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The Position of Cultural Workers in Creative Industries – The Case of Croatia

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Mapping the Cultural Economy in the Euro-Mediterranean Region

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Abstract:

This paper shall present the findings of analysis of interviews done with cultural workers in Croatian creative industries. It is important to decipher what is the position of cultural workers in Croatia as the local cultural economy is changing rapidly in the last fifteen years as a result of processes of globalization and transition. This is particularly highlighted in the sector of creative industries, as the key creative industries conglomerates are mainly American based and highly influential in the (South)-European cultural landscape. That is why is important to investigate how this is effecting culture workers in the creative industries of SEE, notably Croatia, and what are the shapes of markets that they are working on.

The aim of these semi structured in-depth interviews is to examine the experiences, knowledge and positions of the workers of creative industries that will reflect the main problems of the creative industries development in Croatia. What are creative industries workers' experiences of the field? What do interviewees perceive as problematic in their sphere of work that should be changed and how? The analysis will attempt to summarize what key problems that cultural workers in Croatia find most urgent, as to present one aspect of the Croatian cultural economy.

Introduction¹

The creative industries are not a well known concept in the Southeast European region and it needs to be researched and evaluated in full. The reason why this sector asks for its evaluation and research comes from the fact that the changes in cultural and creative sector are happening already in the region, but are hardly researched. In this way, without the adequate analysis it is difficult to create satisfactory steps in policies for future cultural development in the region.

In more than fifteen years this region went through many alterations, caused by the systemic change from socialism/communism, the war in one part, and the rapid influences of globalization. The transition processes are still underway and are highlighted by the EU integration processes. All these changes had a large influence on the culture and creativity development in the region, and thus in Croatia. State is still the major player in this respect, but other players most notably in the business sector have also started to emerge rapidly. And this is why it is important to make research on creative industries – to examine these changes that are putting cultural and creative activities on the market. Cultural workers themselves should be put into focus as they are key points and motors of further change. To investigate their position and experiences in creative industries is the way to point out the key problems of the sector.

In addition, it is essential to decipher what is the position of cultural workers in Croatia as the local cultural economy is changing rapidly in the last fifteen years as a result of processes of globalization and transition. This is predominantly highlighted in the sector of creative industries, where one has to note how the key creative industries conglomerates are mainly American based and highly dominant in the (South)-European cultural landscape. These are some of the reasons why it is important to investigate how all these processes are affecting culture workers in the creative industries of SEE, in this case notably Croatia, and what are the shapes of markets that they are working on.

¹ This paper is based on the data gathered through Cultural Policy Research Award 2005 www.cpraward.org . The research was focused on interviews with cultural workers in creative industries in SEE with the aim to investigate the position and experiences of culture workers in creative industries, in the context of research on the current position of creative industries in Southeastern Europe. Some parts of this text are a part of the report submitted to the CPRA Jury, the report is under evaluation until the end of February 2006. I would like to thank again European Cultural Foundation and The Bank of Sweden Tercentary Foundation for granting me this award.

In SEE² as the region where Croatia is situated one can also notice the establishment of foreign creative industries as a big business - one of the examples being the foreign, largely American, film distribution³. As another example, (one can add that) although the local book production is rising, one notices that the largest number of book translations is of Anglo-American origin. At the same time, local creative industries are struggling to find their place in the local market, and to position themselves towards local, regional, European and global market. In the SEE context the question of state-aid to cultural production is also important, and the influence of civil society initiatives in this field is rising. This multidimensionality of the problem is one of the reasons why this issue has to be adequately analyzed in detail in order to comprehend the occurring changes.

The concept of creative industries is used here so as to highlight this change in the perception of culture – from the view of ‘expenditure in culture’ to the view on ‘investment in culture’ that is starting to take place in Southeastern Europe either through the influences from outside of the country or through the repositioning of the culture sector from inside. Although cultural industries have a long history in this region, one has to note that in the past in SEE countries culture was perceived as something coming from “above”: “culture was not just a matter of the state, it was owned by it” (Compendium - Romania, 2003: 1). Therefore what we now call creative industries was mostly regulated by the state, that is, a single-party system, which is why this shift to independence of this sector is still proving to be rather difficult. The self-management system of 70s and 80s Yugoslavia was a special case, the changes have started before the dissolution of systems, as it is evident in cultural policy documents ‘Red book’ from 1982 ‘In a civil society the *market* is in a big part regulator of culture and of cultural policies. In contemporary capitalism it has strongly developed industry of consciousness or industry of culture as one element of a reproduction of civil society itself. Thus, culture has become an area of production of relative excess value. Socialism cannot take over the market on this logic, but it inherits the market. One could say that in this sense culture in our society is still determined not only by the influence of the state and the access of state owned monopoly, but also by the market law’ (1982: 25)⁴. The question of the development of creative industries is thus, highly contested as changes in several sectors need to be fulfilled for their development. It is still difficult to

² By Southeastern Europe in this article following countries are included: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Montenegro, Moldova, Romania, Serbia and FYROM.

³ Of course, the USA film industry was present in the region before, but not in this intensity.

