



ECONOMY OF CULTURE





1.FIND DEFINITION OF CULTURE





Definition of culture

- *„the arts and other manifestations of human intellectual achievement regarded collectively“* (Oxford dictionary)
- *"[Culture] is that complex whole which includes knowledge, beliefs, arts, morals, laws, customs, and any other capabilities and habits acquired by [a human] as a member of society.,,"* (UNESCO)
- An international debate centered in UNESCO (United Nations Educational, Scientific, and Cultural Organization) since 1960s
 - Term cultural heritage



2. INTERNATIONAL CULTURAL DIFFERENCES





Cultural differences

- Dress up
- Food
- Music
- Housing
- Habits
-

An abstract painting with vibrant colors and thick brushstrokes, featuring shades of green, orange, yellow, and black. The style is expressive and textured, with visible brushwork and a sense of movement.

Roots of cultural differences

- Historical
- Geographic
- Religious
- Politicals
-



3. WHAT IS A CULTURAL GOOD AND CULTURAL SERVICE?





cultural goods and cultural services

- Ballet
 - Opera
 - Orchestras
 - Heritage
 - Museums
 - Publishing
 - Cinema
 - Television
 - Broadcasting
 - Music
 - Visual arts(architecture, design, crafts, etc.)
 - Festivals
 - ...
- 



How could we sort cultural goods and services?

Cultural heritage (goods and services)

1. Tangible x Intangible

– Tangible cultural heritage:

- movable cultural heritage (paintings, sculptures, coins, manuscripts)
- immovable cultural heritage (monuments, archaeological sites, and so on)
- underwater cultural heritage (shipwrecks, underwater ruins and cities)

– Intangible cultural heritage: oral traditions, performing arts, rituals

2. Natural heritage: natural sites with cultural aspects such as cultural landscapes, physical, biological or geological formations

3. Durable vs. Exist in particular time (castle vs. concert)



4. FINANCIAL SELF SUFFICIENCY OF CULTURAL ORGANIZATION





Financial self-sufficiency

- Financially self sufficient areas
 - Popular culture
- Financially dependent areas
 - Traditional culture

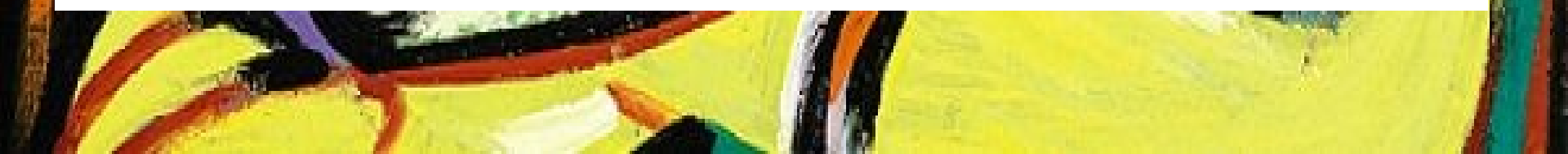


5.ACCORDING WHICH ECONOMIC THEORY SHOULD BE CULTURE SUPPORT BY STATE?





Concept of Market Failure

- Market failure
 - Information asymmetry
 - Non-competitive markets (monopoly, oligopoly)
 - **Externalities** (your production affecting others)
 - Culture has positive externalities
 - Public goods (culture is one of identification of nations)
 - Culture is public heritage
- 

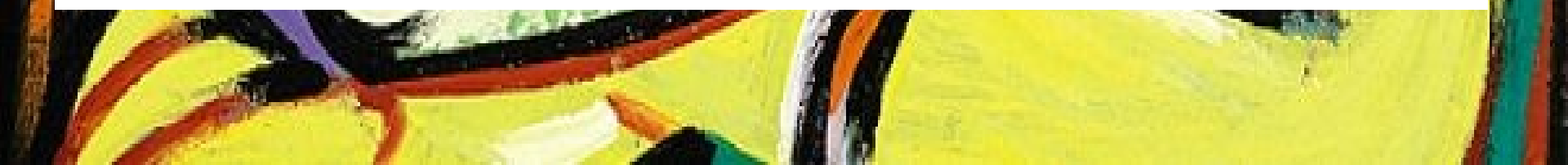


6. WHAT IS BAUMOL'S COST DISEASE?





Baumol's cost disease

- Phenomenon described by Bauml and Bowen in the 1960s
 - Rise of salaries of musicians without productivity changes
 - Rise of wages in automobile factory X in opera
- 

