

6th World Summit on Arts and Culture – Santiago, Chile. 2014.01.16

Speech by Šarūnas Birutis, Minister of Culture of the Republic of Lithuania

Dear Colleagues,

Dear Friends,

It's a pleasure to be today in Santiago, more than 20 hours flight away from my home city – Vilnius, the capital of Lithuania, one of three Baltic States, on the East coast of the Baltic Sea.

I have had here a few days of the most interesting and deep discussions on cultural policy, and I would like to thank and congratulate our Chilean colleagues as well as the International Federation of Arts Councils and Culture Agencies for organising this important event.

At the end of 2012, when I became the Minister for Culture, I started asking: What should we do to upgrade the status of culture in policy making? How can we establish the understanding that culture and creativity nowadays is not only something “nice to have”, not just the wonderful art created by individuals, but a matter of our daily existence? That it is not anymore the exclusive domain of a particular sector or field, but a driver across many sectors, whether it be the economy, social development, regional regeneration or international affairs.

My cabinet colleagues agreed – alright, we understand. Culture and creativity are important. So what? How can you prove that culture can be a major source for social and economic innovation and development? How does it contribute to the welfare of the citizens? This means that in order to include these ideas in the agenda of political world we really need to raise awareness at the political level of what culture and creativity can offer and how it can be an incredible source of energy for social, economic and much broader human development.

How can we prove that? Statistics and analogies here help a lot.

By the end of last year, I had a chance to read the study of the economic contribution of copyright and neighbouring rights to the economy of Lithuania, commissioned by the World Intellectual Property Organization. The study unveiled that Lithuanian creative people, in other words the intellectual property industry, create nearly 5% of the gross domestic product of the Lithuanian economy, including the core, interdependent, partial and non-dedicated support industries. The export of these types of services and products accounts for nearly 5% of Lithuania's total export.

The figures looked very encouraging and I considered them to be worth analysing through an analogy: I looked at the latest statistics on the Lithuanian export structure and performance of the legendary industry of Lithuania – milk produce, in other words dairy farming. We read about their successes in

foreign markets frequently and with great pleasure. But in the Lithuanian export rating this industry accounted for only (yes, in this case we can say only) 2.4% and was far behind the copyright industry.

Besides, I would dare to suggest that the success of Lithuanian dairy products in the neighbouring markets is also a part of the culture project. Because neighbours buy this product not only because of its high quality but also because of its Lithuanian origin, i.e. the product has its own story, or has maybe even achieved legendary status. It is not just the material aspect of a product but also the symbolic values of the industries, such as traditions, awareness, reliability, certain related stories, they all add additional economic value and competitive advantage. And if talking even in broader terms – content and creativity become the factors determining choices made by consumers.

Dear ladies and gentlemen,

Speaking about culture's role in the economy in no way undermines its intrinsic, non-quantifiable value. This double dimension of culture, as a set of shared values and a sector of economic activity, actually remains the guiding principle for the work at the national and European level.

In the second part of 2013 Lithuania chaired the Council of the European Union, and was the main broker in the legislative process on behalf of the member states of the European Union, and in negotiation with the European Commission and the European Parliament.

Culture in the European Union is the exclusive competence of the member states, however at the European level the cultural agenda becomes increasingly important and earmarked by important programmes and actions.

The Lithuanian Presidency finalized negotiations on the **Creative Europe** programme for the period 2014-2020, which is the main instrument of cultural cooperation in the European Union, as well as with the third countries. The programme brings under a single umbrella three self-standing programmes that provided support for the cultural and audiovisual sectors: Culture, MEDIA and MEDIA Mundus. What is new in this programme is that in addition to grant funding, Creative Europe will include a financial instrument to strengthen the financial capacity of the cultural and creative sectors. The so-called Guarantee Facility will provide guarantees to banks operating or wishing to operate in the creative sectors; it will also help bankers gain the expertise they need to analyse correctly the specific risks associated with the sector. The first calls for applications have already been announced and the programme started functioning on time.

However, simple facts confirm that the budget for Creative Europe for the 7 year period is 1,462 billion euros (and here we can add 'only'); at the same time the EU funding programme supporting research and innovation reaches 77 billion euros and the budget of social cohesion programme - 325

billion euros for 7 years. These numbers speak for themselves. We need to be able to persuade at the political level that innovation may also be non-technological, not only technological, and that the cultural and creative sectors can seriously contribute to social and economic innovation and community building.

And I would not tend to agree that on the political level we explained well enough that we live today in 'creative times', and I would not dare to say that nowadays we have reached a certain consensus at the political level (in practical terms, not in theory) on the investments in culture and creativity in a strategic manner and as part of integrated development strategies.

We still need to work hard to change the way we think about culture, learn to look at it through the perspective of other sectors and have convincing arguments that culture and creativity are not a superstructure, but the base in today's society. It was one of the main priorities of the Lithuanian Presidency and we provided an informal space for the discussion on this theme at the political, as well as the expert level.

Dear friends,

I would like also to mention another globally hot topic, which is high on the agenda at the European Union level, and is related with the development of single digital market in Europe. **Copyright** is certainly identified as one of the key areas in which action is required. Collective management of rights is developing towards more transnational, EU-wide licensing, covering the territories of multiple member states.

Lithuania has finalized negotiations on the new directive on the collective management of copyright and multi-territorial licensing for online music. It is a great achievement which should allow development of legal online music services across the EU and will also contribute to a better fight against online infringements of copyright.

The Lithuanian Presidency also initiated policy debate in the audiovisual area about the changes taking place in the **media and audiovisual markets** and their meaning for a regulatory environment. Changes in the media landscape are shaped not only by technological progress, but also by citizens' expectations and by the way they make use of the new opportunities: such as on-demand services on all possible devices and increasingly active participation, not only consumption, especially of younger viewers. The TV screen nowadays also looks more like a large tablet in the living room. These questions also raise citizens' expectations and needs in terms of consumer protection, and whether rules obligatory for broadcasting should also be applied for on-demand services.

The digital shift brings us many more challenges, highlighted during our recent EU ministers' council meeting in Brussels, first of all discussing the actions needed to promote **cultural diversity in the**

digital environment. The cultural dimension versus liberalisation in the globalization process is a recurrent theme on the European agenda.

To sum up:

- 1) Creating a favourable regulatory environment for culture and arts to flourish, to promote cultural diversity and media pluralism are among the most important issues for governments today.
- 2) Upgrading the status of culture in policy making is another important challenge. Culture should be instrumental for national strategies not only in theory, but also in practice.
- 3) The third one comes from our discussions in Vilnius: even the best funded policy will not deliver on its original goal if it is not supported by communities – people with common references, shared aspirations and compatible or complementary identities. This missing element could never be substituted by any institutions or governments, enforcing change on behalf of populations. Such a policy would hardly ever become sustainable and the developmental position might even worsen. Cultural policies which nurture communities are often the missing key factor in our policies.

Thank you for your attention.