

## Creative Industries in Europe and Austria

### Definition and potential

Creative Industries have been recognised to possess significant economic potential and have, therefore, increasingly become object of public discussion throughout Europe. Experts agree that CI constitute one of the few “economic sectors” for which a dynamic future development is to be expected - in spite of the fact that no distinct common estimations can be derived as to this regard. This is not at least to be attributed to the different understandings of CI being prevalent in (inter)national public debate.

In its studies on the Austrian Creative Industries<sup>1</sup>, the Austrian Institute for SME Research took efforts to primarily create a definition for this sector taking into account the specific characteristics and situation of Austria - a country being fond of centuries of cultural tradition not only influencing the present development of CI, but the economy and the population as such. For this purpose, among others a substantial analysis of the various concepts of Creative and Culture Industries being applied in Europe has been conducted. It was found that at a first glance the different definitions seem to vary only slightly. However, more detailed analyses clearly show that in several studies the term is defined either very broadly or narrowly. Moreover, the classification of subcategories is heterogeneous. Therefore, direct comparisons of the economic importance and the employment potential between countries are only partly possible. Against this background it seems to be recommendable to establish a common definition of CI allowing for supranational comparisons often wished for by scientists and politicians at European and national level.<sup>2</sup> At the same time it has to be pinpointed that CI are considerable influenced by their framework conditions in terms of historic and economic development (keyword: path dependency<sup>3</sup>), justifying the application of divergent - country specific - definitions.

The importance of this discourse on the definition of CI is not to be neglected as it has been shown that the economic potential of this sector is not yet fully exploited due to a set of hindering factors which could be ameliorated by targeted support from public side - for which an important precondition is a correct understanding of what CI are. Development obstacles which have to be dealt with are, for example, reservations between “traditional” and Creative Industries or the fact that creative individuals often do not perceive themselves as entrepreneurs and lack of economic/market oriented know-how. An international analysis of available support services for CI hints on what could be done to further improve the situation of CI and hence, the economy as such.

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<sup>1</sup> *KMU FORSCHUNG AUSTRIA/Institut für Kulturmanagement und Kulturwissenschaft der Universität für Musik und darstellende Kunst Wien (IKM)* (2003): Erster Österreichischer Kreativwirtschaftsbericht (First Austrian Report on CI). Vienna: Federal Chancellery, Federal Ministry of Economics and Labour of the Republic of Austria, Federal Chancellery, Austrian Federal Economic Chamber and *KMU FORSCHUNG AUSTRIA/Institut für Kulturmanagement und Kulturwissenschaft der Universität für Musik und darstellende Kunst Wien (IKM)* (2006): Zweiter Österreichischer Kreativwirtschaftsbericht (Second Austrian Report on CI). Vienna: Federal Chancellery, Federal Ministry of Economics and Labour of the Republic of Austria, Federal Chancellery, Austrian Federal Economic Chamber

<sup>2</sup> For this purpose, Sweden, Denmark and Norway launched, for example, “JENKA - Nordic CI Network” in 2002 with the aim of deriving a common definition for the Scandinavian CI.

<sup>3</sup> „Everything is related to everything else, but nearer things are more related than more far apart.“; cp. Tobler (1969)

