



Pacific Institute  
of Public Policy

# THE ART OF DEVELOPMENT

## Investing in the creative economy

### Key messages:

- » Developing and maintaining a vibrant arts and culture policy is central to nation building - Pacific governments and development partners could start by prioritising arts and culture.
- » There are risks associated with a rush to commercialise. Appropriate commercialisation can assist with both preserving and developing culturally inspired creative pursuits.
- » Policy and practice need to protect rights associated with ownership of cultural knowledge, particularly with respect to asserting authenticity.
- » More and better information is required on both the supply and demand sides to know what the economic realities are of the creative sector.
- » There are opportunities to expand economic activity through tourism and providing opportunities to exhibit and market creative works in metropolitan markets. The internet has a role to play, but is no silver bullet.

'As a filmmaker I felt like I had to do something for my people'. On the eve of the premiere of his short film, *Ngali – Nut of Life*, at the 11th Festival of Pacific Arts<sup>1</sup>, Adilah Dolaiano from Malaita in Solomon Islands, makes clear the purpose behind his art. But making his dream a reality was not plain sailing: 'I did not get any funding to do this film. I just went home and shot, edited and produced it myself'. The Pacific islands have long been seen as having limited economic potential. With a small or non-existent manufacturing base and a reliance on tourism, donor aid and basic agricultural commodity exports, island economies are challenged by geography, labour skills and tiny economies-of-scale. But are we missing something? This paper explores how the creative economy - based on art, music, film, media, etc. - can be an important element in the broader development agenda.

HERE, we focus on those creative activities already present in the Pacific island region. We are thinking predominantly about tangible items (including woven items, fabrics, paintings, carvings and other artworks) and performance arts (music, dance, films). However, these creative products are often an expression of the underpinning culture (with its linguistic and customary attributes) of the country, region or community from which they originate. According to the inaugural United Nations' Creative Economy Report:

*At the heart of the creative economy lie the creative industries. Loosely defined, the creative industries are at the crossroads of the arts, culture, business and technology. In other words, they comprise the cycle of creation, production and distribution of goods and services that use intellectual capital as their primary input. Today's creative industries involve the interplay of traditional, technology-intensive and service-oriented subsectors. They range from folk art, festivals, music, books, paintings and performing arts to more technology-intensive subsectors such as the film industry, broadcasting, digital animation and video games, and more service-oriented fields such as architectural and advertising services. All these activities are intensive in creative skills and can generate income through trade and intellectual property rights.<sup>2</sup>*

A healthy arts and culture environment is fundamental to nation building. In a paper entitled *On the two sides of history*<sup>3</sup>, Andrew Motu, acting director of the Papua New Guinea National Museum, remarked that between 1971 and 1975 then-president of the board of trustees of the museum, Michael Somare, 'pushed the plans for the establishment of a museum building in tandem with the quest for our independence'. Whilst keeping a close eye on the risks associated with a rush to commercialise, it is possible to see culturally inspired creative economic activity as an opportunity to provide numerous benefits today and into the future. And these benefits are not only economic; there are other positive spin-offs associated with enhancing identity - whether individual, group or national - fostering social cohesion and improving the overall quality of life for all citizens.

Discussion  
paper:

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1. The 11th Festival of Pacific Arts takes place in Honiara, Solomon Islands between 1-14 July, 2012 - [festival-pacific-arts.org.sb](http://festival-pacific-arts.org.sb)
2. UNCTAD/ UNDP (2008) *Creative Economy Report - The Challenge of Assessing the Creative Economy: Towards Informed Policy Making* - online at <http://unctad.org/creative-economy>
3. Speech delivered to celebrate International Museum Day - available online at <http://masalai.files.wordpress.com/2011/10/on-the-two-sides-of-history-ii.pdf>

## Curate or commercialise?

There is a tension between the desire to protect and even to enshrine creative aspects of culture on the one hand, and to use these resources as a means of livelihood improvement on the other. It is possible to resolve these tensions so that concerns about safeguarding cultural integrity are addressed without placing all culturally derived creative activities off limits in the commercial sense. In Tonga, for example, Manusiu Valu describes the practice of 'katoanga', whereby groups of women (many of them housewives and stay-at-home mothers) work together to produce mats and tapas to sell to members of the Tongan diaspora in the United States, Australia and New Zealand. These items are highly prized and used for traditional gift exchanges associated with weddings, birthdays and funerals. The work is painstaking; large orders may take up to a year to complete. But there is an established market and that market is willing to pay good money (up to TOP 10,000 for each katoanga).

