

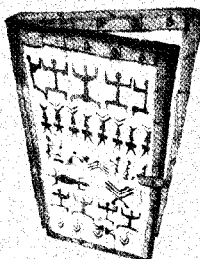


Proceedings of the Seminar

**Measuring Culture and Development:
Prospects and Limits of Constructing Cultural Indicators**

Conference organized by
The World Bank and the government of Italy
in co-operation with UNESCO

"Culture Counts" (Florence, Italy, 4-7 October 1999)



UNESCO World Culture Report Unit

Foreword

On the occasion of the Florence Conference "Culture Counts" (4-7 October 1999), the World Bank and the Government of Italy invited the UNESCO World Culture Report Unit to organize a seminar on cultural indicators in view of the considerable experience that the Organization now has in this domain, and the recent advances that have been made through the publication of the biennial *World Culture Report*.

The first issue of the *World Culture Report* appeared in 1998 under the title "Culture, Creativity and Markets". The construction of cultural indicators of development is one of the *Report's* research priorities, conceptualized to complement the work being carried out by UNDP in its *Human Development Report* (which includes the Human Development Index- HDI), and the World Bank's *Development Indicators*.

In pursuing this task, UNESCO has collaborated closely with other United Nations Organizations and institutions, for example with the United Nations Research Institute for Social Development (UNRISD) which launched a series of co-publications on cultural statistics and indicators in 1997.

In 1998, the Stockholm Action Plan on Cultural Policies for Development made an explicit call for the strengthening of international research on culture and development and, judging from the widespread interest in and positive feedback from the first issue of the *World Culture Report*, the question of cultural indicators is growing in importance in contemporary research contexts and policy-making agendas.

The Seminar entitled "Measuring Culture and Development: Prospects and Limits of Constructing Cultural Indicators" took place in Florence on 5 October 1999 in the Plenary Hall of Fortezza Da Basso. It was organized as a series of interventions by seven international experts and was attended by an audience of some eighty government representatives, heads of national statistical offices, and international scholars.

On the basis of UNESCO's specific mandate in the area of culture and its access to research at the international level, the objective of the seminar was to exchange experiences and policies in connection with research on culture and development statistics. Drawing on existing practices as well as on the complex and multi-faceted nature of world cultural processes, the experts would attempt to identify specific implications and concerns in the process of statistical analysis.

A wider policy-oriented aim of the seminar was to increase awareness among national ministries, not only of culture but also of finance and of the soundness of investing in research on culture and development as a useful tool for policy decision-making.

The thrust of the seminar was accordingly quite simple: how should we advance ?

In the following pages, the different answers of the experts to this question are presented in summary form. Several of the interventions will be published in full length in the second issue of the *World Culture Report* to appear in 2000.

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**Measuring Culture and Development:
Prospects and limits of constructing cultural indicators**

(Florence, Italy, 5 October 1999)

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Proceedings

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The publication of the *World Culture Report* has filled a gap that was highlighted at many of the consultations held by the World Commission on Culture and Development. It has also become evident, in the work of the Culture Sector of UNESCO, that analyzing cultural phenomena that are increasingly emerging as basic issues of development requires the kind of precise, reliable data and statistics that are available in other areas of development.

During the preparation of the first *World Culture Report*, the idea of creating a single, composite index that would allow the ranking of countries' development efforts related to culture had to be left aside. We found that defining exactly what should be measured was extremely difficult: one by one, concepts such as "cultural development" or "cultural achievement" were discarded.

The interest of the World Bank in the economic aspects of the impact of culture on sustainable development and the contribution it may make to poverty alleviation is most welcome. As more actors enter the cultural policy arena, though, the risk is that action programmes on culture and development may disperse into minor, unconnected projects.

