as local institutional arrangements, often in urban settings, are interwoven. It is this theme of embedding and the interweaving of concepts, governance, and data that we explore next as we seek to understand the emergence of the demand for measurement and analysis more fully.

3. Interpretation: the shifting balance of metrics and observation

Simply aggregating metrics (as difficult sourcing these might be), and observing changes and trends, are important activities, but can lead to missing more significant changes that are taking place in our understanding of the CCS; arguably shifts that ought to be at the centre of our attention, and that of a prospective observatory. These shifts can be considered in three interwoven threads: governance, concepts, and data.

The post WW2 political-economic settlement of the nation state was predominantly a welfare state model in Europe, in this sense culture was considered as public good like health and social security: something that was more or less indivisible, and once provided for one was provided for all; moreover, that culture was a citizen right, one that played a significant role in national cohesion and identity. State provision was manifest in the existence of libraries, museums, and galleries, and increasingly heritage and preservation. It had a broad political spectrum of support and consensus. Underpinning this was a concept of culture of community and identity (local and national), and a limit of culture as 'high culture' (popular culture, and commercial culture were excluded). Funding to support culture came from central and local government. budgets (and varied by national government structure: federal or state). Public funding also extended to public service broadcasting: radio and television. In this period public financing of culture was a basis of budgetary allocation based on a public good, and a social purpose and was relatively uncontentious. Little data was collected or published on culture; primarily, as there was not a need for it: at the margins, museums, galleries, and orchestras would continue with without visitors because the service was good for society.

The emergence of commercial culture from the 1960s onward challenged this situation; first, as it challenged the boundaries of 'high culture' and 'popular culture' and what the public purse should support, second, how culture should be financed. A binary system developed with the huge growth of commercial culture (notably music and film, followed by TV and contemporary art). Public service broadcasting shared the airwaves with commercial stations; public funding of film production was minimal (and targeted at challenging the cultural hegemony of Hollywood). This binary financial support system was mapped onto a cultural value system, one inherited from the Frankfurt school, which manifest the antagonism of high and commercial cultures. In many respects this reinforced the 'public good' economic argument for (high) culture: that there was not a market for it, but it had a collective public benefit (which was also a nation state identity). As public budgets came under more pressure at the end of the post-war boom, culture was seen as a potential area to restrain expenditure, but also a challenge, as popular/commercial was undergoing growth, as well as testing boundaries.

Debates regarding funding tended to be about boundary disputes about what / which culture the public purse should support. Decision making here was primarily devolved to expert panels who were in effect the guardians of culture via the setting of rules and allocations of funding.

The concept of culture, and that which should be supported by the state, was still firmly linked to the post-war notion of high culture, although changes were occurring at the edges as new art forms gained legitimacy. If we take a more contemporary view of culture, we could interpret this as a shift in the support for culture developing into a binary model, with the commercial dimensions growing quickly; and the relationship of cultural value and public funding being weakened. Whilst the boundaries of culture whether it was high/low, commercial, or public, or art/ not were now part of public debate and the source of tension within public cultural institutions (as in effect new demands were being made on limited budgets).

The financial crisis of the 1970s crystallized economic pressures on cultural institutions. Across all governments departments were challenged to justify spending. Traditionally, culture had been seen as a 'nice to have', but not likely to win debates about limited budgets against – say- healthcare, or education. Culture had been supported primarily on the basis of a moral argument. It is at this time that economic arguments began to gain more support, starting with identifying how many artists were sustained and supported by public funds. For example, early work by the UK Arts Council (see above) used national statistics to develop a measure of art workers; this became a new metric employed to justify and support investment in culture. Subsequent work used economic analyses of economic impact analysis to plot the added value of cultural investment in economies. The challenge culture had was that it had no intrinsic' economic 'value in itself, but only the value it generated in terms of visitor purchases could be calculated; and this linked back to (a multiple) of the initial public funding. Thus, economic tools generated metrics that could be used to debate inter-departmental public resource allocation decisions. These techniques were mainly developed by academics, but quickly became a policy asset for public agencies.

As noted, the concept of culture was under debate from the 1960s onwards, primarily as regards the question of cultural value and which activities should be regarded as 'legitimate' cultural activities, and thus potentially in receipt of (scarce) public funds. This debate was rooted in the massive expansion of cultural consumption and participation (much of it 'outside' of existing state provision).