The Pacific Islands Museums Association (PIMA) recognises the potential for tradition and culture, including artistic interpretations and expressions, to contribute to economic development in the region. Tarisi Vunidilo, the secretary general, has commented that the association 'advocates the promotion and marketing of authentic cultural products and sustainable tourism, to encourage income generation and job opportunities for our people in the Islands'<sup>4</sup>.

Contemporary artists take this one step further. Their work helps them earn a living, contributes to the preservation of traditional expressions of culture and also adds to its vitality and future development. In a recent artist statement, Loretta Reynolds of Cook Islands explains:

*An inherited sense of belonging to a Polynesian culture provides the predominant inspiration for my work practice. As a sign writer, hand lettering and graphic art had been my profession for many years and through my visual practice I am always searching for ways to express traditional icons and designs of the Cook Islands in a contemporary format, and in a way that is different to traditional Rarotongan art.<sup>5</sup>*

## The question of ownership

It is not possible to get very far into this discussion without addressing the issue of intellectual property. From a legal perspective it represents an intersection between international law and convention (amplified in the context of participation in enterprises such as the World Trade Organisation), national legislation (if enacted) and customary law.

Conventions and model draft laws put forward by bodies such as the World Intellectual Property Organisation are based on using copyright, patents and trademarks to protect ownership of cultural (including artistic) knowledge. Whilst it is recognised that in some cases a group rather than an individual holds some of this knowledge, this system does not appear to sit well within the Pacific context. Regulatory schemes of this type do more to protect the interests of distributors than of producers. The expiration of copyright 'protection' built into standard intellectual property laws means that any rights initially accorded disappear never to be recovered. We hear much talk of 'traditional knowledge' but that label does nothing to address the complexities associated with describing what the term actually means and how it can or should best be protected in an increasingly globalised context.

4. PIMA's Role in the Region and its Code of Ethics presented at 'Casting the Net' symposium, April 2010.

5. <http://www.pacificart.info>

## CREATIVE ENTERPRISE

<p><b>CULTURE</b></p> <p><b>Traditional cultural expressions</b></p> <p>arts crafts festivals celebrations</p> <p><b>Cultural sites</b></p> <p>museums libraries archives</p>	<p><b>ARTS</b></p> <p><b>Visual arts</b></p> <p>paintings sculptures carvings weavings photography</p> <p><b>Performing arts</b></p> <p>music theatre dance puppetry circus</p>
<p><b>MEDIA</b></p> <p><b>Traditional media</b></p> <p>books newspapers film television radio</p> <p><b>New media</b></p> <p>digitised content software animation video games</p>	<p><b>FUNCTIONAL CREATION</b></p> <p><b>Design</b></p> <p>graphic interior fashion jewellery toys</p> <p><b>Creative services</b></p> <p>architecture advertising cultural services</p>

Adapted from *Creative Economy Report 2010* - <http://unctad.org/creative-economy>

Others have argued that knowledge of this type is better suited to being protected by means of relying on contract rather than intellectual property law and that communities can protect such knowledge through the use of 'communal heritable trusts'<sup>6</sup>. This has been introduced in some communities in Papua New Guinea.

It is important to remember that questions as to who possesses the right to create things within Pacific island societies are not new and many communities have their own well-established systems and processes for ensuring that these rights are respected and protected. Ömie Artists is a cooperative of female Ömie barkcloth painters from Huvaemo Province in PNG. The group's Facebook page explains how the cooperative deals with the issue of customary copyright: 'The manager and committee also work in close consultation with clan chiefs and elders to ensure that traditional Ömie clan copyright laws have been upheld and highly sacred information withheld before distribution.' However, a system of this type does not address the problem of what the Ömie can do if someone from outside their community starts incorporating their designs into other work. Or worse, if people start making counterfeit copies to be sold at lower prices and with no reference to the cultural origins - it is here that a robust policy approach is needed.