As against this, it is worth defining indicators in the framework of the advances made in the last few years in delimiting the main lines of action on culture in relation to development. They are the following:

- *Conservation*: It is urgently necessary to offset trends of destruction of sites, monuments or living cultures that are an asset for societies or for the whole of humanity. A set of "cultural conservation indicators" are therefore needed to monitor the state of cultural assets and to promote financial strategies for the long term, and Governments must be asked to provide the basic data for them.
- *Creativity*: Despite the outcry in recent years to link conservation to creativity, creativity based on cultural resources also plays an important role in improving the peoples' and communities' opportunities in the markets. Indicators on the cultural creativity aspect of production for markets, however, are difficult to define. New data categories must be created and statistics collected to establish the necessary databases.
- *Identity*: The major element of identity, which is important for sustainable development, is people's ability to work together for their own development. Identity is mainly an issue of governance, in terms of the vertical organizational axis of a society, but it is an issue of "convivability" in terms of horizontal interactions between groups. Indicators for development are needed to measure these abilities and to detect which factors enhance them.

We now know that culture provides stronger motivation, better interaction and more coherence to people's actions for development. But to convince policy-makers and the public of this, we need more reliable, precise and imaginative indicators to make our case. The conceptual underpinning of indicators is crucial here. As the first issue of the *World Culture Report* clearly spelled out: "...whatever aggregation rule is chosen...it will involve parameters the values of which will depend on ethical judgements".

Leo Goldstone

Director of World Statistics Ltd., New York, USA

In the first *World Culture Report* culture or culture-related indicators were presented for 150 countries with a population of one million or more as well as for ten regional groupings. Nearly 200 data items were included and distributed among thirty tables. The culture indicators in the *Report* did not pretend to measure culture in the world – which is far more complex and multi-faceted – but presented those aspects of culture in the world that were readily measurable.

Our aim was to include the multi-cultural aspects of all countries as a balance to the inevitable bias towards the rich countries because of their cultural production and consumption market indicators. Those indicators had to stay because they reflected an important and measurable part of culture in the world. The challenge was to broaden the scope of indicators so as to bring in the multi-cultural features that exist in all countries and can be provided by all countries and be presented in indicator tables.

It soon became clear that the available cultural statistics under-represent or completely exclude many of the cultural activities of poor nations and of poor people in rich nations. This was borne out when we came to discuss the feasibility of constructing a composite cultural development Index by which countries could be ranked. There was a strong wish to develop such an index but a very powerful argument against trying to design a single cultural development index was that it would inevitably end up as a “rich country cultural development index” and, the richer the country, the more cultured it would appear, with a few inevitable exceptions.

Cultural statistics under-report or exclude poor countries and poor people because, unlike statistics of other social areas such as education, population and health (but not disease), they are not inclusive. On the contrary, they are patently exclusive; focusing primarily on the production and consumption of cultural goods that can be priced in the market. In fact, cultural statistics can be said at present to be as much a process of discounting as of counting.

Another more insidious aspect is the extent to which living in poverty deprives people, and, in some cases, whole countries, of many cultural activities and opportunities as commonly defined. Market-place culture is by far the leading cultural brand with a dominant share of the statistically defined culture market. It is also identified mainly with the rich countries. And the culture that is practised in rich countries is automatically practised by the rich people in the not-so-rich countries and, particularly, the rich people in the poor countries.

This results in the creation of a self-perpetuating value-laden exclusive definition of culture which is the culture of the comparatively rich as expressed through the market place.

It is intended that many of the missing cultural activities will be presented in some quantitative form in future *Reports*. In the forthcoming *Report*, experts from different countries – Canada, France, Italy, the Netherlands among others – will be sharing their expertise in a number of crucial ways. In addition to this, consultations with UNESCO Member States are taking place through a questionnaire designed to generate data in some of these missing areas.

Arlene K. Fleming

Cultural Resource Specialist and Consultant to the World Bank Culture and Sustainable Development Program, Washington, USA

Early in 1999, the senior management of The World Bank initiated an effort to identify cultural indicators as part of the process of creating client country profiles that would be more robust and definitive than those based on the standard economic indicators. A small unit exists to spearhead the integration of culture into the Bank's lending programme, as described by the president, Mr Wolfensohn, in his remarks at the opening of this Conference.

The Challenge is threefold:

First, to identify valid indicators for culture. This is very difficult, since for The World Bank, culture and sustainable development are viewed in the context of poverty reduction, civil society, and social inclusion, creating a rich tapestry of concerns and factors. Hence, identification of cultural indicators is not a matter of counting art museums: it is far more nuanced and complex.