However, the 1970s saw another debate exploring the 'industrial 'nature of culture, that is primarily the mass production of commercial culture (in summary, audio-visual activities). The point raised here was the recognition of the cultural industries as 'industries 'like any other that operated mainly in the commercial sphere. Moreover, the proposition that non-commercial culture, sometimes included in cultural industry definitions, could be understood as 'industrial'. The sense in which 'industrial 'was being used was to acknowledge the integrated processes of cultural production that extended beyond the artist/creative, but included manufacture, distribution, and sale. It was further acknowledged that these integrated processes occurred in organizations, and in markets that were regulated. At the time

a keen awareness was of large organizations, and the challenge of monopolies (state and commercial). The media, film, tv and newspapers, have always been subject to regulation by the state, but particularly in respect to monopolies which mass production and distribution of cultural goods enable. The public regulation was based on prices/market analysis and access issues; it was not regarded as important to analyse these organizations.

In parallel, this organizational aspect of the cultural industries took a new turn in the 1980s with a series of technological and regulatory changes that opened-up state broadcast markets to private providers, and a pattern of economic restructuring which has been referred to as 'post-Fordism'. In brief, the organization of the cultural industries, public and private systems of provision underwent a massive fragmentation; where previously the majority worked for and were employed in large organization, now there emerged a complex diversity of small independent contractors. Analysts discussed the role that local networks and spatial proximity played in all post-Fordist economic structures and the need for industrial governance to reflect it. A number of innovative experiments cultural industrial policies were developed at urban level to promote the expansion of employment and opportunities in these cultural industries[24]. The innovation here was to treat cultural industries alongside more traditional ones (although with different strategies). So, the concept of cultural had been challenged, as well as the simple bifurcation of public and private.

The challenge here was to an information base for planning and policy making. There was no data to monitor the cultural industries (in this new manifestation), let alone govern and manage the intermediation of activities (that could be done in many other industries). The first attempts to create metrics for the cultural industries emerged at this time. The problem was that many of the new cultural industries activities were not 'visible 'in the extant classification of industries (there were either new, or had previously been 'bundled 'into larger organizations). Therefore, what measures that could be developed were pragmatic and partial.

A notable way in which such metrics were deployed in the UK was in the 1998 Mapping document, a much-copied model, the EU developed their own version of it[25]. Here, a boutique definition of the cultural industries, referred to as the creative industries was populated with census data. This drew upon the strategic debates about the cultural industries that had been mobilized at local level. But was renamed for political reasons. The definition of the 13 creative industries was linked to intellectual property value, and hence did not include the traditional public and high culture. It is important to note that this report was commissioned by a newly created department of government with a new administration. As in other countries (such as Australia), the UK Department of Culture was re-named

[24] This debate highlights the neglected issue of intermediation and the supply of 'real services' in industrial clusters which have been pointed to in relation to cultural clusters; moreover, the idea that collective/strategic market information could be a regional asset is also an idea that could relate to potential observatory functions. See Bellini, N (2000).'Real Services': a re-appraisal, European Planning Studies, 8.6: 711-28

[25] KEA (2006) The economy of culture in Europe, EC, https://ec.europa.eu/assets/eac/culture/library/studies/cultural-economy_en.pdf

to indicate the greater scope 'culture media and sport' (replacing the Department of National Heritage); and spread across the boundaries of other departments such as those of business and industry (a classic turf war). This highlights that it was not just conceptual definitions that were shifting, but the boundaries of government departments. In the UK, as elsewhere, mapping documents were a very successful 'calling card 'to the finance department in seeking resource allocation, and a new aggressive means of justification of cultural funding.

In retrospect we can see this as an example of a type of 'new public management 'where governments sought to manage by targets and metrics[26]. Not to have metrics undermined bargaining power, something that pushed many unwilling cultural practitioners to adopt their use. This was a source of tension in the cultural sector which had traditionally challenged the reduction of cultural value to economic value. This new system required an uncomfortable alignment, albeit via the use of proxies. A further extension of this was the push by governments tilt towards a Neo-liberal style of government towards arguments about resource allocation based on 'value for money'; which deployed the multipliers previously developed to provide the justification or cultural value to other areas (health and well-being for example).

