Discussion Paper:
Measuring the Cultural, Social and Economic Value of Screen and Games Production

Valuing Culture

The value of culture is notoriously hard to measure. 'Culture' itself refers to products and processes, economic drivers and enablers, as well as modes of participation and engagement that address beliefs, customs and ideas. Some of culture's greatest power lies in intangibles – affect, identity, connection, symbolic value, aesthetic quality and legacy.

Of course, the screen and games industries are just that: industries – with products, outputs, employees, value chains, taxes and exports. Most involve commercial transactions that can be – and regularly are – aggregated into measures of Gross Value Added, outputs, and forms of employment that are counted (at least in part) in national employment figures.

Economists attempt to also quantify the levels of non-transactional and non-use value that creative and cultural participation offer. However repeatable, fixed frameworks for these forms of value tend to reduce their nuance to 'tick boxes' and fail to capture the unique value of inspired and skilfully executed creative work that resonates with audiences.

At the end of all the activity around screen and games production, the hope is that someone watches, engages or plays, and *feels* something. That kind of emotional engagement or affect can deliver a host of social and cultural benefits, including affirmation of identity, greater empathy for and connection to others, a shared resource for understanding and communicating complex ideas, improved wellbeing, national confidence and belonging.

How might screen and games production be valued?

Rather than delving straight into models, thought should be given to such questions in an attempt to understand different forms of value – some of these are expressed simply above. The first three lead to various forms of economic measures. The rest require different methodologies. In measuring the economic, social and cultural value of screen and games production, aligning these in a holistic, people-centred approach that recognises the unique power of well-executed storytelling and cultural experiences may be necessary. Instrumental social outcomes needn't be pitted against intrinsic value: after all, without engagement with great cultural product, great outcomes can't be realised.

This non-exhaustive review of relevant literature broadly describes attempts made over the past few decades to articulate and quantify the economic, social and culture value of culture and screen industries globally.

Who benefits from the value of screen and games production?

Value is understood to accrue as either **personal** (or individual) or **public** level (the latter understood as **public value** involving shared 'public goods'. Public value, according to Harvard's Mark Moore, who coined the phrase:

> "consider(s) the benefits and costs of public services not only in terms of dollars and cents, but also in terms of how government actions affect important civic and democratic principles such as equity, liberty, responsiveness, transparency, participation, and citizenship." [1]

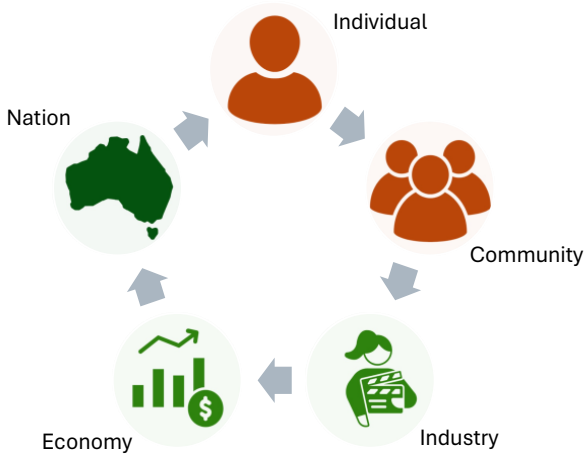
According to the Australian and New Zealand School of Government (ANZOG):

> Public value is consumed collectively by the citizenry rather than individually by clients or customers. It includes things that economists call 'public goods' which are 'jointly consumed', 'non-rivalrous', and 'non-excludable'. This means that one person can consume them without reducing their availability to another person, and also that nobody is excluded from consuming them – like public parks, clean air, and national defence. [2]

Public value accrues in different ways for different cohorts or groupings of publics.

> "…it is only once we have started with individual experience that we can then work outwards, and understand the kinds of benefit that culture may have for society, for communities, for democracy, for public health and wellbeing, for urban life and regional growth."[3]

In measuring the economic, social and cultural value of screen and games production, the beneficiaries of cultural production may be grouped as: individuals; communities; an industry; an economy; and a nation (see Fig 1 below).