Second, as a stopgap measure, to attempt to identify existing measures. This was a discouraging process. Very little of what we need to know is quantified and available in comparative formats. The best that could be found were a few gross indicators such as the number of World Heritage Sites in a country.

Third, to identify a strategy and process for encouraging collection of data on valid cultural indicators. There is currently a positive climate for this effort, given a general and rapidly growing interest in the cultural aspects of development. A concern throughout the world with identifying, conserving and nurturing cultural traditions is driving the need to document and measure. Since both the culture and the development fields have skeptics regarding the link between culture and social and economic development, we are challenged to build a case, to assume the burden of proof.

In connection with its lending programme, the Bank routinely undertakes numerous procedures that could aid the search for cultural indicators and could encourage data collection in donor and client countries:

- Economic Research is underway to establish the role of culture in fostering social and economic development;
- Economic and Sector Studies are commissioned by the Bank periodically in geographic regions of the world;
- Country Assistance Strategies are beginning to consider the role of culture in determining priorities and increasing effectiveness of investment initiatives;
- Comprehensive Development Framework procedures are beginning to broaden the discussion in designing Country Assistance Strategies;
- Social and Economic Assessments are required during the preparation of individual loan projects and could include a cultural dimension;
- Monitoring and Evaluation of Bank-financed projects should allow for identifying and testing proposed cultural indicators.

The Bank's initiative for culture and sustainable development is based on partnership and broad collaboration with other organizations. The Bank intends to participate where it has a comparative advantage, and welcomes suggestions from other organizations and client countries regarding its appropriate role in determining and analyzing indicators for culture and sustainable development, and for the cultural well-being of countries.

Sakiko Fukuda-Parr

Director of the Human Development Report Office, UNDP, New York, USA

Since the publication of *Our Creative Diversity* by the World Commission on Culture and Development, and the launching of UNESCO's *World Culture Report*, increasing attention is being given to culture as an important part of development. This has stimulated an exciting debate on indicators of culture. The *World Culture Report* has published a number of interesting tables that contain many aspects of culture in development, but research on cultural indicators is still at an early stage.

Indicators are a tool of policy dialogue and are not the same thing as statistical data. The increasing use of indicators is a new trend in development policy dialogue. They help catch the attention of "busy policy makers" about the urgency of attention needed on priority issues, and the extent of improvements or setbacks being experienced. In other words, indicators are a tool of policy dialogue that needs some objective facts.

In launching the Human Development Report, Mahbub-ul-Haq made a conscious endeavour to use indicators of human development as advocacy tools. And, going beyond indicators, he realized that a composite index was needed to draw attention away from the preoccupation with the GDP as an indicator of development.

Recognizing that indicators are intended to stimulate policy dialogue has important implications - indicators should be policy relevant so that they give a clear message about what is desirable and what is not. They should give objective information on the state of affairs in a society. Culture indicators should be developed with this purpose in mind.

The methodology for developing indicators should start from defining a conceptual framework and identifying key dimensions. No single indicator of culture can reflect a complex reality such as culture.

In the case of the Human Development Report we first worked with definitions: defining human development – expanding the choice of individuals to lead the kind of life they value - and its most important dimensions or features. Second, we selected key indicators, which could form the elements of a composite index, or HDI.

The conceptual framework for cultural indicators should consider culture as a *developmental objective* in which cultural vitality, cultural diversity and global ethics are key elements. Secondly, *culture in the development process* is also important, and freedom of expression, participation in cultural creation, access to cultural activities, and cultural identity are key dimensions.

The debate on cultural indicators has come a long way. Much has already been accomplished under the leadership of the World Commission on Culture and in the work of the *World Culture Report* on defining the conceptual framework. However, the cultural indicators that have been published in the *World Culture Report* have focused on cultural vitality. Future work should concentrate on finding "innovative" ways of quantifying other dimensions.

Paul Tolila

*Director of the French Department of Statistical and Prospective Studies
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The question of cultural indicators is most difficult to deal with, and several reasons account for this situation:

- The field in which cultural indicators are used leaves no one indifferent. Culture is highly symbolic – more an object of impassioned debate than consensus, provoking lively controversy both between and within nations.
- Compared to other fields such as finance, defense and diplomacy, what we refer to as cultural policies are still in their infancy; the institutions responsible for developing them were only recently set up and differ greatly from one country to another. This makes any attempt to produce international comparisons extremely complex.
- Whereas much is said about the field of culture in official discourses, little is actually done when it comes to budgets and allocations. Those who work in the cultural field know very well what it is like to be frequently lacking in funds and logistic support and way down on the list of priorities.