⁴ ‘U građanskom društvu *tržište* je velikim dijelom poslalo glavni regulator kulture i kulturne politike. Ono pogotovu u suvremenom kapitalizmu snažno razvilo industriju svijesti ili industriju kulture kao jedan elemenat reprodukcije samog građanskog društva. Kultura je također postala poprište proizvodnje relativnog viška vrijednosti. Socijalizam ne može preuzeti tržište na toj logici, ali ono tržište nasljeđuje. Moglo bi se reći da je u tom smislu kultura u našem društvu još uvijek determinirana ne samo utjecajem države i preostalom snagom državno vlasničkog monopola, već i djelovanjem tržišnih zakonitosti’ ‘Crvena knjiga’ (1982:24-25).

move away from the state-centered funding for the culture, and the views of culture workers who are at the core of these industries, gives an insight into the key problems of this sector. That is why this article will try to give the detailed examination of their position in the next sections as to give an outline of the creative industries in Croatia and the potentials for their development. When talking about the region in general and about the similarities of the creative industries issues, in respect to historical and present differences of the countries in question, the research aims to decipher common problems of these systems in transition. Some of these issues can be highlighted: “one has to stress that cultural products are not like other products and therefore entering the “free market” is not an easy task. Foreign cultural industries have already used the opportunity to enter the area of Southeastern Europe and it is here that local cultural products are losing touch with the audience. (...) one could conclude that there are many structural changes ahead in the cultural industries sector in the SEE countries. The whole field has to be restructured in order to establish strong domestic production that will have a healthy distribution system and accessibility and that will be in touch with global processes.”(Primorac, 2004: 74)

The first problem is that the concept of creative industries is rather new to Croatia and is still not well accepted. The knowledge of the field of creative industries is rather scarce in the SEE region, but the research in this area is highly important due to the rapid changes that are under way in the context of the EU enlargement. The difficulties with the (possible) mapping exercises for the creative industries in the region should also be stressed, as the situation with the statistics is rather difficult. Statistical offices are still working with old classifications, jobs or sectors in creative industries cannot be diverged from other ‘non-creative’ occupations and sectors, and thus, evaluations as well as comparison are quite difficult to achieve. As creative industries is rather new concept in this country, let us firstly take a look at its origin and application.

Defining Creative Industries

The origin of the term ‘creative industries’, as the broader counterpart of the term cultural industries, can be found in Australia in the early 1990s,⁵ ‘but was given much wider exposure by policy makers in the United Kingdom in the late 1990s, when the Department for Culture, Media and Sport (DCMS)⁶ set up its Creative Industries Unit and Task Force’ (UNCTAD, 2004: 4) as a part of the ‘Cool

⁵ See the document *Creative Nation: Commonwealth Cultural Policy*, October 1994.

⁶ Much cited definition of creative industries defines them as ‘those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the

Britannia' New Labour Government agenda, 'but it has begun to develop a wider-ranging and more conceptually useful purchase, especially in the English-speaking countries of Australia, Canada, the USA and the UK' (Mercer, 2001: 5). Conceptually, one can see a switch from culture to creativity, and inclusion of those activities that lack 'industrial' dimension. 'The addition of these activities to the definition of the 'creative industries' can be seen as a means of 'the cultural sector's statistical expansion'. In plain words, Heartfield describes this as 'a matter of adding in more jobs and businesses in such a way that boosts the numbers'' (Tomić-Koludrović and Petrić, 2005: 11). Nowadays, the research done on the creative industries is still oriented more to pragmatic issues, the analysis of the (mostly financial) potential of creative industries connected to the urban environment, (e.g. Vienna - Ratzenböck et al. (2004)), but the critical review of the field is still rather dispersed⁷. This also comes from the fact that there are several concepts in circulation that sometimes cover the primarily same areas, or approach the same issues from a different angle. On the other hand, as the creative industries are based on the exploitation of 'intellectual property' and copyrights, some authors are more prone to use different terminology - that of 'copyright industries'. On the other hand, the term 'experience industry' came to the fore as well; as Tobias Nielsén notes: 'The term experience industry is mainly confined to Sweden, but the phenomenon is a global one. (...) The experience industry is based on creativity, which takes the form of people who contribute energy, creativity and knowledge' (Nielsén, 2004). Similarly, those being chiefly interested in the development of the Hollywood-like production and the gross income of the products connected to it, research it separately as an 'entertainment industry', for a part of the creative industries sector. Some define them 'the content industries' (this is mainly present in USA), as the content is regulated through the copyright law, but also through other means of regulation⁸.

Having in mind the difficulties with the characterization of creative/cultural industries, the author of this article opted for the term of creative industries rather than cultural industries, as she agrees with those authors who consider creative industries a broader term than cultural industries⁹ (having in mind that some authors use it interchangeably). One should note that it is rather complex to work in the field of creative industries as the research scope is changing with every piece of investigation (it has to be taken into account that there are differences

generation and exploitation of intellectual property'. More information on: http://www.culture.gov.uk/what_we_do/Creative_industries/

⁷ The critical insights to creative industries concept has been rather prominent through the work of Institute of Network Cultures, Amsterdam, and EIPCP (European Institute for Progressive Cultural Policies) among others.

⁸ This is also present in Europe, where the survey on the European content regulation (Holoubek and Damjanovic, 2006) touches on some pertinent questions relevant to this study as well.

⁹ '...cultural industries make up a subset of the creative industries...' (UNCTAD, 2004:4).

between academic and policy research as well).¹⁰ In this article the term of creative industries encompasses several fields of production of symbolic goods: book industry, film industry, multimedia and electronic publishing, design and advertising, architecture, music industry, photography and visual arts.