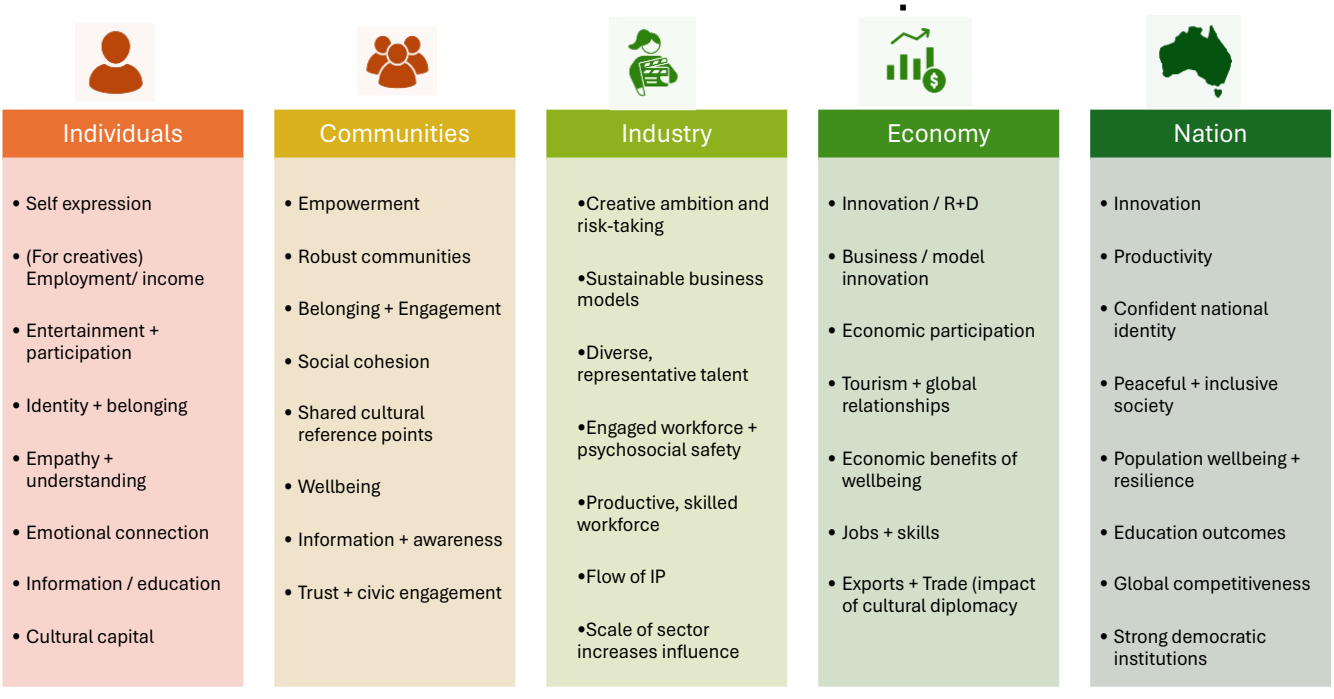


Different parts of this ecosystem may value different things. For the individual it may be relevance and resonance; for the community, different kinds of social value and connection, for the economy,

[1] https://www.gfoa.org/materials/gfr1014-defining-and-creating-value
[2] https://anzsog.edu.au/research-insights-and-resources/research/what-is-public-value/#:~:text=Public%20value%20is%20consumed%20collectively,and%20'non%2Dexcludable'.
[3] AHRC (2021) *Understanding the Value of Arts: Cultural Value Project Report* https://www.ukri.org/wp-content/uploads/2021/11/AHRC-291121 p.5

levels of employment and commercial / export success and for the nation, a value is attributed to 'Australianness''.

Who benefits? (and how?)
The many benefits that are attributed to cultural and creative activity can be loosely categorised as accruing to the following groupings of beneficiaries:



Of course, these groupings are not discrete categories. Anyone may benefits in any/ all of these ways, and there is substantial blurring between private and public benefit across these different kinds of impact. However, describing benefits in these ways can provide a useful framework for beginning to grapple with them.

As Creative Australia's 2019 *Valuing the Arts* report acknowledged, the experience of these benefits may be uneven and have differing cultural resonances and specificities that need to be recognised and taken into account: "Impact models need to be responsive for diverse communities and ensure that First Nations worldviews are considered. Impact models may prioritise relationship-building, participation, and capacity-building."[4]

Culture as a driver and an enabler
One thing that makes cultural value particularly difficult to grapple with is that culture is seen a public good in its own right – cultural expression is a human right, as are the rights to enjoy and benefit from culture[5] – and cultural participation is also seen as supporting and 'supercharging' many other public goods as both a driver and an enabler.

[4] Creative Australia (2019) 'Valuing the Arts: Australia and Aotearoa New Zealand' https://creative.gov.au/research/valuing-arts-australia-and-aotearoa-new-zealand p.12
[5] https://www.ag.gov.au/rights-and-protections/human-rights-and-anti-discrimination/human-rights-scrutiny/public-sector-guidance-sheets/right-enjoy-and-benefit-culture#:~:text=benefit%20from%20culture%3F-,Right%20to%20enjoy%20culture,of%20society%20as%20a%20whole'.