Therefore, in clarifying the aim of establishing cultural indicators, one must keep in mind that they always have two intrinsically linked sides to them: indicators are the result of a learning process as well as being instruments of government policy.

The current debate on the definition of culture (“culture is everywhere”; “culture is specific”) is not suited to the very modest - but extremely difficult - aim of establishing cultural indicators for widespread use. The approach to the fields for which indicators are intended must be deliberately operational:

Cultural indicators are embodied in products that can be easily identified by everyone (books, films, cassettes, live performance, heritage); they bring professional communities together, and affect consumers of cultural products who develop specifically different habits. The challenge is to conduct closely methodological discussions and to establish reliable data, long series, and stable observation methods and tools.

To develop an indicator thus requires time, coordination and a great deal of willingness. Dialogue with decision-makers is not a simple matter and conflicts over rationality and practice prevail. Priority must be given to fields, which cannot be disputed (cultural employment, cultural expenditure, the economic importance of cultural fields), followed by indicators relating to what people actually do with culture (consumer habits in relation to supply, and “amateur” activities).

Indeed, the activities of “amateurs” indicate more than just straightforward consumption and go beyond the world of the cultural market, thus providing a more comprehensive image of the notion of creativity. Although such indicators are neither simple nor “rough-and-ready”, they decidedly represent a vital step forward.

Finally, the question of culture and sustainable development is beginning to receive serious attention. It should be remembered, however, that the notion of sustainable development is only very recent, and mainly conceived within an “ecological” type of context. The majority of specialists and actors in this field have a background in the “hard sciences” – the engineering and natural sciences – whereas thinking on culture requires a massive input from the social sciences.

Michel Durand

*Chief of the Research and Communication Section in the Culture Statistics Program
Statistics Canada, Ottawa, Canada*

Culture in economic and industrial terms has gained new significance over the past decade, to the extent that cultural sectors have become targets of national economic development policies in many trading countries. As this happens, there continues to be a need to build an “organized” approach fostering more rigorous and relevant indicators that monitor the vitality of the culture sector activities worldwide.

Overall, indicators should contribute to the resolution of an identified, practical problem in the areas identified as important by cultural policy and industry decision-makers.

We should therefore strike a balance between indicators that aim at achieving a holistic view of the cultural sector in each country (particularly in the areas described as central to the creative process, which is more closely related to development) and other, more detailed indicators, that aim at collecting the information needed to understand and confront specific issues for each cultural sector.

In order to fully appreciate and understand the major factors influencing the performance of the culture sector, a wide range of indicators are needed:

- data to measure or describe the various benefits or aspects of cultural activity, from strengthening identity, sovereignty, visibility and cultural development to the numerous economic, commercial, financial, political, social and artistic opportunities;
- data relating to all facets of culture – for example, the creators, the producers, the products and market niches, the activities of culture support organizations, the consumers, the factors affecting supply or demand, and more importantly, the factors affecting change;

Once these supply/demand statistics are created, one can begin to answer a number of key questions that all relate to measuring changes in the structure, evolution or dynamic nature of the culture sector.

In Canada the key research questions and related indicators associated with the broad policy objectives mentioned include, among others:

Factors impinging upon the size and composition of cultural infrastructure; the impact and growth of government and private sector support programmes; increase in market share of imported products; impact of the export/import market on the vitality or competitiveness of the culture sector; and changes in the demand from consumers for cultural goods and services.

In any database there are always critical data and research issues and limitations which need to be dealt with in order to produce relevant and credible international indicators. These concern the development of a coherent and consistent framework for cultural statistics to guide the selection process for data aggregations and for the development of indicators (cultural equipment, sport, advertising); as well as the development of standard concepts, methodologies, and definitions related to the various indicators.

Paolo Garonna

Director-General of the Italian National Institute for Statistics (ISTAT), Rome, Italy

As the Maastricht process has shown, peer pressure, reviews, benchmarking can indeed be very powerful tools in the information society to induce the desired response, stimulate reform, and guide behaviour, but they require clear and policy-relevant indicators based on sound and comparable and credible statistics.