Making a review of literature and documentation, one can note that the creative industries was not such a promoted notion in Croatia. They are not present as a special category, their narrower counterpart 'cultural industries' is mentioned in several documents. For example, Croatian Minister of Culture highlighted that the special emphasis and models for cultural industries will be created, but until now, no 'support for cultural industries through a special scheme of loans' (Compendium, Croatia, 2005) has been developed. The 'Creative Croatia' project by the Brainswork agency (supported by the Ministry of Economy, Labor and Entrepreneurship and Development Agency North) was presented in Varaždin on the 16th March last year but no further actions were developed after this. Out of other actions the most prominent action of promotion of creative industries that took place in Croatia was British Council's work on supporting the UKSEE Creative Industries strand¹¹.

In this way, that is why as one of the first steps during interviews we wanted to research and to determine if the terminology of 'creative industries' is relevant for cultural workers themselves. Therefore, the interviews started with an introductory question concerning the topic of the research as such. The research subjects were asked if they had ever heard of the term itself; did they know what it means; and did they feel themselves to be part of the creative industries sector. Most of the respondents had never heard of the term, and were doubtful that a new terminology or concept could solve problems in their sector. Those who

¹⁰ Due to the influence of the 1999 Essen declaration 'Ten Axioms for the Culture Industries in Europe', and the tradition of the importance of 'culture' '(...)one can also note that the tendency to research and map *cultural* rather than creative industries is still more present in continental Europe' (Primorac, 2005). This definition is also present in, for example, The Working Document, as well as, The Report on Cultural Industries by The European Parliament, Committee on Culture, Youth, Education, the Media and Sport, from March and July 2003, respectively. In this line Compendium of Cultural Policies (www.culturalpolicies.net) uses the categorization of 'cultural industries' when making cultural policy evaluations. As I have used mainly Compendium as a source of information on cultural policies, it is evident why this formulation shall be widely discussed throughout the paper.

¹¹ The United Kingdom is a big propagator of this concept, as it spreads its creative industries initiative in the region with its UK South East European (UK SEE) Creative Industries Strand during 2005-2006, whose attempt is to stress the importance of the creative industries for city development. Several cities in the region are included in this project: Iași, Romania; Plovdiv, Bulgaria; Priština, (Kosovo), Podgorica, Montenegro, Belgrade, Serbia; Split, Croatia; and Tuzla, Bosnia and Herzegovina (check at: <http://www.uksee.net/index.php>). Some of the teams have already published mapping reports such as 'Creative Iași', published by British Council Romania (2006), Jovičić and Mikić (2006); Ljumović (2005), and a short Plovdiv mapping study, British Council Bulgaria.

were acquainted with the term are divided into those who consider themselves a part of it, and thought that the overall strategy would be good for their work, and those who do not like the connotations of the term “industry” in the concept¹². One part of those who know about the concept are those actors working with film and media, or who were involved in (or had heard of) the creative industries strand of the British Council SEE Creative Industries Forum. So once again in the question of promotion of creative industries, it is British involvement that is responsible for the propagation of the term.

Therefore, we can conclude that the concept of creative industries is not well known in Croatia, and culture workers are prone to think of their work from a more sector-specific approach. In this line the potential public policies in the area of creative industries development could be created under the sector-based approach.

Context of the creative industries in Croatia

Before examining the responses of the cultural workers on the creative industries development and on the influence of global media companies towards the local market as the key questions of the evaluation of the local cultural economy, let us take a look at some of the issues of the background and the context in which these industries are developing. In this light, taking into account the discussion of the creative industries one of the most important triggers and continuous boosters for the development are the new technologies. The IT sector in Croatia is growing 8% yearly, and it is expected to go over the value of 830 million dollars by the year 2008¹³, and although the software market shows even larger increase (13%), the overall expenditure per capita on the new technologies is still rather low in comparison to our western neighbor countries¹⁴. General education on new technologies and new media is also lacking. This should be reviewed with regard to data on internet usage in respective countries in regards to EU countries. As it can be seen from the Table 1¹⁵, the user growth of Internet users in the last couple of years has increased substantially, especially when taking into account other countries of the region. Nevertheless, although the user growth in the last six

¹² This is similar to the O'Connor's results from the St Petersburg study where he notes the reluctance to use 'the imported neologism' such as creative industries (O'Connor, 2005: 45).

¹³ According to IDC study reviewed in *Poslovni dnevnik*, 2nd April 2006.

¹⁴ Also according to IDC study reviewed in *Poslovni dnevnik*, 2nd April 2006.

¹⁵ Table 1 is presented in the Tables and graphs section at the end of the text.

years is very significant in some of the countries of SEE, the policies towards this field should be enhanced so as to come closer to the EU average.

Looking at the context of the creative industries development one should take into account, as Jurlin (2007) notes, that the creative occupations are a growing sector and are taking over 9% of the total employment of the legal entities in the year 2006. He also states that the input of the creative sectors in the overall economies in the countries of Southeastern Europe is twice smaller than the EU average, and to stress even further Croatia is among those SEE states who are the ones with the lowest input. In addition, when taking into account the personal investments into communication technologies – they are around 5% (Jurlin, 2007), which is still rather low. Technology is seen here as a precondition of development of creative industries, as it is almost impossible to work in this field without their application, as it is a tool for better connection to global trends and developmental opportunities. In this regard when we take into consideration the above-stated data of the low position of the creative industries in the cultural economy of Croatia as well as the low investment into communication technologies, one should stress that there is a lot of space for changes in public policies in this regard and a lot of opportunities for further development in the creative industries field.