For example, UNESCO calls for the need to 'make Culture visible'[6] in progress towards the Sustainable Development Goals (including: prosperity + livelihood, knowledge and skills, and inclusion and participation):

> Culture contributes both as a sector of activity in itself and as an intrinsic component present in other sectors. While the safeguarding and promotion of culture represents an end in itself, it also contributes transversally to many of the SDGs — including those on sustainable cities, decent work and economic growth, reduced inequalities, the environment, promoting gender equality, innovation and peaceful and inclusive societies. The role of culture can be addressed both as a driver that contributes directly to bringing about economic and social benefits, and also as an enabler that contributes to the effectiveness of development interventions.[7]

[6] https://www.unesco.org/en/articles/unesco-thematic-indicators-culture-2030-agenda#:~:text=The%20UNESCO%20Thematic%20Indicators%20for,of%20the%202030%20Agenda%20for p.17
[7] Ibid p12

Economic Value

Funding decision-makers tend to draw on Cost-Benefit Analysis at varying levels of sophistication to determine levels of investment in public programs.[8] The types of costs and benefits calculated, of course, have a substantial impact on the weighing of priorities.

Sector Baselines
The cultural and creative Statistical Working Group established under the Meeting of Cultural Ministers (otherwise known as SWIG) offers up a baseline minimum standard for measuring the economic contribution of Australia's creative industries that includes:

- **Output**: Output refers to the goods and services produced by an industry or sector. It is the value of these goods and services, produced using a combination of labour, capital, and other goods and services including imports.
- **Value add**[9]: The value of gross output minus intermediate consumption. GVA estimates enable analysis of industry contributions to the economy[10] Value add is equivalent to output less goods and services sourced from other suppliers (including imports), and is the sector's contribution to gross national or state product. By excluding goods and service inputs from other industries and imports, 'value add' avoids double counting as it does not include the value-added from other industries.
- **Employment[11]:** Number of people employed (using the trident methodology that includes creative practitioners working in creative fields, creative workers employed in other sectors and non-creative workers working within creative sectors).[12]

Direct Economic Measures
Typical Direct Economic measures for screen sectors globally may include:

- **Spend** on production (including: live action audiovisual content; animation; VFX and post-production; other television production; independent film production; inward film and high-end TV production, public service broadcasting content);
- **Direct Employment**: (e.g. cast, crew, development and production staff) as well as TV broadcast operations, exhibition and film festivals, sales and distribution; [13]
- **Export** value.
- Net **Inward investment**[14]
- **Taxation return** on investments or offsets[15]
- **Growth** in key sectors (including PDV and VFX) [16]
- **Direct income** to people engaged in production[17]

Various combinations of the above measures are used to calculate the Gross Value Add (GVA) of screen production to economies around the world.

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[8] Department of Culture, Media and Sport (UK) (2010) *Measuring the value of culture*
[9] Value Add terms include Gross Value Add (GVA -economy-), Industry Value Add (IVA) and contribution to Gross Domestic Product (GDP) or to Gross State Product (GSP jurisdiction level.).
[10] https://www.abs.gov.au/articles/output-indicator-method-national-accounts
[11] It should be noted that National Accounts fail to fully represent rapidly evolving sectors such as games.
[12] Statistics Working Group of the Meeting of Cultural Ministers (SWIG) (2018) *Measuring the economic value of cultural and creative industries* p.35
[13] Screen Scotland. (2021) *Economic Value of the Screen Sector in Scotland* p.v
[14] Oklahoma Film and Media Office (2020) *Measuring and Communicating the Economic Impact of Film and TV Production*. Olsberg SPI
[15] Australian Screen Association (2018) *Impact of Film and TV Incentives in Australia* Olsberg SPI p.4
[16] Ibid p.21
[17] Ibid. p.1

Indirect and Induced Economic Impact Measures
A more expansive view of the economic impact of cultural production includes indirect effects:

> Analysis of total impact, including indirect effects, is based on an understanding that industries, and individual companies within these industries, do not exist in a vacuum, but use each other's products to produce their own. Thus an increase in demand in one industry creates an increase in demand in other, 'linked' industries.[18]

Indirect Economic measures include 'spillover' impacts beyond the screen value chain:

- Economic benefits from **demand created** by production (e.g. screen education, screen tourism, hospitality); and
- **Infrastructure** spillover (e.g. studio facilities).