Baumol's cost disease

Hypothetical illustration of productivity lag			
	1990	2000	Chang in %
Automobile industry			
Output in automobile i. per work hour	20	24	+20
Wage per hour	10	12	+20
Symphony orchestra			
Output measured by admissions per work hour	2	2	0
Wage per hour	10	12	+20



Baumol's cost disease

Weakness of theory:

- Modern technology influence the productivity of culture
 - **Past:** composers wrote score by hand
 - **Now:** composers use PC programs to wrote a score
 - **Past:** painters mixed colors by themselves
 - **Now:** painters can buy any color shade
- Delivery of cultural products
 - More people are able to consume cultural products and services because of modern technologies
 - Records
 - Pictures of paintings
 - Virtual visit of galleries etc.



How could we measure productivity in culture?

It doesn't exist single index for all culture branches

- What is used
 - Number of (play, paintings, songs, etc.) per month?
 - Problem: How to measure quality of product?
 - Profit
 - Problem: Popular vs. Traditional art
 - Film industry vs. Opera->film industry is in general self-sufficient. Opera cannot exist without state support

The background of the slide is an abstract painting with vibrant colors and thick brushstrokes. The colors include green, orange, yellow, purple, and black, creating a dynamic and textured visual. The painting is composed of various shapes and lines, suggesting a sense of movement and energy.


How could we increase production in culture?

- Motivate artist (How?)
 - According Baumol's cost disease increasing of wages doesn't mean increasing of productivity
- Have more artist? (what about quality)



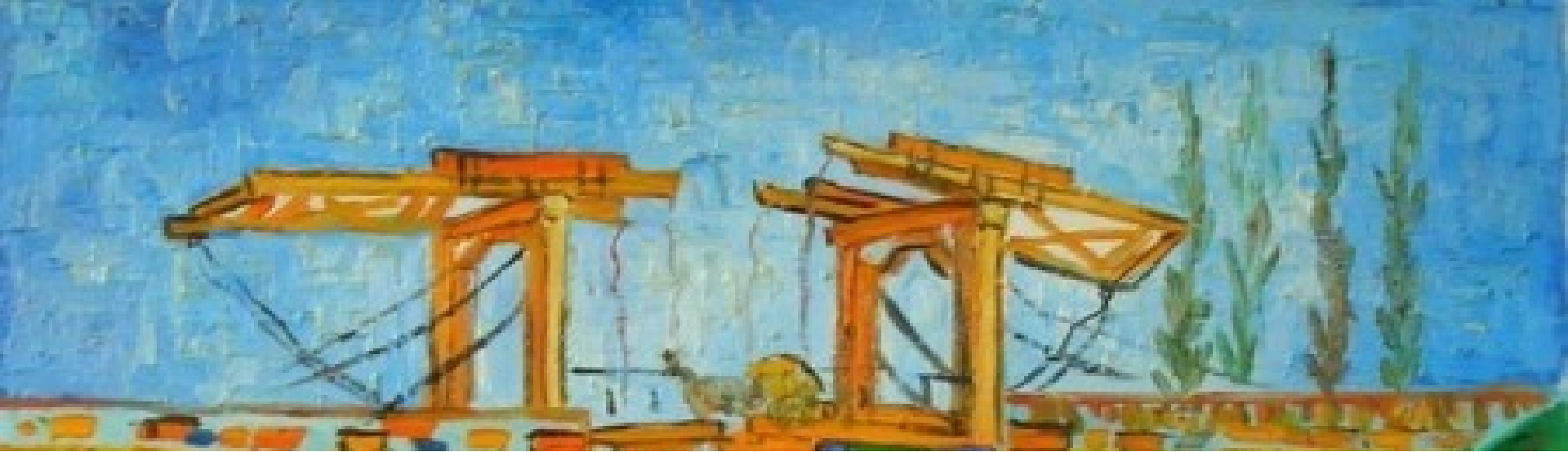
7. INTERNATIONAL ORGANIZATIONS WHICH FOCUSED ON CULTURE