The application of more traditional economic techniques to cultural data was problematic, as often the (cultural) base data was a proxy, and thus such calculations projected a degree of certainty on such figures that may not be warranted. This has led to the development of alternative methodologies, or complementary methodologies often using qualitative approaches to better capture the unique organizational forms and complex contribution of culture to the wider economy (see Crossick and Kaszynska 2016[27]). Other complementary approaches particularly those aimed at examining impact of urban regeneration, and the example of the European Capital of Culture, have stressed not only qualitative measures, but the importance of long-term monitoring[28]. Finally, there are the development of measures that focus on audiences and participation that seek to explore a wider set of value benefits generated by engagement in cultural activities, and the way that these feed-back into production[29]. Cutting across all of these has is a renewed attention to the diversity of both attendance at, and employment in, cultural activities[30]. These initiatives can all be seen as supporting the call for a complementary body of knowledge about the operation, organization, and process of cultural production[31].

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[26] O'Brien, D (2013) Cultural Policy: Management, value and modernity in the creative industries, Routledge

[27] Crossick, G and Kaszynska, P (2016) Understanding the value of arts and culture: the AHRC cultural value project. https://www.ukri.org/publications/ahrc-cultural-value-project-report.

[28] https://www.liverpool.ac.uk/impacts08/

[29] https://www.culturalvalue.org.uk/

[30] See O'Brien, D. Laurison, A. Miles and S. Friedman (2016) Are the creative industries meritocratic? An analysis of the 2014 British Labour Force Survey, Cultural Trends 25.2:116-131

[31] In a more traditional economic light an important complementary exploration of cultural value chains. KEA (2017) Mapping the creative value chains, downloadable from https://op.europa.eu/en/publication-detail/-/publication/4737f41d-45ac-11e7-aea8-01aa75ed71a1

4. Conclusions: towards a CCS observatory

We opened this paper with Girard's framing of the notion of cultural observatory as a following and observing task. We can note that the observing and debating, at a local level, has been pre-empted to a large extent by national and international classifications that have enabled some standardization and utilization of extant national statistics to populate a (partial) picture of the CCS: this accords more to the managing and controlling mode feared by Girard. It might be argued that the notion of a cultural observatory has been superseded by this progress: observation has been done. The call is now for more data…but seemingly more of the same. This, we argue, is the problem as it is a process that leads to ever diminishing returns. We have argued in this paper that the long-standing binaries of culture v creative industries, publicly funded versus commercial, and data versus explanation have been both transcended, and made problematic by the changing nature of the cultural field: concepts, governance, and data. Simply listing growing the list of functions and evaluating their strength and weakness is not sufficient without developing a boarder context, namely for what and for whom is the information collected; and to what purposes is it to be put? It is though reframing the question in this way - as refracted though the lens of local governance regimes - that we can understand why the data and the institutions collecting it are configured thus; as well as potentially opening up insights into an alternative way forward.

By adopting an analytical framework sensitive to the temporal, institutional and spatially embedded nature of cultural economy information needs we can account of the particular emergence, and potential future, for the cultural observatory. What has emerged is a complex interweaving of concept development, the focus and purposes of governance, and the development of particular metrics and data that relate to them, a theme quite different to a simple accretion of data. This eschews the simply nomination of the relevance or significance of quantitative or qualitative data per se, or of particular concepts; what it highlights is the importance of understanding the nature of the objects and process that constitute the creative economy that are sought to be governed; and, what are the relevant processes, and which data discloses that activity whence I can be challenged, monitored and evaluated? Again, this challenges the strict binary that Girard implied (for reasons logical at the time) regarding data and its uses.

The 2015 feasibility study on data collection and analysis in the CCS carried out by KEA drew similar conclusions to the current project, namely that Eurostat data and classifications insufficiently describe the CCS, that the organizational understanding and reporting of micro-businesses that represent 90%

of the sector, and new technologies, royalties and online business were poorly reported, and that the area of museums and galleries was very difficult to measure. Their recommendation was in favour of an observatory structure that would seek to articulate together existing observatories (Compendium, the Hungarian Observatory[32] and the European Audio-Visual Observatory) and define a programme of enhancement of existing data sources to fill gaps. The recommendation was a triple focus on Economic Activity, Cultural Participation and Cultural Diversity. A key additional initiative was to draw in a wider range of user groups and data generators such as professional associations and sectoral bodies. However, it was acknowledged that this itself would need an additional initiative of capacity building in those organizations so that appropriate data could be prepared.