Induced Economic measures:

- **Re-spending** of employment income in areas such as hospitality, hotels travel and transport[19] (N.B. SWIG advise caution on the limits of these approaches)[20]

Other measures that are sometimes included in Economic Impact studies include

- Supporting training and **skill building** (reducing loss of talent "brain drain") [21]
- **Supporting employment** in broader arts and culture sectors[22]

Some attempts to measure economic impact also engage with more extended models such as the RIOM Regional Input Output Model – a closed model that applies the ABS transaction tables with employment and demand data to model the impact of changes in demand on regional economies, estimating changes in output, product and Gross State product.[23]

Many of these indirect impact measures are used alongside the direct economic measures to calculate total Return on Investment (ROI) or multipliers (as in, every $1 spent in a given area generates $XX in Economic Impact).[24] Australia's Treasury department are understood to be wary of these measures, which tend to be used liberally and sometimes inconsistently in advocacy by a range of sectors.

State breakdowns of data
The Bureau of Communications and Arts Research reviewed the Cultural and Creative activity satellite account standards undertaken by the ABS and updated uses data in relation to:

- industry value add and contribution to gross domestic product (GDP);
- employment; **(not available by state)**
- compensation of employees and profitability;
- business counts'
- value of volunteering and non-market output; **(not available by state)** and
- international comparisons.

[18] City of Sydney (2016) *The Economic Cultural Contributions of Small-to-Medium Arts-spaces*. p.15
Sydney Opera House (2023) *'Valuing 50 years of Australia's Icon'*. Deloitte Access Economics
[19] Screen Scotland. (2021) Op cit. and Oklahoma Film and TV Office (2020) Op cit
[20] Use of Computable General Equilibrium (CGE) economic modelling can be used to identify the inter-industry linkages or flow-on impacts of the arts and culture sector throughout the economy but care needs to taken if creative workers embedded outside the creative/ cultural industries are included in employment figures, as per the trident approach to employment. SWIG (2018) Op cit.
[21] Ibid
[22] Montana Film Office (2022) The Economic Impact of Montana Film Production
[23] (used by, e.g. the Live Music Office) in City of Sydney Op Cit (2016) p.15
[24] Pennylvannia Film Office (2024) Economic Impact Report to the General Assembly

Use and non-use value

Most models attempt to grapple with ways of recognising both use and non-use value:

- **Use value**: can be based on consumption data, often delivered – but not always clearly captured – through markets (e.g. value of individual piece of content in VOD services or 'free' content on public broadcasters).

- **Non-use value -** existence value, option/ choice value, bequest/ legacy value, altruistic value. Not observable in market transactions This value can be vested in tangible products or intangibles (e.g. having a "national cinema" or "national identity", and certain form of practice or knowledge) these kinds of measures can help describe the value of "less commercial" content.

Use value measures

Use value – or consumption – in today's media landscape is only partly captured through market transactions (such as cinema box office data or games sales). Many forms of media consumption and engagement involve free or subscription services in which it is difficult to access data around the consumption or individual programs or particular kinds of content (such as Australian content).

Non-use value measures

Non-use value tends to be measured by proxy measures such as time spent, or contingent valuation models, such as choice modelling, stated preference techniques and 'willingness to pay'.

Contingent modelling techniques allow researchers to gauge and aggregate proxies for transactional value, i.e. how much people would be prepared to pay to preserve a public good, where the value is not captured – or fully captured – in data such as ticket prices, entry fees or subscriptions. The BFI (British Film Institute) used this method in their 2024 qualitative analysis of the social and cultural value of cinema venues, for example:

> The findings imply that, hypothetically faced by the scenario that a cinema in question would have to close permanently, cinema-users would be willing to each pay £18.04 on average per person per year to a voluntary fund just to keep the cinema venue operating. This equates to £600k per cinema every year, amounting to £5.18 million over 10 years.25 All six cinemas studied were valued by the people that use them at a greater amount than implied by the cost of tickets alone. [25]

Non-use value measures can be used to evidence for example, how much individuals would be prepared pay to:

- ensure that it exists as a public resource – existence value;
- have access to an option (e.g., Australian content on free-to-air television in future) - known as choice value;
- to ensure that others can have access to it – known as altruistic value; and/ or
- how important they think it is that public goods such as culture are preserved for future generations – bequest or legacy value.

Some common, relevant forms of economic measurement – and some of the existing resources that apply such approaches – are captured in Table 1 below.