Taking this into account one has to note that there are regional differences in this regard – almost all the infrastructure is centered in the capital city of Croatia, and thus, most of the cultural institutions as well as creative business are situated there (Primorac, 2007), that cultural workers also note. The question of decentralization is the pressing issue of all cultural policies in the region and thus in Croatia. But what comes to the question is what type of decentralization is needed and how to implement it. Although the Croatia's cultural strategy 'Croatia in 21st Century – Strategy for Cultural Development' (2001; 2003), was very much praised document, the implementation of decentralization postulates still did not take place. The decentralization of the cultural policy in all sectors is a highly debated issue in Croatia - the Law on Cultural Councils in year 2004¹⁶ obliges all cities with more than 30 000 inhabitants to have cultural councils. Majority of cities still have not obliged by this rule, and this delay provoked an initiative of the NGO sector. Clubture as an independent organization

¹⁶ Zakon o kulturnim vijećima/Law on Cultural Councils, 8th of April 2004, NN 48/2004. The current Minister restricted the independence of the decision-making of cultural councils on the ministerial level, as the final approval of the funding is in his jurisdiction, and this lessened the decentralization on this level as well.

that is a network of other Croatian NGO organizations started an initiative for decentralization of cultural policies at the local level¹⁷. It is yet to be seen how their activities will influence the future change of the local situations and in a way, eventual creation of cultural councils. In this regard, cities should recognize their cultural and creative resources, and if possible for their local surroundings and activities, work on the creative industries agenda. This delay of decentralization shows how the changes at this level are happening rather slow and are not adequate for the current events at the cultural scene throughout Croatia. Such institutional slowness is preventing other important initiatives on the creative industries agenda as well. This should be highlighted with the example of Croatian Design Centre initiative on the Design for Sustainable Development¹⁸ in 2005, which proved promising for the development of both design industry and furniture and wood industry in Croatia, but unfortunately did not succeed due to bureaucratic slowness and not understanding of the principles of sustainable development from the side of the Ministry, but other commercial entities in these sectors as well.

Not only that the majority of the cultural and creative industries events and businesses are concentrated in the capital city, but there is another level of centralization, the overall cultural market is concentrated mainly in the hands of the state¹⁹. Therefore, the question of the ‘market of cultural products’ has several dimensions. One of them, as some cultural workers claim is that the national markets are too small to be sometimes considered markets at all; that there is only a ‘market for state subsidies’ as some respondents say; or a view that one has to enter the global market and just play by its rules, which will be stressed further. What is important to stress is that state subsidies are needed, especially for the noncommercial endeavors, but it is absurd when cultural policy instruments are in the end helping the commercial editions – as Breznik (2005) showed in her research²⁰. Similarly, the public

¹⁷ Through their program KulturAktiva (http://www.clubture.org/kultura_aktiva/) - on transparent cultural policy making on the local level; the aim is that NGOs included should work on these issues through their constituencies (in nine cities and four counties).

¹⁸ The project wanted to connect Croatian product designers with the Croatian wood and furniture industry. Ministry of Agriculture, Forestry and Water Management that promised to back up financially this project, decided to quit it without further explanation after one year. Croatia is a big exporter of high quality wood mass (oak tree for example) and on the other hand, a big importer of furniture, that paradoxically is usually made from the same exported wood. This project wanted to work on correcting this absurdity.

¹⁹ Companies have only recently started to sponsor cultural events and artists in larger amount, although by the Law on taxing profit gain (*Zakon o porezu na dobit*, NN, br. 177/04, 90/05 i 57/06) tax deduction on 2% of yearly profit gain can be made for cultural, scientific, sports and other events recognized for public benefit was possible since 2004.

²⁰ The government assesses the efficiency of libraries by the number of borrowings they achieve. As a consequence, libraries have been stimulated to put into circulation as many books as possible no matter what

televisions are trying to compete with same tools as commercial televisions, creating reality and contact shows²¹, and in this fashion they are commercializing the public television and thus, homogenizing the media sphere.

These issues are highlighted so as to emphasize the overall picture of the context of the development of the creative sector in Croatia as a part of the SEE region and in context of the EU enlargement. When speaking about the importance of the context in this regard one has to mention that during the process of the dissolution of the political model of communism and socialism, not only were the political and economic spheres of the countries of SEE seriously shaken, but the cultural field of this region encountered problems as well. As Tomić-Koludrović and Petrić stress (2005: 18) this can be attributed to the fact that ‘transitional societies are at best *mixed societies*, simultaneously undergoing modernization processes engendering both *first* and (to a significantly lesser extent) *second* modernity phenomena. What’s more, even this extent of second modernity configuration can be said to be present only in selected locations, and certainly not universally across the region’. This can be noted in the uneven development of cities, with the concentration of cultural and business infrastructure in the capital city, and on the centralization of the finances in the hands of the state on another level. As noted, the penetration of new technologies, although high, is still not adequate for advanced growth of the sector, especially if we take into account the low personal expenditure on communication technologies. All this highlights the complex situation of the conditions in which the cultural workers in Croatia create. Their attitudes towards creative industries development that they view through their respected sectors shall be outlined in the next chapter.