## What are the economic realities?

The UN's *Creative Economy Report 2010* notes the increasing acceptance of the role of the creative economy as a leading sector in generating economic growth, employment and trade, and that creative industries are among the most dynamic sectors of the world economy - offering new, high growth opportunities for developing countries<sup>7</sup>. Yet we rarely hear discussion of art, culture and creativity in terms of economic development in the

6. Martin, D. (2008) *Heritable Knowledge Framework and the development of Communal Innovation Trusts - an ethical framework for development, stewardship and trade*

7. UNCTAD/ UNDP (2010) *Creative Economy Report - Creative Economy: A Feasible Development Option* - online at <http://unctad.org/creative-economy>

## QUICK FACTS

Tourism figures from UNWTO Tourism Highlights 2012 Edition - <http://bit.ly/PvAyfD>

Pacific. In most island countries there is a dearth of information in relation to the contribution creative industries are actually making to our economies overall. This is partly because the creative sector is largely informal, often dynamic and fluid in nature, and that there is very little statistical information available. Exploring the topic in the Federated States of Micronesia, Myjolyne Kim noted:

*There are existing cultural and/or creative industries but these are weak and not well-developed... There is no systematic compilation of information relevant to creative industries<sup>8</sup>.*

Slowly, we are seeing census data and household income and expenditure surveys (HIES) across the region starting to capture information that will assist with analysis of the creative sector. In Solomon Islands, for example, the 2005/06 HIES reported that 4.9% of households were engaged in the sale of handicrafts, wood and/or shell products, noting that a household can be engaged in more than one type of activity<sup>9</sup>. The Republic of the Marshall Islands 2011 census included a question relating to 'home production' (farming, fishing and making handicrafts) for the first time and in the census summary, one in five economically active people are reported as 'producing goods mainly for sale', with more women (27%) involved than men (17%)<sup>10</sup>.

### Linking to tourism and other commercial sectors

Making a living from a creative or artistic pursuit is not an easy thing to achieve. Myjolyne Kim suggests tourism provides a potential means to increase demand:

*Yap has a few professional artists who produce quality arts as a way of conveying Yap's rich cultural heritage to future generations. Numerous paintings have been purchased by art collectors around the world, although profits are not enough to*

8. Kim, M. M. (2012) *Into the Deep: Launching Culture and Policy in the Federated States of Micronesia*, Secretariat of the Pacific Commission

9. Solomon Islands/UNDP (2008) - online at <http://bit.ly/QSIhDe>

10. RMI (2011) *Census of Population and Housing - Summary and Highlights Only* - online at <http://on.doi.gov/MNM991>

*cover artists' expenses, materials, rent and salary. So a demand for increased tourism and appreciation of modern art is also necessary.<sup>11</sup>*

Tourism is already established as a significant economic activity in several Pacific island countries. Selling souvenirs (in the form of handicrafts and artworks) to tourists can drive demand for the arts, while quality creative products can help support the tourism industry - by helping define a destination's cultural point of difference. Developing the link between the creative and tourism sectors is dependent on understanding the market realities. A 2010 survey in Vanuatu estimated tourists spent VT17.7 billion in the country with VT2.5 billion (14.1%) spent on 'local shopping' (i.e. souvenirs and handicrafts), identified as an item of expenditure separate from duty-free shopping. Perhaps more significant is the fact that overall spending by tourists rose from VT14.9 billion in 2008, but the share of the spend devoted to 'local shopping' remained constant<sup>12</sup>. If this aspect of the creative sector is to grow, it is necessary to better understand what the market drivers are and where the blockages occur. Some products, for example, fall foul of quarantine regulations (particularly woven items and those incorporating feathers).

Showcasing creative activity is not solely linked to tourism. Pacific Islands Trade and Invest recently established *Maketi Ples*<sup>13</sup> as a means of exhibiting high quality work by the region's artists and artisans directly to the Australian market. The annual event held in Sydney aims to capitalise on the interest 'shown by Australian based niche retailers/importers, public collecting institutions and designers/producers of homeware products'.<sup>14</sup> This small but strategically developed approach has demonstrated that there is availability on both the supply and demand sides in this area. Over two events in 2011 and 2012, *Maketi Ples* has promoted 64 exhibitors from seven Pacific island countries who have presented 250 artworks. A total of 159 artworks have been sold and a further five new works have been commissioned. Impressive as it is, *Maketi Ples* is not accessible to very many Pacific island artists. Not only do artists have to get their work selected to go into the exhibition they also need to have the financial capacity to pay for airfares, accommodation, freight and insurance.