First, more transparency is needed both in culture markets and in cultural institutions. The opacity of the art and culture markets is a well-known phenomenon. The returns on cultural investments are notoriously distant in time, unpredictable and dispersed. Under-investment is also, to a large extent, explained by a lack of accountability of public policies for culture. Making governments more accountable in their intermingling with culture and the arts is an essential precondition for more, and better, public support for culture.

Second, international dialogue is another crucial factor. Alongside the public-good element of culture, there is an undeniable universal element in art and culture. But this exchange requires good-quality statistics and indicators, which can be compared and confronted at the international level. This is where the fundamental role of UNESCO and other relevant international organizations acting in the field of culture can be clearly seen and appreciated.

In reaching the objective of developing a fully-fledged international system of statistical information on culture over the past years, particularly significant work has been done by the so-called Leadership Group (or LEG) on culture statistics of the E.U. set up by Eurostat and led by Italian National Institute for Statistics (ISTAT); and by the Sienna Group on Social Statistics established in Sienna in 1993.

Three challenges now lie ahead:

- the establishment of a fully-fledged “system” of culture statistics and indicators, integrated, comprehensive, capable of linking the various sectors and aspects of the wide-ranging culture problematic, and connecting them to the different aspects of social and economic development;
- the generation of trust between respondents and interviewers, between the public agency and the media, between policy-makers and statisticians, etc.;
- the resolution of the complex and intriguing measurement issues, since some of the difficulties of indicators in fact arise, not because of lack of data, but because of conceptual inadequacy.

To that end, the new SNA (System of National Accounts) now gives the opportunity of constructing satellite accounts, where new concepts and new linkages can be tested, and more comprehensive measurements can be derived. This can and should be done. It means developing accounts of cultural activities, and linking them to standard economic and social accounts, as a frame for measuring the impact of culture on sustainable development. Like in the case of the Green GDP, we can now arrive at a “golden GDP” which fully accounts for culture and its impact on development and society.

Conclusion and Recommendations

More and more people throughout the world are becoming aware of the fundamental role that culture plays in their lives, just as more and more nations are becoming conscious of the impact that culture has on their development, identity, values and well-being.

As efforts are deployed to broaden those measurable and useful aspects of culture in the world in the coming years, one of the challenges is to make sure that the data-base does indeed, as designed, provide useful information which will be used in the decision-making process of many cultural organizations worldwide.

The World Bank's emerging interest in the economic aspects of the impact of culture on sustainable development and the contribution it may make to poverty alleviation is a very positive trend. At the same, however, there is a risk that action programmes on culture and development disperse into minor, unconnected projects.

Indicators must therefore be defined in the framework of the advances made in recent years, and the seminar has more than clearly shown the values and necessity of collaborating internationally in this domain.

In order to strengthen the process of broadening measurable and reported aspects of culture in the world, UNESCO should pursue the development - in collaboration with The World Bank (and other international financial institutions) and UNDP, as well as International and National Statistical Institutes and Fora - of a comprehensive research programme focusing on the creation of new hard data on the linkage between culture and development.

The objective should be to develop a fully-fledged international system of statistical information on culture, where policy performance at the local level can be understood, measured and assessed against performance in other localities, or at the national level and across different regions of the globe.

The system should be integrated, comprehensive and capable of linking the various sectors and aspects of the wide-ranging culture problematic, as well as of connecting them to the aspects of social and economic development.

Starting from the assumption that indicators capture trends and are the meaningful representation of statistical data, UNESCO wishes in the future to reinforce its institutional capacity and scientific excellence in the following three main directions:

1. Strengthening the work of generating statistical data on culture and development in and between countries.
2. Reinforcing the notion that (cultural) indicators are a tool for policy dialogue and guidance, and that their creation should therefore be encouraged.
3. Developing a conceptually agreed international framework, using as a starting-point a few essential components/dimensions of culture and development (since culture embraces multifaceted realities that cannot be resumed in a singular dimension), both in quantitative and qualitative terms. These components/dimensions could include diversity, creativity (or cultural vitality), identity, global ethics, participation and access.