Cultural workers and creative industries development

After taking a look at the creative industries agenda, and the context of the creative industries in Croatia, in which cultural workers create, we shall examine how do cultural workers themselves view the development of the creative industries. Firstly, one has to outline who do we define as cultural workers? Notwithstanding different views on this topic, in this research cultural workers by this definition include all actors included in the processes of creation,

quality they are. It is in the interest of the librarian to buy books of easy genres that would be borrowed as many times as possible. In this way the government stimulated the commercialization of reading in public libraries (Breznik, 2005: 54)’.

²¹ For example, recent debates in Croatia when public television launched a talent show *Coca Cola Music Stars* at the same time that the commercial televisions launched theirs, *Croatian Idol* (RTL), and *Story SuperNova* (Nova TV). When on air, most of these shows run at the same time.

production and distribution of (cultural and) creative products. Cultural workers are the agents involved in the field of creative industries on some of the following levels: primary cultural production/output, the distribution and interpretation of cultural and creative works, and cultural management. This differs from definition provided by Yúdice (2003: 331) who makes a distinction between artists and culture workers, where the labour of latter is 'patterned on the creative, innovative practices of the artist'. Therefore culture workers' definition in this research includes not only artists²², but also other agents that are involved in the work of creative industries, as all of them are participating in the creative industries development, each on their on agenda however diverse they are. Taking this into consideration, following agents as cultural workers have been included: film directors, film producers, film distributors, designers, visual artists, photographers, managers in creative marketing and advertising, directors of (and editors in) multimedia, music, book and electronic publishing houses, book and music distributors and producers, writers, singers, architects, and cultural managers. One has to add that in Croatian language the term 'cultural worker' can be translated in two different ways that are both already imbedded with specific connotations; firstly, one can translate it as '*kulturni djelatnik/djelatnik u kulturi*, which is an overall terminology for all the people working in the field of culture, but mostly associated with ones working on the bureaucratic positions in various cultural institutions; and secondly, it can be translated as '*kultuni radnik*', which is less used due to its association with socialist times²³.

Let us take a look at the general attitudes that cultural workers are employing regarding their activities in the fields they are working in. First of all, one can note that there are three basic orientations with which cultural workers position themselves in the work of creative industries, which illustrate the transitional contexts of the societies in question.

Culture workers can be divided firstly into those who ask for a radical change of the system (all residuals of the former state-centered system should change) - this could be defined as the "*invisible hand*" of the market approach; those who think that the changes should be made but that some good features of the former system that are still in action should stay ("*third*

²² The author agrees that 'whilst the hypothesis can be accepted that artists behave rationally in an economic sense, analysis of their labour supply decisions, and hence of their earnings, requires a somewhat more specific model than that used for other workers'(Throsby, 1992:201), but the specificity of artists work shall not be examined in detail here. All in all, the author agrees that 'whatever model is used, the categorization of workers by industry brings together both creative and non-creative occupations' (Throsby, 2003: 177).

²³ In this context one should also mention the existence of magazine entitled '*Kulturni radnik - časopis za društvena i kulturna pitanja*/Cultural worker - a magazine for social and cultural issues' that was published for more that forty years in Croatia in Yugoslav times, which emerged as a bulletin, but later involved to an influential theoretical magazine.

way” approach); and those who are oriented outside of national borders towards the global market (*globalist approach*).

Respondents that ask for a radical change of the system claim that the current system is too slow and obsolete, has too many residuals from the “old state-centered system”, and does not correspond with the current needs of their sectors.

“One could say that it is a system that came to the end of its volume. It ends now, when it is just before its termination - I think that this would be the most clever thing to do - to come to the end of this system.” (Film producer, Zagreb, Croatia)

“What has to happen is an overall change of consciousness. One needs a bourgeois revolution so to say....” (Music producer, Split)

What is interesting is the liveliness and precision of their requests, that are addressing the lack of precise goals of cultural policy, which cultural workers do not see as clear enough. Their responses emphasize their everyday problems with the remnants of the former system, that are not satisfactory for the present situation, and which are stopping additional developments in the sector.

Second group of respondents are cultural workers who believe that the changes should be made but that some features of the system should reside. These are the cultural workers who are content with their arrangement, and who think that some of the good features of the “old” system should be left as they are, for example social security for artists²⁴, and various other subsidies provided by the public tender by the Ministry.

“That is a very big amount of money (or maybe I’m wrong) that is given to cultural products in Croatia, but very little is given in return. So, for example, a model of credits to SMEs in culture is not necessary when, for example, there is money that is already being given in contests.” (Director of multimedia publishing company, Zagreb, Croatia)

“I think there should be a certain balance between these financial activities of the state and of the market because I do not think that it is good to turn the culture totally towards the market and to apply the market model as in other sectors. On the other hand, I think that the cultural sector is too much oriented towards state subsidies. What should be done is that everybody has a right to a subsidy but specific reasons should be given why some subsidies have been granted and what is to be achieved by them.” (Manager of a creative marketing house, Zagreb, Croatia)

Their attitudes highlight the inevitability for reform of the current system, oriented towards a detailed analysis of the existing instruments and their perfection. The blend of the good

²⁴ According to the Law on the Rights of the Freelance Artists and Stimulation of Cultural and Artistic Work (*Zakon o pravima samostalnih umjetnika i poticanju kulturnog i umjetničkog stvaralaštva*, NN, br.43/96, 44/96 i 127/00), those artists which in the last three years have not achieved overall income outside artistic work and not larger than average income in Republic of Croatia have a right for retirement, invalid and health insurance benefits paid from the public budget of the Republic of Croatia.

features of the “old” system in the current system with adjustments oriented towards the market would be beneficial for future creative industries development.

