

Chapter 17 Towards an international system of cultural statistics and indicators: the Italian experience

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In the field of culture, as in many other fields, there is an increasing demand for a wide range of indicators and statistics, covering activities and products, expenditure and consumption, employment, finance, institutions, costs and prices and so on. The need for measuring, reporting, benchmarking, evaluating and comparing performance has become almost an obsession.

One may well wonder why this is so. Is it that, in the ‘quantum’ age, a sort of ‘data fetishism’ has extended its reach over art and culture? Or is it, on the contrary, that the complexity and uncertainty of decision-making, particularly in art and culture, call for more solid infrastructures of information and a more cold-blooded, informed and rational approach, with less ‘irrational exuberance’ and ‘animal spirits’ (as Keynes put it)?

There are four outstanding reasons for the widespread popularity of indicators. Firstly, as the Maastricht process showed, peer pressure, reviews and benchmarking can be a very powerful policy tool in the information society to induce the desired response, stimulate reform and guide behaviour. Competition and emulation are indeed quite effective levers. They are the rule in exhibitions, fairs, shows

and festivals. What is more important is the fact that peer reviews can succeed today where the more traditional policy tools of the past have failed: regulation has often created distortions and stifled innovation; nationalizing certain cultural activities proved to be too expensive for the taxpayer and led to entrenched inefficiency; public subsidies and tax expenditures often bring about spurious redistributions and disincentive effects. Playing on moral suasion, on the contrary, can have lasting effects, attract public attention, and sanction misbehaviour through exposure to political scrutiny. But it requires clear and policy-

relevant indicators, based on sound, comparable and credible statistics.

Secondly, if we wish to contrast under-investment in culture, more transparency is needed in both cultural markets and cultural institutions. The opacity of the markets for art and culture is a well-known phenomenon. The returns on cultural investments are notoriously unpredictable, dispersed and distant in time. The mechanisms for knowledge acquisition or transmission and value generation are still largely unexplored. It is undeniable that innate talents, extraordinary circumstances and chance play a decisive role in cultural outcomes; however, culture is increasingly seen as the result of deliberate effort, commitment, labour and institutional adjustment. Data and information are providing clues for uncovering and unveiling the black box of creativity, beauty and innovation. However, investment in culture still relies too much on acts of faith or on eccentricity, and this is something that does not reach ordinary people easily. More and better information is needed in order to manage risk, allocate resources and time efficiently, focus commitment and invest capital.

Thirdly, under-investment too is largely due to a lack of accountability of public policies for culture. The 'government failures' in the field of arts and culture are well-known, particularly so when the governments in question are national governments. Too often, boosting the national cultural identity has been accompanied by the threat of uniformity, assimilation, fragmentation and intolerance. Making governments more accountable for their actions in the field of culture and the arts is an essential precondition for greater and swifter public support for culture.

Fourthly, international dialogue is yet another crucial factor. Alongside the element of public good in culture, there is an undeniably universal element in all art and culture. Ultimately, culture belongs to humanity as a whole. Thus, exchanging and communicating cultural experiences and assets on a global scale is a fundamental ingredient of cultural progress. But any such exchange needs high-quality statistics and indicators that can be compared and contrasted on the international level.

It is clear, accordingly, that every effort should be

made to standardize statistical concepts, definitions and classifications at worldwide level. This is where the fundamental role of UNESCO and other appropriate international organizations operating in the field of culture can be clearly seen and appreciated. The objective should be to develop a fully-fledged international system of statistical information on culture so that policy performance at the local level may be understood, measured and assessed against performance in other localities, or at national level or in different regions of the globe. The international community of statisticians has been working intensively and fairly successfully for several years on this bold enterprise. Indeed considerable progress has been made in evolving a workable international system of culture statistics. Two important European initiatives should be noted.

The first is the Leadership Group on Culture Statistics of the European Union (LEG), set up by Eurostat and led by the Italian National Institute of Statistics (Istat), with the participation of the statistical bureaux and ministries of culture of many European countries. LEG has made considerable efforts, achieving significant results in: revising and updating the classification of cultural activities (NACE), taking stock of the work already done at UNESCO, disaggregating the relevant NACE headings and proposing a table of correspondence between the standard NACE and the specific classification of cultural activities, and establishing a detailed classification of cultural occupations by adapting and disaggregating ISCO'88.

But LEG's main effort has gone into promoting full exploitation of the principal existing surveys in order to get an overview and a better insight into culture, participation and supply: they are the labour force survey, the household budget survey, the multi-purpose social survey, and the main enterprise and governmental sector surveys. In this way more in-depth data on cultural activities is not only collected but also linked to standard classifications, concepts, information and indicators in social statistics.

The second major initiative was the creation in 1993 of the Siena Group on Social Statistics grouping social statisticians from national statistics institutes,

experts from ministries and other agencies, academics and policy-makers. The Siena Group has done considerable work on measuring ethnicity and cultural or linguistic identity, and in particular on identifying discrimination or areas of vulnerability and cultural disadvantage. A report on the monitoring of multicultural societies was published in 1998 by the Swiss Federal Statistics Office. It deals with the different approaches to the construction of indicators for a multicultural society.