The background of the slide is a composite of two artworks. The top portion shows a small boat on a river, reminiscent of the 'Rain, Rain, Rain' section of Vincent van Gogh's 'Olympia' or a similar scene. The bottom portion features a vibrant, multi-colored rainbow, also characteristic of Van Gogh's style. The overall aesthetic is textured and expressive.

International organizations which focused on culture

- UNESCO – United Nations Educational, Scientific and Cultural Organization
 - <https://en.unesco.org/>
- ITI –International Theatre Institution
 - <https://www.iti-worldwide.org/iti.html>
- ASEMUS – Asia Europe Museum Network
 - <http://asemus.museum/>



8. WHAT IS THE EU'S ROLE IN THE CULTURE AREA?



EU's role in the culture area

- Article 167 of Treaty on the functioning of the European union

„The Union shall contribute to the flowering of the cultures of the Member States, while respecting their national and regional diversity and at the same time bringing the common cultural heritage to the fore.“



7. FIND THREE EXAMPLES OF EUROPEAN UNION'S ACTIVITIES, WHICH ARE CONNECTING WITH CULTURE



Examples of cultural activities of EU

- The **European Capitals of Culture** initiative is designed to:
 - Highlight the richness and diversity of cultures in Europe
 - Celebrate the cultural features Europeans share
 - Increase European citizens' sense of belonging to a common cultural area
 - Foster the contribution of culture to the development of cities

Examples of cultural activities of EU

- **Voices of Culture** – Structured Dialogue between the European Commission and the cultural sector
 - *„provides a framework for discussions between EU civil society stakeholders and the European Commission“*

Examples of cultural activities of EU

- The European Culture Forum

„The European Culture Forum is a biennial flagship event organized by the European Commission, aimed at raising the profile of European cultural cooperation, uniting the sector's key players, taking stock the European Agenda for Culture's implementation, and sparking debate on EU culture policy and initiatives“

European capitals of Culture 2020

- Rijeka (Croatia)
- Galway (Ireland)



CONCLUSION



Conclusion

- Culture
 - „manifestations of human intellectual achievement“
 - „product of human creativity“
- Roots of cultural difference comes from
 - History
 - Geography
 - Religion
- Product of culture is good, service, knowledge or identity
- According economic theory has culture positive externality
- Productivity in culture is highly limited and in long term condition is constant, but the wages are increasing (according Baumol's cost disease)
- Role of EU in field of culture is „ *flowering of the cultures of the Member States*“

Use full links

- <http://www.unesco.org/new/en/social-and-human-sciences/themes/international-migration/glossary/cultural-diversity/>
- [http://ec.europa.eu/eurostat/statistics-explained/index.php/Quality of life in Europe - facts and views - leisure and social relations](http://ec.europa.eu/eurostat/statistics-explained/index.php/Quality_of_life_in_Europe_-_facts_and_views_-_leisure_and_social_relations)
- <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:12012E/TXT&from=en#page=75&zoom=100&view=FitB>
- <http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-the-functioning-of-the-european-union-and-comments/part-3-union-policies-and-internal-actions/title-xiii-culture/455-article-167.html>
 - https://ec.europa.eu/programmes/creative-europe/actions/capitals-culture_en
 - <http://www.voiceofculture.eu/>
 - http://ec.europa.eu/culture/forum/index_en.htm

UNESCO monuments in Czech republic





Český Krumlov





Holašovice





Telč





Třebíč





Praha





Kutná Hora





Žďár nad Sázavou





Litomyšl





Olomouc





Kroměříž





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Lednice





Brno





Kladruby





mining region Krušnohoří