Research subjects who highlighted their point of reference towards a global market come from companies which are oriented towards the usage and development of the new technologies, and whose products have a wider market reach (they do not depend on translation, on intangibility and similar issues).

“We have not started it too aggressively, but we are being sold on all continents - in America (USA and Canada), through the Internet, in Australia, South America, Argentina....” (Director of a multimedia publishing house, Zagreb, Croatia)

“After some time, throughout the years, I have passed on my idea to a wider group of people in the region, and then in the world as well. I have been on the Billboard on several occasions, but with one different type of music, with something totally different than the music that I made here.” (Music producer, Split)

In their fight with the delicate local creative industries sector the respondents tried to overcome the obstacles by orienting themselves towards the global market based on the new technologies. Nevertheless, some of the obstacles, such as infringements of intellectual property rights, difficulties with registration, cash flow and non-regulated legislature, are still present and need to be amended, respondents note.

These orientations characterize the overall agenda from which cultural workers are dealing with development in their sector. This general outline of their views of their position in the creative industries of Croatia gives us the first insight into the changing environment of societies in transition. Cultural workers attitudes are oriented towards immediate amendment in their respective sectors - either through radical repositioning of culture and creativity towards the (global) market, or temperate adjustments of the fields. All in all, they are advocating for change in the cultural development that is needed from this point on.

Global and local market

After analyzing what are the overall orientations towards the creative industries development among the cultural workers in Croatia, let us now take a more thorough look at their views of the impact of the globalization processes at their respected fields of work. The local cultural economy takes its share in this global game as this is particularly evident in the sector of creative industries, as the key creative industries conglomerates are mainly American based

and highly prominent in the (South)-European cultural setting. In this perspective, the research questions also concentrated on their evaluation of this influence of the global companies on the local cultural economy.

When considering their attitude towards the influence of the global (media) companies to the local cultural and creative market one has to note that the majority of the cultural workers claim that the influence of the global companies (either designer, audio-visual, etc.) is quite big in Croatia. In this way, upon posing questions of their impact to the local creative sector we have received three major group of responses. As noted, majority of respondents stress that the influence of global companies is big and consequently they stress their anxieties in this regard. Second group note that their impact in their sector is still not substantial, while the third group is still ambivalent on how to mark these processes and their position in them. Therefore, cultural workers are divided on their overall impact, but a certain will for the restructuring of the overall sector is present as there seem to be opportunities lost due to fragmented and unconsolidated creative sector. When asked to evaluate the impact of global companies, one group of respondents stressed their big influence on the local market.

“Well, if you take it from this view. They want to earn money. If we speak about the global media companies, and these are mainly American companies, they will not spit on a one single dollar – each dollar matters. Any money that comes from abroad is good. Dollar is God. You have a lot of these companies here already; Warner, (through Continental), Columbia, Tri-Star – they are all here and they take around 80% of the market. And that’s it. They are troubled by piracy of course. But if we want to be successful we need to think on how to have our interest in financing our domestic production, that will be partially financed from their presence here”. (Film producer, Zagreb)

“Unfortunately, it is quite big. As you can see. (...) Therefore, Croatia is losing somewhere along the line, and what is even more awkward, it has quite high standards. A lot of artists are receiving awards, but globally nobody recognizes that. (...) The fact is that one visual code needs to be established so as to realize everything that from it. (...) Our people and their talent are swallowed by these international agencies that have very impressive names MacCann, BBDO, etc. That are full of Croatian people, and that are the only ones that have an opportunity to employ these people, and that is a very absurd situation, you see...” (Designer, Zagreb)

“What will happen when somebody comes here to invest, somebody with a lot of money, that will only come here for (cheap) workforce, and we will work for them as subaltern. I do not know how we as a firm will be able to survive in these conditions with a very high competition with a lot of capital... I do not know if in these conditions our creativity will win, but I hope that some kind of our (Croatian) market will survive.” (Designer, creative marketing, Zagreb)

“The influence is really big. In the first stance, because for them it was not necessary that they themselves need to be fiscally present here. The systems that work for them were present and are still present. What is quite weird, and the only good thing that Croatia has done throughout these years is that it has managed to keep this certain portion of public television that is still the strongest in the region, it is among the three strongest televisions in all the countries that surround us. That means that we have managed to make something good, because at the end we can make something good. (...) What is intriguing is that not one of these new commercial televisions have absolutely no music in their programs, and they claim it is because of the low ratings of these programs. Which is like this because the habit is gone. This is one devil’s playground where the music sector here has lost its battle”. (Music producer, Split)

On the other hand, cultural workers that are dealing with the publishing sector note that this is still not so in the publishing industry as the market is still not developed enough. The obstacles that are making problems for the cultural workers themselves are the same ones that are preventing the big companies against their entering to the market. For some, the latter is considered good as a ‘false protectionism’ of the market from the possible sweeping of the market by foreigners. It needs to be stressed that, this former ‘status quo’ view and the lack of infrastructure does not do any good to any of the players of the book market in Croatia. On the other hand, the entrance of some new (global) media companies is seen through possibilities of additional work through their programs that shall be explicated further on.

