

## Draft Executive Summary

### The impact of the COVID-19 pandemic on the Cultural and Creative Sector (CCS)

The CCS, crucial for the economy of Europe and the well-being of its citizens, has been profoundly wounded by the measures taken to fight the spread of Covid-19 pandemic. Suddenly, with the outbreak of the virus, global production has been stopped, affecting the whole value chain: events have been postponed or cancelled, the related marketing, distribution and touring too. Bookshops, cinemas, concert halls, clubs, museum, theatres, heritage sites and art galleries have been closed down.

The majority of governments in Europe have taken measures to support CCS with a view to preserving jobs. However, some States have been obliged to reduce State budgets. As a result, several Ministries of Culture have been affected by reductions ranging from 5 to 20%; as a minimum CCS is benefiting from general measures taken to support the economy.

CCS measures have often been amplified at regional and city levels with significant contributions from the private sector. International organisations dealing with culture (Council of Europe, OECD and UNESCO) are also playing their part. For the 70<sup>th</sup> Anniversary of the European Convention on Human Rights, the Committee of Ministers of the Council of Europe adopted a declaration on the respect of human rights, which include artists' freedom of expression, during pandemic emergencies.

The European Union has identified CCS as a priority sector deserving support from the EUR 750 Bn EU Recovery and Resilience Facility set up to help EU member States mitigate the impact of the pandemic. How this will be used by the CCS is not clear, as access to these instruments will depend on national recovery plans to be submitted. Support is not guaranteed.

The global sanitary crisis is an opportunity to acknowledge the importance of CCS in nurturing social links, supporting mutual understanding and community engagement with a view to changing behaviours and empowering people to address global problems. The pandemic has also stressed the economic importance of the sector, notably festivals, live events, museums, cinemas or cultural retailing in making places and territories attractive to locals, tourists and investment.

Life cultural experiences are greatly missed during the pandemic and digital streaming is a poor alternative to collective cultural gatherings. This shows that CCS plays a crucial role in the well-being of communities and social cohesion. Culture is not simply entertainment or leisure time. It contributes to collective sense-making. It helps humans define what matters, as the globe is confronted with a deadly pandemic, a climate crisis and the threats of technological development (genetics, artificial intelligence etc) to human values.

The crisis has been a formidable accelerator of existing trends, notably the growth of digital networks, the market dominance of large media players and the emergence of new collective and individual behaviours. It also highlights the need to call on artists and creative professionals to contribute to the recovery process and the future. This requires a new understanding of cultural policy and the multidimensional impact of cultural investment because culture is everywhere, nourishing territorial attractiveness (talent, tourism, real estate, investment), innovation (digital and creative economy), social cohesion and well-being.

Undoubtedly the pandemic will generate great art. Some theatres are 2 500 years old and people will always require space to celebrate culture and storytelling. Artists will capitalise on fear and neurosis. This worldwide pandemic will inspire writing, bringing new literature, new cinematography and lyrics that will question our policies, technology, science and societal behaviours. Artists will play a key role in developing a new narrative that makes behavioural changes possible.

To prepare the future it will be important to sustain investment in culture to avoid the collapse of the creative ecosystem, to fuel social changes, to nourish human centric innovation and to shape values.

Some countries are progressively adapting support measures to enable the economic recovery of the CCS. This is an opportunity to address CCS problems, notably the insufficient:

- knowledge of technology, which weakens the capacity of the sector to embrace the digital shift and notably, its opportunities in managing consumption data;
- apprehension of new consumer patterns and trends;
- remuneration and social protection of cultural workers;
- capacity to internationalise and build distribution muscles.

The report proposes elements of policy responses post COVID-19 that would help CCS recovery and CCS's contribution to driving transformation. The focus should be on policies aimed at:

- integrating artistic intervention in policy making to mobilise the capacity of CCS to empower;
- incorporating the cultural dimension in social policy to support international cooperation, empathy and mutual understanding;
- adapting policies to take the digital shift better into account and create scale outside traditional linguistic or territorial lines.

The Council of Europe has an important role to play in supporting the development of a New Understanding on Cultural Policy. It is necessary to apprehend the nature of cultural investment, its importance and its multidimensional impact with a view to addressing a wide range of policy goals extending from job creation to solving societal issues linked to sanitary, climate, inequality crises, as well as technological challenges which all touch upon the future of humanity, democracy and human rights.

The priority should be to raise awareness about culture as a first necessity investment (at a time of important social distress linked to inequality, injustice, environmental and sanitary gloom, fake news, racism, religious extremism or technology surveillance) and to show the multidimensional impact of cultural investment.

Culture is a first necessity investment because it contributes:

- to shaping values (notably in the face of techno-social engineering or business greed);
- to nourishing innovation with creation (more human centric);
- to promoting cultural diversity (against standardisation and global control);
- to fuelling social changes (to address global challenges together) through community engagement leading to behavioural changes and empowerment.

The multidimensional impact of cultural investment is linked to:

- CCS formidable economic contribution (to sustain a growing digital and creative economy);
- territorial attractiveness (investment, talent, tourism);
- social cohesion (mutual understanding, empathy, well-being, empowerment).

The report proposes the following measures to achieve the objective of making culture central to future policy making:

1. The adoption of a Recommendation to member States on the role and impact of CCS in addressing global crises (democracy, economic, health, climate, social).
2. Training for public officials on the economic and social value of CCS and how to make the most of local cultural resources.
3. The funding of research on behavioural changes linked to cultural activities and engagement.