[25] Ibid. p.23

Economic Focus areas	Kinds of value	Kinds of measures	Existing resources (non-exhaustive list)
What we make (volume)	Levels of production	Hours produced Production spend Sources of finance	Drama report Documentary report Screen business surveys
What we make (commercial success)	Commercial impact	Audience size (box office, ratings. views, reach, players) Long-term value + applications of IP	Audience data (see next table) Screen business surveys Beyond the Box Office/Staying Power
Level of activity	Outputs Employment Consumption	Gross Domestic Product Gross Value Add Share of economy Employment figures Growth of sector	BCARR reports ABS employment data Net taxes on product Screen business data Comparative growth data by sector
Sustainability of activity	Health of ecology Jobs growth Business growth Enabling conditions	Employment Number of businesses Growth of Sector Diversification of income Labor market dynamics	Census jobs data (trident model) ABS screen sector survey BCARR report on Cultural and Creative Activity SWIG satellite accounts
What it's worth to the economy	Production value Innovation and R+D Exports	GVA Product, process or business innovation Export data	BCARR report on Cultural and Creative Activity Export data
What it's worth to the community	Wellbeing Social cohesion	Creative + cultural engagement Community surveys, e.g. trust indicators	Measuring what matters framework Scanlon research
What it's worth to individuals	Use value Non-use: choice/ bequest/ existence value	Transactions/ activity / consumption Contingent valuation – stated preference techniques, choice modelling	Box office/ audience/ sales/ subscriptions/ ratings Previous screen currency

Table 1. Economic measures of screen and games – approaches and sources

Impact Measurement Methodologies (OECD Guide)[26]

Statistical modelling

▪ Statistical modelling can be used to estimate economic impacts through general equilibrium effect or input-output methodologies. **Computable general equilibrium** (CGE) models use actual economic data to estimate how an economy **might react to changes in policy**, technology or other external factors. Input-output analysis is a form of macroeconomic analysis based on the interdependencies between economic sectors or industries. It is commonly used for estimating the impacts of positive or negative economic shocks and analysing the ripple effects throughout an economy. These are however not always feasible at the local or regional level, due to insufficient data granularity, including in national statistics. Indeed, a national input-output (Leontief) matrix may not be representative of a host region. Moreover, conventional input-output tables are typically not able to provide detail on particular target groups, such as small and medium-sized enterprises or those in the social and solidarity economy. In this case, statistical modelling can be combined with other approaches, for instance an experimental study or a cost benefit analysis, in particular through the application of a social value function. Similar approaches within statistical modelling focus on net injection which use household and business multipliers that are based on the amount of additional spending estimated to be retained within the host region.

Experimental or quasi-experimental approaches

▪ **Experimental or quasi-experimental approaches** deploy a counterfactual to quantify the causal effect that can be attributed to the intervention. They calculate the effect of a treatment (i.e., the intervention, as an explanatory or independent variable) on an outcome (i.e. the expected impact, as the response or dependent variable) by comparing the average change in the treatment group against the control group. Observational studies can be deployed through cohort or cross-sectional surveys. Longitudinal data for the control group can then be retrieved from existing national or local statistics, as in the difference-in-difference technique. Robust empirical experiments face numerous limitations, such as the absence of comparable samples, as well as difficulties related to the endogeneity of indicators. This may occur when some of the variables affecting the indicator (e.g., contextual factors) are not independent from the intervention at hand, yielding biased and inconsistent estimates. The core assumption is, however, that the comparison groups are identical, in the absence of treatment. This requires carefully considering the demographics of the beneficiaries reached by the intervention with respect to the external proxy.

Theory-based approaches

▪ A theory-based approach is a way to structure an evaluation, without ruling out the use of any particular evaluation method. In such an approach, a theory of change needs to be formulated to outline how the intervention intends to reach its results and to assess the assumptions underlying the causal chain, from inputs to outcomes and impact. A theory-based approach helps to answer how and why the observed results have been achieved.

Unlike experimental designs, these approaches do not rely on counterfactual causation, but analyse the (intervening) causal mechanism or process that generates a certain outcome. Among the most frequently used approaches in theory-based causal analysis, contribution analysis relies on a formalised process to test the theory against logic and evidence to confirm that an intervention or initiative has contributed to an observed result. When relying on a solid theory of change and a mixed method approach, some authors suggest that contribution analysis may be “stretched” to estimate the size of effects in a quantitative manner.