With commercial galleries scarce and limited government interest, the burden of developing and promoting the creative sector mostly rests within the arts community. An example is the Jambor Arts Collective in the Republic of the Marshall Islands, which is an 'international and intercultural artist group' that seeks to organise, support and exhibit creative efforts across Majuro and beyond.<sup>15</sup> The internet offers opportunities to enhance the relationship between artists, brokers and consumers, especially by tailoring marketing and promotion. While it is unlikely that the emerging internet revolution in the region will result in rural artisans selling directly to discerning and well-heeled collectors in metropolitan countries, creative producers may have their works exposed to a wider, higher spending market and establish relationships with intermediaries. When this happens the rewards can be substantial. The Alcheringa Gallery in Victoria, British Columbia features a number of Pacific artists. One of their latest additions is a piece entitled *Dakuwaqa* (The Shark God) by Fiji artist Jeke Viwalu. The gallery also facilitates commissions.

11. Kim (2012) - see footnote (8) for reference details

12. Tourism surveys conducted by the MCA-Vanuatu compact, funded by the Millennium Challenge Corporation - [mcanuatu.gov.vu](http://mcanuatu.gov.vu)

13. The name is a combination of 'maketi' which is the Samoan word for market and the Tok Pisin word 'ples' which means 'place' - see [pacifictradeinvest.com](http://pacifictradeinvest.com)

14. Choulai, R. (2012) *Building the Creative Economy*

15. For more information see <http://laurenpalotta.com>

## Prioritising the creative economy

The term 'creative economy' was first coined by John Howkins in his 2001 book about the relationship between creativity and economics<sup>16</sup>. Since then the understanding has grown that cultivating ideas - creativity - is at the cutting edge of the global economy. Many subsequent books and articles have been written on the topic, and internationally governments are increasingly seeing the benefit of offering incentives to the nomadic global creative class to base themselves in their country. The Pacific could easily tap into such global shifts, offering attractive lifestyle choices and unique environments in which to work. As the information and communications technology revolution unfolds, the islands are increasingly being liberated from the constraints of geography.

Yet across the Pacific there remains a gap. We often hear rhetoric of cultural importance, but rarely see this translated into national development priorities. The result is little or no investment in the creative sectors. Many national museums are decaying with important heritage collections at risk from poor infrastructure and management. Appreciation of modern art is seemingly non-existent.

Prioritising the creative economy is also missing in discussions about developmental assistance: '...it is important for the government to list culture as a priority in its development agenda as it liaises with development partners'<sup>17</sup>. Perhaps this partly explains why the region's largest donor, Australia, has invested only a tiny fraction of the billions of aid dollars spent in supporting arts and culture. This may change as 'soft power diplomacy' comes back in vogue. It is welcome news that from February 2013 the National Gallery of Australia will host the largest ever exhibition of Vanuatu art for a period of five months. Hopefully more initiatives of this type will follow.

Cultural investment is universally recognised as a public good in and of itself. Moreover, a vibrant creative sector delivers a range of economic and social benefits. It helps boost national pride, incomes and appeal to international tourists and investors. Pacific nations have unique selling points to foreigner visitors, and cultivating rich social and cultural landscapes offer the potential to lure more investment.

It has to be said that France has demonstrated an acute awareness of this - with significant investments in the creative sectors in its Pacific territories. Little wonder Tahiti (think Gauguin) and New Caledonia (with its impressive Tjibaou Cultural Centre) have long been attractive destinations.

In terms of developing a creative economy, the policy requirements are largely the same as apply elsewhere: accurate and meaningful evidence to inform decisions; inclusive dialogue about how this area of economic activity can progress; identification of potential risks (particularly social and cultural risks) and capitalise on opportunities as they arise.

Critical policy initiatives include providing infrastructure, financing and investment in the arts, deepening institutional mechanisms, establishing appropriate legislative and regulatory frameworks (including protections of cultural and intellectual property rights), developing export markets, encouraging the establishment of creative clusters and setting up mechanisms for effective data collection and analysis.

Fostering a creative economy can help build the wider economy, and help keep cultural arts and practices alive in a changing world.

16. Howkins, J. (2001) *The Creative Economy: How People Make Money From Ideas*, Penguin (revised in 2007) - <http://www.creativeeconomy.com>

17. Sioni, A & Paeniu, B (2012) *Tuvalu Cultural Mapping, Planning and Policy Report*, SPC

“ Our art is not just something nice to look at, it comes from a history and culture that we can draw from centuries ago. It is our past, present and future, and it needs to be kept alive and relevant in our daily lives. ”

- Emmanuel Narokobi

The Pacific Institute of Public Policy is an independent, not-for-profit and non-partisan think tank, and exists to stimulate and support informed policy debate affecting Pacific island countries.

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