“Well, this is still weak, but this is due to two big problems: firstly, there is no infrastructure of the book market, it still cannot sell a book. Book cannot be sold if you have no ways and means to sell it. The best results now are through book clubs. (...) So even for foreigners it is difficult to enter this market because they don’t have an infrastructure of the market through which these book hits could be sold. The other problem is the general problem of Croatian society – bad functioning of the law system, bad tax system... This is not a problem only for publishing houses, is a problem for ever business that wanted to enter to Croatia by now.” (Publisher, Zagreb).

“I do not think that it influenced publishing in a large amount. Although a part of televisions was created like that and they all want to have their own talk shows, sitcoms, series...They are begging you to write something. Actually, there is a lot of work here, creative work that is connected to television –for actors, musicians, quite a lot. You should be stupid not to succeed.” (Writer, Split)

This latter quote could be also connected to this third view on this issue as one part of the cultural workers are still ambivalent about the influence of the global companies. Some of them consider that the solution is to join the global ride (this resembles to our globalist approach to cultural industries development examined in the former part of the text), but the others note the interconnectedness of the global companies with the local ones – that is, how the openness of the local sector is the key for the success of the global companies. This also reminds of the ambivalent attitudes toward the ‘book with newspapers’ action that major newspaper publishing houses started back in 2004 - The Spanish group Mediaset was the trigger of the phenomenon – it cooperated with media houses in Croatia, Montenegro, Serbia by the end of 2004. The coalition of publishers in Croatia protested that this 'business action' was illegal but no changes occurred, except a general disruption of the whole system that just started to ‘get back to its feet’.

“No, I don’t think it is such a problem, what I have noticed is that our people have a tendency to underestimate themselves. For example, the comments we have received are usually: ‘ how have you created this? Is it possible that it is not already on the market? Bunch of nonsense. If you think that you have something that is valuable, please, do so, launch it on the market, and somebody will buy it, either Americans, English, whoever.... (...) in this regard, we are not afraid of the competition. If somebody can make the same thing better and under lower price – be my guest...” (Manager of a multimedia agency, Split).

“I don’t know how much they can influence, I guess a lot, because they have a lot of money, but still they need local architects for everything. For the time being everything is quite stable, but what will happen

when it comes to EU is unpredictable. As far as I follow the things on the global market, the thing is operating on the big tenders that can be covered only by big firms, these are tenders that come every day or week at you table – in Helsinki this, in Split that... And only some people have a mechanism to make it. What we have to expect is future connection of small bureaus into some kind of system, a share system that can be a system for a successful application to these bigger jobs/works/tenders. I think that in this kind of system of bureaus of two to ten people we cannot be competitive enough. “(Architect, Split)

To sum it up, one can note that cultural workers note that the influence of the global companies is quite substantial in Croatia (except for the book market where the conditions are still not adequate for the big investors to enter the country²⁵). This influence of the global market is usually taken for granted, mostly with the negative stance – the cultural workers do not see the local market to be prepared for such endeavors – either due to the reasons of the unstable conditions and the bad infrastructure and legislative, backlashes of the small market, or either through the notion that the local creative resources will be (mis)used by the big companies that will enter the market, and that the cultural market will be saturated with the products of these companies. This is where some of the cultural workers note that the UNESCO Convention on Cultural Diversity and similar actions could give incentives so as to protect the cultural diversity of such small countries as Croatia. In these kind of discussions what often occurs is the question whether there is a market for cultural products in these circumstances, as noted before, or is the situation of small languages and small markets too much of a problem in a deregulated cultural sector of Croatia? There is a tendency in the film industry in the countries of former Yugoslavia, as seeing the opening of the common market as a solution, and many collaborations and cross-border projects occur, most notably successful film collaborations²⁶. The question of small markets and the language issue is also a problem in other countries in Europe, but they, unlike SEE region in general, have markets that are more or less regulated, which helps them in this regard.

Labor conditions of cultural workers

What it more and more evident in transition countries are the changes in structure and modes of work that are occurring under the influence of new technologies and processes of

²⁵ On the other hand, one has to stress that their influence is nevertheless present as the largest number of translations are of Anglo-American origin: as research of Book Information System Croatia notes 'For over a year no domestic title was able to hold on at the top of the list. Translation titles are dominating, we look like just another province of Great Britain' (www.knjiga.hr - News section on: 16.11.2005.).

²⁶ The team of the latest film release and Berlinare winner from Bosnia and Herzegovina 'Grbavica', director Jasmila Žbanić, included team members from several former Yugoslav republic, plus foreign partners. 'Karaula/Borderpost', director Rajko Grlić is the first regional co-production among all the countries of ex-Yugoslavia, as well as Hungary, Great Britain, Austria, and with the help of Eurimages; another example is the recent production of 'Sve džaba/Everything free', director Antonio Nuić, coproduction of Croatia, Serbia and Bosnia.

globalization. One of the key changes is the disappearance of the borders between leisure and work, which is primarily manifested in cultural sector and creative economy (Castells, 1999). Taking into consideration the general high unemployment rate in Croatia²⁷, one is intrigued what is the state of affairs in this sector. What was of concern for the research is how are respondents satisfied with their work, do they have to do additional jobs to survive, and how are they satisfied with the social status of their sector, are some of the key issues debated here. Also, what was in question, have cultural workers ever had to do an additional job to support themselves while doing their creative job that they considered primary.