[26] OECD 2023 *How to Measure the Impact of Culture, Sports and Business Events: A Guide*

Treasury: Measuring what Matters

The Australian Treasury's *Measuring What Matters* framework is an attempt at scale to adopt a framework that allows for a broader sense of economic value that is oriented towards people (rather than purely growth). Treasury describes it as: "Australia's first national wellbeing framework that will track our progress towards a more healthy, secure, sustainable, cohesive and prosperous Australia."[27]

The *Measuring What Matters* Framework has five wellbeing themes:

- **Healthy:** A society in which people feel well and are in good physical and mental health, can access services when they need, and have the information they require to take action to improve their health.
- **Secure:** A society where people live peacefully, feel safe, have financial security and access to housing.
- **Sustainable:** A society that sustainably uses natural and financial resources, protects and repairs the environment and builds resilience to combat challenges.
- **Cohesive:** A society that supports connections with family, friends and the community, values diversity, and promotes belonging and culture.
- **Prosperous:** A society that has a dynamic, strong economy, invests in people's skills and education, and provides broad opportunities for employment and well-paid, secure jobs.

Inclusion, equity and fairness are cross-cutting dimensions of the Framework.[28]

Cultural engagement and participation measures (from the ABS) are measured under the 'cohesive' theme, alongside: social connections, time for leisure and recreation, acceptance of diversity, trust in others and trust in institutions.

There is an opportunity to line up with these themes in developing methodologies that speak to the national framework.

Research conducted for Creative Australia's Valuing the Arts research spoke to the need to recognise a community lens – including First Nations' perspectives – rather than only engaging through the lens of the individual wellbeing. The report:

> …articulates the need to rethink wellbeing, and the related concept of social inclusion, outcomes of arts and cultural engagement to address collective or community-wide approaches and interventions rather than the historic individualised approach. This aligns with First Nations peoples', Māori, and Pacific peoples' understandings of wellbeing which frame it as a collective idea and experience. Positioning wellbeing within a creative placemaking framework may widen the understanding of wellbeing beyond an individual outcome to include an awareness of wellbeing as a community outcome that supports First Nations peoples', Māori, and Pacific peoples' worldviews.[29]

[27] https://treasury.gov.au/policy-topics/measuring-what-matters
[28] https://treasury.gov.au/policy-topics/measuring-what-matters
[29] Creative Australia (2019) Op cit.

Creative Economy Framework: Culture as a driver of innovation

Creative Economy models tend to emphasise the role of creative industries in terms of innovation: the generation of new ideas, new IP and new practices:

> … the creative economy is, at its essence, driven by the recognition that business-as-usual is over, that massive change is necessary, that innovation must sit at the heart of our purpose, and that human creativity is the essential driver of this orientation.[30]

Hasan Bakshi, Ian Hargreaves and Juan Mateos-Garcia's April 2013 *Manifesto for the Creative Economy* was instrumental in this thinking, claiming:

> It is widely recognised that innovation – at its simplest, "new ideas, successfully applied" – is the driver of long–run economic growth. In the UK, it is estimated that innovation accounted for almost two–thirds of labour productivity growth in the 2000–2008 period, for example. Similarly, a glance at the creative economy's fastest growing businesses reveals a profusion of innovations..… At one level, these innovations are but artefacts and practices – new products, services, ways of working and making money. At a deeper level, they embody knowledge about what is technically feasible and what customers demand: in short, what works and what does not.[31]

The UK's Arts and Humanities Research Council's 2016 Culture Value project expanded this concept, identifying three models for understanding the creative industries: the competitive, the growth and the innovation model:

> In the competitive model, the creative industries are just another sector whose changes in size affect the whole economy…In the growth model, the creative industries are a growth vector, generating externalities that cause variations in the productivity or competitiveness of other sectors. Lastly, the innovation model proposes that the creative industries be seen not as a sector as such, but rather as a structural part of the innovation system of the whole economy. [32]

In this way of thinking, creative industries are understood as inherently generative, drawing on our human potential to realise new ways of thinking, doing, relating and making that are drivers of new and transformative forms of growth. These models perceive the relational elements between different flows of IP, talent, skills and knowledge are key to understanding the value of the creative economy as a driver of innovation. This suggests there is a need to find new ways to value the network and ecology of the creative sectors.

> If we look at the way industrial policy has changed over the past 25 years, we can see a shift from picking winners towards maintaining the enabling conditions for successful innovation: healthy markets, liquidity of money providing available funds for investment, business incubator to nurture start-ups, fluid relationships with research centres and universities, etc. By analogy cultural policy now needs to start making the same transition… Innovation funding in the arts and cultural domain is still about picking winners; it needs to shift towards providing enabling conditions i.e. a healthy creative ecosystem.[33]

> Critical to thriving within an innovation paradigm… is the capacity to function not as a sector, but as a system. "The key emphasis here is the relational unit, the network, the collaboration…You think about national statistical institutes, most of the data is on the firm, the family, the individual, or the household, not the relational unit."[34]

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[30] David Maggs, 2021 Art and the Work After This. p28

[31] https://media.nesta.org.uk/documents/a-manifesto-for-the-creative-economy-april13.pdf p.51

[32] Geoffrey Crossick and Patrycja Kaszynska. "Understanding the value of arts & culture." AHRC, 2016. 88.

