

CREATIVE ECONOMY AND HUMAN CAPITAL: THE KNOWLEDGE MANAGEMENT ISSUES

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EVALUATION OF THE STATE OF CREATIVE INDUSTRIES DEVELOPMENT IN THE EUROPEAN UNION COUNTRIES: EXPERIENCE FOR UKRAINE

A special place in the national economy belongs to the creative industries, at the core of which is cultural activity. It is necessary to evaluate the socio-economic conditions for the development of creative industries in the European Union (EU) countries and to define promising avenues for improving their functioning in Ukraine, taking into account the experience of these countries.

From the standpoint of statistical data recording, creative industries do not have well-defined scientific and methodological approaches to track trends in their development in the areas of economic activity, types of economic operations and institutional sectors. In view of the information available on this area in the SNA (System of National Accounts), a comprehensive analysis of the creative industries development should be conducted for cultural sphere (CSph). Its contribution to the development of creative industries in the EU countries will be determined on the basis of macroeconomic indicators such as gross value added (GVA), wages and employment in CSph, final consumption expenditure of households (FCEH) by recreation and culture, export and import of cultural goods in intra and extra-EU trade (table 1).

According to these data, CSph in the national economy of each country has different positions and is characterized by multi-vector development. For Malta, the contribution of this sphere to the national

Table 1 (continued)

1	2		3		4		5		6		7		8		9		10	
Latvia	2.5	3.0	1.0	1.2	3.4	3.5	4.9	5.8	8.1	9.7	0.49	0.36	0.74	1.07	0.55	0.79	1.61	0.94
Lithuania	1.6	2.1	0.7	1.0	3.6	3.9	4.2	4.9	6.7	8.2	0.26	0.36	0.33	0.57	0.14	0.20	0.46	0.33
Luxembourg	1.7	1.5	1.2	1.1	5.2	5.1	2.2	2.0	6.2	6.1	0.96	0.73	0.29	0.25	0.27	3.43	0.05	0.38
Hungary	2.4	2.5	1.0	1.2	3.7	3.6	4.0	3.8	7.4	7.5	0.38	0.20	0.21	0.18	0.16	0.19	0.32	0.16
Malta	7.6	7.6	1.9	3.5	3.9	5.2	7.0	4.8	10.4	8.9	0.94	0.60	2.68	0.41	0.44	0.50	0.11	0.62
Netherlands	2.2	2.1	1.1	1.0	4.4	4.8	4.9	4.3	11.4	10.0	0.53	0.43	0.86	0.67	1.14	0.95	0.46	0.59
Austria	2.5	2.5	1.2	1.2	3.8	4.2	5.5	5.2	10.4	10.0	1.58	1.23	1.50	0.82	0.54	0.51	1.04	0.74
Poland	1.9	2.0	0.7	0.9	3.2	3.3	4.7	4.7	7.7	8.2	0.46	1.47	0.69	1.81	0.26	0.61	0.50	0.59
Portugal	2.5	2.5	1.5	1.5	2.8	3.4	4.5	3.8	6.7	5.6	0.90	0.61	0.29	0.25	0.20	0.26	0.57	0.42
Romania	3.6	3.4	1.0	1.2	1.4	1.6	3.5	4.3	5.7	6.9	0.44	0.34	0.17	0.20	0.15	0.17	0.11	0.13
Slovenia	2.4	2.2	1.3	1.2	4.3	4.9	5.1	5.2	8.7	9.5	0.51	0.42	0.39	0.46	0.29	0.45	0.52	0.33
Slovakia	3.0	3.0	0.6	0.7	2.6	2.9	5.3	5.4	9.4	9.6	0.54	0.39	0.37	0.50	0.10	0.17	0.18	0.10
Finland	2.7	2.6	1.5	1.4	5.2	5.1	6.0	5.1	11.7	10.2	0.93	0.45	0.38	0.10	0.22	0.19	0.24	0.26
Sweden	2.6	2.6	1.3	1.4	4.7	4.9	5.0	4.9	11.1	11.3	0.89	0.55	0.43	0.28	0.50	0.39	0.82	0.55