Three main challenges lie ahead in the field of cultural statistics and indicators. The first concerns the establishment of a complete system of cultural statistics and indicators that would be integrated, comprehensive and capable of linking the various sectors of the wide-ranging cultural issues and connecting them to the multiple aspects of social and economic development. This implies linking and networking many sources of data, including those of an administrative nature, and sample surveys, household and enterprise surveys, registers and population and housing censuses, while improving data capturing processing and dissemination methods and techniques.

The second challenge is of an institutional or political nature. Statistics are inherently a matter of trust. Statistical information and transparency are needed in order to generate trust and 'social capital', but, on the other hand, trust and social capital are needed in order to generate good quality statistics. There has to be trust between respondents and interviewers, between the public agency and the media, and between policy-makers and statisticians. The process therefore involves a circular relationship. Trust is particularly important in questions on culture, a field which touches people's minds, hearts, individual freedoms and collective beliefs. Public confidence in culture statistics has to be won, maintained and nurtured through a rigorous allegiance to the principles of public statistics. The role of national statistics institutes in this context is potentially very important, because in most countries – where they are based on a statistical law or some other legal and regulatory framework – they enjoy a relatively autonomous status with a long tradition of involvement in

research and confidentiality. If we require more data on cultural aptitudes and beliefs, or seek to interconnect micro-data from separate spheres (e.g. ethnicity with social conditions, employment and participation in cultural activities), or wish to link economic and social development with culture, national heritage and promotion of the arts, then we must invest seriously in public confidence on culture statistics through institutional reform and open communication.

The third challenge – the most complex and intriguing of all – concerns measurement issues. Some of the difficulties with indicators arise, not through lack of data, but rather because of conceptual inadequacy. There is now a growing awareness, not only among specialists but also in the public at large, that cultural expenditure under certain conditions is an investment in social or human capital, and that certain cultural services, produced by volunteer work or at home, should be regarded as products. They have an economic value and should be included in the national product even though they are not exchanged in the market. They are intangible, yet they count none the less like wheat and steel – or even more than these. Finally, some cultural fortunes become a negative investment: for instance, the erasure of cultural diversity or the destruction of culture by war, natural disaster or through pollution or environmental damage. Such phenomena can destroy a country's cultural capital.

Unfortunately, such theoretical concepts have not yet been incorporated into operational ones for standard statistical measurements of output, assets and welfare. Such a lag can lead to mis-measurement and contradictory policies. For instance, governments may pour money into public monopolies (railways, post offices or tanks), and thus invest in public capital, while refusing to support the arts, which are regarded as simply revenue consuming. A similar dichotomy may be observed in families investing in culture and education for their children as opposed to those which push their youngsters to work and earn money for investment in material wealth.

The 1993 System of National Accounts (SNA) has made considerable progress in the treatment of works of art, books, music and historical monuments

which are now classified as produced intangible assets and included in gross capital formation. However, research and education are still treated as intermediate consumption and therefore subtracted from the gross domestic product (GDP). But, more importantly, the new SNA permits the creation of satellite accounts to test new concepts and linkages and permit more comprehensive measurement. In other words, accounts of cultural activities are being developed and linked to standard economic and social accounts as a means of measuring the impact of culture on sustainable development. The aim is to produce an adapted set of indicators, or a set of culture-adjusted economic and social accounts, that can measure national productivity, capital, employment, income and welfare in a comprehensive fashion within the context of a broad concept of sustainable development. As in the case of the 'Green GDP', we now have every hope of creating a 'Golden GDP' that will take full account of culture and its impact on development and society.

UNESCO, in collaboration with the European Union, the Conference of European Statisticians and the United Nations Statistical Commission, should take the leadership in this effort requiring an enhanced dialogue between government statisticians and

academic experts. What is needed is a shared commitment of the kind that in the post-war period produced the National Accounts, as we now know them, in connection with the Marshall Plan and the reconstruction of Europe. I shall conclude with a quotation on the historical links between culture and statistics, taken from Swiss historian Jacob Burckhardt's work, *The Civilization of the Renaissance in Italy*, written in 1860. In the introductory chapter, under the imaginative title, 'The State as a Work of Art', we read:

The most elevated political thought and the most valued forms of human development are found united in the history of Florence, which in this sense deserves the name of the first modern State in the world. Here the entire people are busy with what in despotic cities would be the affairs of a single family. The wondrous Florentine spirit, at once keenly critical and artistically creative, was ceaselessly transforming the social and political conditions of the State, and as ceaselessly describing and judging the change. Thus Florence became the home of political doctrines and theories, of experiments and sudden changes, but also, like Venice, the home of statistical science. This statistical view of things was highly cultivated in Florence. The significant point about it is that, as a rule, we can perceive its connection with the higher aspects of history, with art, and with culture in general.