More or less all the respondents had to do various additional jobs for some time so as to be able to afford doing their creative work. One has to stress that it depends on the kind of their field what type of additional jobs they did; if it is something connected to their primary (creative) sphere of work, they do not see that as a significant issue to be debated – it is just a different aspect of their work. If it was something different they see it as problematic, as this diminishes the capacity of their work. They also highlight that this is not just an question of Croatia, but that this is also present in other parts of the world, but that a significant difference in the quality of these additional jobs is present.

“I always talk about this issue with my colleagues from abroad, they say – we do additional jobs as well, why are you complaining? Yeah, you do, but very comfortable ones; there are many types of academies, many possibilities of employment and it is not the same if you are lecturing or if you are painting houses for 5 Kuna per square meter, which is what people are doing here. So it's not the same.” (Visual artist, Zagreb, Croatia).

Most of the respondents noted that they can live from the income from the job that they are currently doing, but some of them noted that they are working too much because they are not in a position to turn down any additional jobs.

“Our biggest problem is the number of employed people, which is really low considering the amount of work. Where is our key problem – well, the accountancy. We are having an accountant in our family so that. But that is a problem considering that with all this creative work we have to deal with that as well. (...) Due to the large amount of work usually we do not have time to run for any public contests.” (Co-director of a publishing house, Split, Croatia).

As noted, some of them had to do additional jobs that do not correspond to the primary job that they are doing. Most of the respondents note that multiple job holdings are normal in (the creative) business:

“Well I do that all the time. That is, this is, on the one hand one hard (creative) job. You have to learn a lot and to suffer a lot so as to cover the whole business. Seven to eight years I have been learning all the time. And we also do events, commercial videos, etc.” (Film producer, Zagreb, Croatia).

²⁷ According to State Statistical Office (Državni zavod za statistiku, <http://www.dzs.hr/>) the unemployment rate for November 2006 was 16.9%.

The voluntary work and additional work is especially present with young people early in their carriers, respondents note. This issue is a pertinent one when discussing the creative industries topic and one can note that the situation in SEE shows that cultural workers are working overtime either on multiple creative jobs or additional 'other' jobs. To have a private creative business is hard and slow to establish as there are many (usual) legal obstacles and small markets. If the situation would be more stable (legislative framework functioning, stricter financial control of companies, IPR regulated), than they would be able to work in a more relaxed manner (without multiple job holdings), and invest more in their work and company.

Conclusion

In this article we have tried to give an overview of the position of cultural workers in creative industries in Croatia. After a first introduction of the creative industries discourse and its relevance in the cultural economy of Croatia, we have presented how it is not a well known concept among cultural workers, and it is not present in cultural policies as well. Stressing that there are minor actions on raising creative/cultural industries agenda, we have given an outline of the context of development of creative industries in Croatia. New technologies are penetrating the market, although rather slowly and dispersly. The main cultural and business infrastructure is concentrated in the capital city and the main funding for the cultural events still comes from the state. As considering the creative industries development, among the three main orientations that were presented in the text, one can note that an overall address for change is present. In addition, cultural workers perceive the influence of the global creative companies as high either through content or ownership as it was showed before; their interest in raising capital from the region is endangering the cultural diversity of Croatia, and only through awareness of the importance of these issues can the situation be changed. What was also stressed is that the labor conditions of cultural workers are also difficult.

All this shows that, among other issues, cultural policies need to be reshuffled so as to be more focused on the contemporary practices, and to have more specific goals in a certain timeframe. In this regard a stronger EU cultural policy and other public policies that would be implemented in this regard by the future member state would be substantial. In this way one should agree with Holoubek and Damjanović: 'Regulations of a social and cultural policy nature taken by the Member states are getting increasingly under pressure within the internal

market.(...) Under globalized competitive conditions only a European structural model is likely to have a chance of success.’ (Holoubek and Damjanović, 2006:146,148). ‘

As noted, the field of creative industries is rarely present in the cultural policies in Croatia; it is not recognized as a distinct sector, but have instruments in sector-specific policies. The notion of developing a working group for the cultural industries or similar action, as noted before, was announced by the present Croatian Minister of Culture, but until now, nothing similar has been developed. This inaction in the field of cultural policy towards creative industries can also show a distinct policy – it is not a priority, or perhaps it is not considered a pressing issue to develop a special ‘creative industries policy’ as other cultural policy instruments are supposed to cover the field adequately. In the meanwhile, cultural workers should press for further change of the sector-specific policies for the betterment of the (unfortunately) unrecognized sector of cultural economy in Croatia.

Tables and graphs:

Table 1

	Population (2006 est.)	Internet users, latest data	%Population (penetration)	User growth (2000- 2006)
1 European Union	462,371,237	236,881,917	51,9%	157.5%
2 Albania	3,087,159	75,000	2.4%	2,900.0%
3 Bosnia and Herzegovina	4,568,399	806,400	17.7%	11,420.0
4 Moldova	3,815,677	406,000	10.6%	1,524.0%
5 Serbia and Montenegro*	10,717,31	1,517,000	14.2%	279.3%
6 Bulgaria	7,717,187	2,200,000	28.5%	411.6%
7 Croatia	4,464,117	1,451,100	32,5%	625.6%
8 Macedonia	2,048,624	392,671	19.2%	1,208.9%
9 Romania	21,266,679	4,940,000	23.4%	517.5%

The Table 1 is based on the data provided by the Inter World Stats (<http://www.internetworldstats.com/>) accessed on 20th September 2006.

* The data is still not separated for the two countries respectively.

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