* – arts, entertainment and recreation; other service activities; activities of household and extra-territorial organizations and bodies

Source: [1]

The share of CSph wages and salaries in the EU countries is 0.6–3.0% of GDP (table 1), which indicates the presence of asymmetries in the development of this sphere and the differentiation of approaches to revitalizing the creative industries sector for each country. Similar tendencies are characteristic for employment in CSph as the smallest share of employed in 2011–2019 in this type of economic activity was in Bulgaria, Greece, Poland, Romania and Slovakia, the largest – in Estonia, Finland, Luxembourg, Malta, the Netherlands, Sweden and Slovenia. The main reasons for the discrepancies are the peculiarities of the geographical location, the size and natural and climatic conditions of the EU countries, the nature and tradition of involving the population in creative and leisure practices, the intensity of creative activities and the availability of rich cultural heritage.

The principles of implementing the FCEH on culture in the EU countries are differentiated, because their distribution for GDP in 2011–2019 has impermanent character (table 1). According to individual EU countries, the share of FCEH in this sphere in GDP has

grown, by one they have been reduced, while others have fixed relative stability. This suggests that according to this indicator in 2011–2019, the dynamics of consumption of cultural products was multi-vectored, depended on subjective assessments of households and internal social and economic trends of development of each EU country. According to absolute measurements, the amount of FCEH during this period left practically the same level (with the exception of Latvia and Lithuania, where their substantial increase occurred). It is important to consider the sensitivity of household behaviour to changes in the socio-economic situation, the tendency of subjects to transform their own tastes and preferences, the existence of differences in mentality and the system of values by region, when developing measures for the creative industries sector in Ukraine aimed at reorienting FCEH. This will make it possible to achieve positive changes not only in the creative industries sector, but also in related to it types of economic activity.

In the EU countries with a higher level of economic development, the share of FCEH in culture is higher compared to countries with lower level of economic development. At the theoretical level, this can be explained by the fact that improving the welfare characteristics of households allows them to reorient their consumer behaviour to meet the needs of the higher level, to expand the possibilities of engaging in cultural-leisure practices and to modify world-view orientations [2, p. 72]. Accordingly, for the EU countries, one of the important priorities of economic policy is the implementation of long-term measures that should alleviate the asymmetries of socio-economic development. Therefore, measures of economic policy that contribute to ensuring macroeconomic stability, improving the structure of the national economy, and raising the level of material position of households in Ukraine are becoming important. Equally important for the intensification of consumption of households by cultural services is the resolution of the geopolitical conflict, the establishment of peace and the restoration of the territorial integrity of our country.

The CSph in the EU countries is integrated into foreign economic relations. However, the share of export and import of cultural goods

between and outside EU countries is insignificant, on average 0.5–0.7% of the total volume (table 1). The structure of export and import of cultural goods directly between the EU countries in 2011–2018 is sensitive to changes in the domestic and foreign market conditions, and therefore has a variable character. According to relative indicators, the change in the structure of exports and imports of these goods for each EU country showed how to increase export-import transactions between countries (for example, the Czech Republic and Poland) and its reduction (Belgium, Bulgaria, Germany, etc.). By 2018, the exchange (export and import) of cultural goods between the EU countries mainly determined the trend towards slowing down of these processes. We also see similar trends in export-import operations for cultural goods between the EU countries and the rest of the world.

This testifies the existence of a number of risks during the exchange of cultural goods between EU countries, which affects the development of creative industries. In order to intensify foreign economic activity in the creative industries sector of Ukraine, it is necessary to take into account the high sensitivity of this sector to the situation on the external and internal markets.

Thus, the development of creative industries in the EU countries is asymmetric, their position and role are differentiated in the national economy and depend on peculiarities of economic, political and social development conditions. This sector is sensitive to changes in household consumer preferences and the situation in foreign markets. Based on studying the tendencies of creative industries development in the EU countries, in Ukraine, it is advisable to take account policy measures which ensure macroeconomic stability, stimulate exports and improve the financial situation of households.

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