The minimal version of a CCS observatory is the aggregation of extant data, and the generation of proxy or composite measures to better describe the CCS. The maximal argument is to develop measures that align with current conceptualizations of the CCS, and commission and collect data that satisfies this need. The minimal version is not really an observatory, rather it is a grouping of metrics that tend to satisfy demands and requirements of the CCS to be accountable in normative terms with other sectors of the economy. By contrast the maximal version is founded on an internal understanding of the CCS that is sensitive to its particular organizational, relational and embedded nature and thus provides insight to causal processes that may be modified by policy interventions.

The first lesson is that we can take away from this critical review is that more data is not necessarily better; data must be relevant to the purposes of its collection and use. Much of the extant data that we use for the CCS measures fails to capture the relational nature of cultural production, and hence the sensitivity to risk of organizational control, and the social and economic embedding of activities in production systems. This relates to the gap in reporting of particular functions of production in the statistical taxonomies, and in some cases whole domains/industries (and the boundary if the for- and not- for profit culture and creative industries), and the spatial footprint of these activities over which the value added (economic and cultural) varies as a consequence. This is the justification for framing analyses with the notion of a cultural GPN and translating it into a data matrix. This, one objective of an observatory is to identify the gaps in data, based on the conceptual model, the other is to populate the matrix. In this context, the tactical and strategic decisions of which data to prioritize in new collection is a apposite issue of policy of which the observatory can advise.

A second lesson is the scale of operation of an observatory. There has been a tension between either national/international approach based on harmonization of data sets and definitions, and local versions of the same. It seems relevant to operate at both scales but configured by the scope and scale of production networks; there is a case for specialized domain expertise within a boarder umbrella observatory operating at a national or regional trading bloc scale. This is the appropriate scale for foresight activities relating to technological, cultural, social, and economic changes. However,

[32] Since then, the Budapest/Hungarian Regional Observatory has discontinued its operations. See http://www.budobs.org/

due to the particular nature of embedding, manifest by patterns such as clustering which are local ecosystems of production with often lateral relations across domains and functions, plus particular local support institutions and service provision. This understanding of the local organizational configuration of the CCS, its internal and external dependencies, and the relative health of its ecosystem is of special value. A different type of foresight activity is relevant at the local level based upon the curation of local knowledge and cultural resources that underpin local cultural production.

A third lesson regards the users of the observatory, its funding and governance. Clearly, and accurate understanding of the CCS is necessary if policy making, monitoring and evaluation is to be effective. GPN models provide a more adequate understanding, and an observatory would be a logical host of this knowledge and dissemination of good practice. If such understanding is axiomatic to police making, and observatory is a necessary requirement of policy making. As such it represents the 'maturity' of policy making in this field beyond an allocative welfare model, to a strategic and developmental one. This is a critical debate which has been to some extent avoided but needs to be central for open decision making.

This implies that an observatory needs to be sustainable and well-resourced so that it can provide this foundation for policy making: the European Audio-Visual Laboratory provides one model here; as does Compendium at lower level. Across all of the Observatories we have explored, only the European Audio-Visual Observatory has retained stable and sustainable funding. It is perhaps important that the development of metrics has been carried out on a more stable basis by National Statistical Agencies.

An important lesson that can be learned from both organizations is the need to a wider and committed user base. There is a clear opportunity here from an observatory to become an interface for both state, industry, and civil society; there is a central role for unions, local authorities, and trade associations here; not only to network relevant information sources, but also to articulate viewpoints of the sector. National and EC governance obviously already engages with various industries, but there is a lack of collective voice of the CCS sector, and an observatory could be of help in mobilizing and articulating these views to policy makers beyond sectional industry or locality.

In part, our conclusions are no different in terms of the assessment of the existing data sources; we stress more strongly the diversity of user groups of information, and the need to build an alliance of these, as well as reflecting their diverse demands. Where we do differ, and this marks a critical departure, is how to deal with the out-of-date conceptual schema that underpins the usable statistics. The more recent initiatives in creative economy analysis have, as we have seen, tended towards the exploration of relational links, and embedding (in space and/or networks). We argue that starting with a revised conceptual underpinning of the CCS based on GPN principles is the only feasible way to capture the social, economic, and cultural activity in the CCS, now and in the future. We suggest a twin track strategy, that the revised system working alongside the existing one. Existing data is generally useful for macro-scale summaries, however, having the caveat that we are more aware of where the weaknesses are (e.g., digital). An important role of an Observatory is to be able to create a conceptual

map and identify where our knowledge is good (known knowns, and where it is weak (known unknowns).