[33] Bill Sharpe in Holden 2015 in Maggs 2021 p.49

[34] Maggs, 2021 p48

Criticisms of creative economy and economic value arguments

Former Grattan Institute head John Daley, in his 2021 piece on arts advocacy, famously said: “Stories about the economic value of arts and culture are often told by people who don’t believe them to people who don’t believe them”.[35]

He went on to elaborate and maintain a claim for economic benefit:

> While economic numbers can attract attention, the economic impact of the performing arts is a supporting plotline… Few perform in order to grow the economy. Economic impacts are not the main aim of government support. Governments care about a lot more than GDP. Over half of all government spending is directed to ends such as health and welfare, which primarily serve ends that the community values rather than growing the economy. That said, the performing arts do employ a wide range of people, produce valuable exports, attract tourists, and attract people who are highly skilled in other industries, and these outcomes are often important to governments, particularly for regions concerned about declining population.[36]

The Reset Art and Culture collective’s submission to the National Cultural Policy in 2022 held substantial critique of the creative economy framing that they feel should be replaced by more foundational understandings of the value of arts and culture:

> The ubiquitous rise of ‘creative industries’ and ‘creative economy’ rhetoric has come at a significant cost for the arts and cultural sector. Art and culture - faced with funding cuts, culture wars, and the ‘private good, public bad’ mantra - has increasingly embraced an economic view of its own significance. Not only have successive governments ignored the flaky and over-inflated claims of the creative industry narrative, the sector has also allowed its self-understanding to be thoroughly imbued with neoliberal fundamentalism. We can see this in the default models for artists and arts organisations. Artists forced to masquerade as small businesses and start-ups, the pervasive language of entrepreneurship and innovation, governance models which infantilise artists, and creative education that is increasingly hollowed out and given over to Business 101 programs. Like other sectors – such as health and education – art and culture has a mixed economy. It does have a significant economic footprint and includes production that can be called ‘industrial’, alongside a broad system of public institutions, private firms, not-for-profit corporations, cooperatives, and individual creators and participants. Taken all together, art and culture should not be imagined as a growth-focused, competitive industry primarily driven by private profit, but a diverse and interdependent ecosystem essential to the public life of contemporary democracies. [37]

Reset members have argued that the arts should not need to advocate for funding on the grounds that their value transcends the political vicissitudes of the day:

> If we want to avoid walking down an ever-narrowing policy path to a final cull, we need to assert arts and culture’s fundamental value, not play advocacy roulette with government terms *du jour.* This means peak bodies saying things governments don’t like to hear, and risking accusations of biting the hand that feeds them. It means robustly maintaining that art and culture are inseparable from social citizenship, and essential to the foundations of our common life. It’s a risk that must be taken.[38]

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[35] John Daley (2021) Performing arts advocacy in Australia. https://apo.org.au/sites/default/files/resource-files/2021-04/apo-nid312235.pdf p.3

[36] John Daley (2021) Performing arts advocacy in Australia. https://apo.org.au/sites/default/files/resource-files/2021-04/apo-nid312235.pdf p3

[37] Reset Arts and Culture Submission to the National Cultural Policy consultation August 2022 Dr Tully Barnett (Flinders University), Jennifer Mills (author and activist), Professor Justin O’Connor (University of South Australia), and Emma Webb OAM (Arts Industry Council SA and Vitalstatistix). https://resetartsandculture.com/wp-content/uploads/2022/08/Reset-NCP-submission.pdf p.2

[38] https://theconversation.com/the-limits-of-advocacy-arts-sector-told-to-stop-worrying-and-be-happy-162860

Justin O'Conner has argued that, in large part, the trade-off required by economic arguments for arts and culture has required a voiding of the place of arts and culture in resistance to economic rationalist structures:

> Many other areas of public policy have been captured by the language of economic rationalism, but it has been particularly damaging in culture. In part this is due to the speed and extent of the sector's collapse. Historically culture has been a privileged site of opposition to economy and bureaucracy, to the grim reality principle of capitalism – though too frequently this opposition has been hypocritical and self-serving. This sense of opposition and critique, which as late as the 1980s seemed to define the very essence of culture, disappeared with surprising speed in the later 1990s. The sector reeks with the fumes of an historic and demoralising defeat.[39]