As we have argued elsewhere, the GPN perspective as applied to the CCS generates a different perspective and visibility of the CCS from that represented by Eurostat statistics. This institutional perspective of the CCS, contrasts with an inherited atomic one rooted in neo-classical economic theory. This was always a challenge with monopolies in the CCS but is exacerbated by the reorganizations in the period of post-Fordism, and of digitization that have delivered a complex ecosystem of activities that represent the contemporary creative economy. Simply, existing data and normative economic theory is blind to these issues, even when they show up empirically. How to address this problem, and why is an observatory the solution? The analysis in this paper suggests the need for a three-strand focus to an observatory that is both observing and measuring. In effect the observatory must be embedded in the changes that are represented by the sector.

The first dimension of the foundation of a CCS observatory must be a clear conceptual foundation, one that is not defined by, but defines, the statistical metrics, and definitions. Given that culture is a vibrant and innovative field the concept must include a dynamics and change, and hence it will provide discussion and guidance for any changes to empirical definitions, moreover, how they are translated into empirical measures.

Accordingly, the metrics need to be determined not by availability but by the necessity of understanding the processes of cultural production and consumption. Thus, a constant review of the different stakeholders (industry and regional/national) will be necessary to determine changing needs as well as an ongoing 'gaps analysis' and a plan of tactical and strategic ways of satisfying data needs. Part of such an analysis will be re-purposing already public information, another part will be releasing proprietary information into a public or subscription domain, and a final aspect will be commissioning new research.

A final dimension is cultural governance. A first concern is to create an appropriate evidence base of policy formation, monitoring and evaluation. This will need to be a dialogue between questions of concept and metrics, and the objectives of policy. Clearly, policy can only be effective if the object of its actions is fully comprehended and understood, and consequently the causes and likely outcomes of processes understood. This provides a resource for policy makers to choose between options and foci. The field of cultural governance is moving from a resource allocation model to a strategic guidance one. In the former, the notional 'best' is selected delimited by budget; in the latter the focus is on shaping and guiding the sector/industries. In this sense, there is a strategic opportunity for policy makers to provide business services that add to local efficiencies; examples of these are forecasting services that reduce collective risk, as well as 'real services' that fall in the institutional gaps of ecosystems, and (long term) labour and training support. Finally, there is scope for GPN/ ecosystem monitoring to identify the risks to local ecosystems erosion of economic and cultural power.

A CCS observatory should focus not only on creating an integrated platform for existing resources (such as Eurostat and existing Observatories, such as the European Audio-Visual Observatory and Compendium), and encouragement and support for significant stakeholder engagement with users (particularly sector representatives and user groups, labour representation, and local communities). These have already been proposed (see KEA, 2015). What we add to the picture here is the mobilization of a relational concept of the CCS and embodied in the idea of the GPN. This, it is argued, should be a novel and parallel focus for primary data collection to create informative and sustainable information about the dynamic processes of the CCS, to complement existing resources and to articulate them to this new understanding. It is integral to the relational idea that data sources and uses are integrated into a wider institutional understanding of the policy process: the support and development of policy networks and cross sectoral partnerships. Hence, the mobilization of the institutional identity of the observatory to host and moderate such a dialogue; importantly, such an institution is well positioned to play a strategic role in exploring emerging and future trends and associated foresight activities linked to broader societal challenges (which are also cultural challenges) of the environment, diversity and technological change.

The following paper explains (along with D4.2) how we have constructed the Pilot CCS observatory as a proof of concept of a relational lens on the CCS. It outlines both how data was sourced from our extensive primary data collection (see WP2) and mobilized via a searchable relational database founded on a GPN perspective. The observatory web site is designed such that it is both an educational /communication resource providing real examples of the difference that the CCS GPN provides, as well as challenging normative policy assumptions about the CCS. This then is a prototypical complementary insight, which would be part of a future CCS observatory.

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