Hasan Bakshi, himself an architect of much Creative Economy thinking in the UK, has also identified the weakness of leaning too heavily into traditional economic arguments at the expense of more holistic (and sector-relevant) approaches:

> It is one of the great ironies in recent years that cultural institutions have found it easier to engage with the economics of impact, in terms of jobs created and value added, than with economic tools that can shed light on intrinsic value created as part of their core missions. [40]

Bakshi described the widespread use of economic impact studies as leading to a kind of "prisoner's dilemma":

> Organisations feel forced to commission economic impact studies because others are doing the same. When funding is constrained, no one wants to be disadvantaged by not having produced their own impact estimates. But in aggregate the numbers just don't stack up: the outcome is that the intended audiences – most obviously the public funders – do not believe any of the results.[41]

In the same address, Bakshi argued for the inclusion of what Swiss economist Bruno Fey calls the "economic approach to culture" to help organisations measure their performance in relation to their own missions as an extension of the "economics of culture" (most commonly measured in economic impact studies):

> Economic impact is a creature of the economics of culture. It refers to the measurement of the employment, output and productivity consequences of cultural activities. Properly executed, economic impact studies are essential for economic development agencies that see culture as a locus for, or as an instrument of, economic development. Valuation is the subject of the economic approach to culture. It should be important both to cultural institutions which want to evaluate their performance against their core missions, and to funders who want to assess their return on 'investment'. [42]

[39] Justin O'Conner (2022) *Culture in Crisis* https://resetartsandculture.com/wp-content/uploads/2022/02/CP3-Working-Paper-Art-Culture-and-the-Foundational-Economy-2022.pdf p10

[40] Bakshi, (2012) Keynote speech delivered at Culture Count: Measuring Cultural Value Forum, Customs House, Sydney, Australia, Tuesday 20th March. p2

[41] Ibid. p2

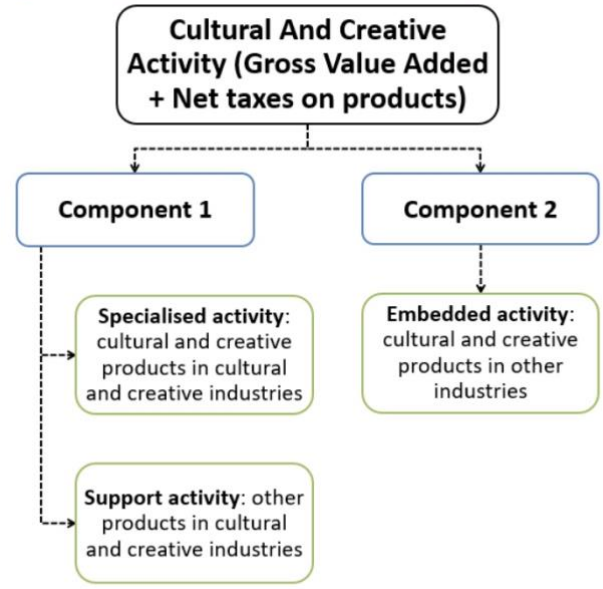
[42] Ibid cit. p1

Recent changes to BCARR's cultural and creative activity estimates.

The Bureau of Communications Arts and Regional Research in 2024 changed their methodology in estimating the quantum of Australian cultural and creative activity. They are now applying what they have called a "consistent production boundary" as follows:

> The methodology has been updated to capture cultural and creative activity within the national accounts production boundary through a new framework (Figure 1). The new framework identifies cultural and creative activity as three categories: specialised activity, embedded activity, and support activity.

Figure 1. Updated framework and boundary



Source: BCARR.

> This update allows the economic value of all three types of cultural and creative activity to be captured wholly through the production-side of the economy – by products and industries. All components within the production boundary of the national accounts are now measured using a consistent approach. This differs from the previous framework which estimated the activity through both the production and income sides. The updated framework allows components 1 and 2 to be directly comparable and also avoids the risk of double-counting that was possible in the previous framework.[43]

This new approach was intended to offer a pragmatic approach to create a 'consistent and transparent' decision-making framework, through a narrowed scope of activity (excluding, for example, computer systems design and related activity, clothing and footwear manufacturing, wholesaling and retailing) to ensure that the cultural and creative sector could 'see itself' in the new measure.

This means that the satellite accounts will produce a lower estimate of contribution to GDP than former estimates – quoted as $111.7bn for the creative economy and $91bn for the cultural and creative industries.[44]

[43] https://www.infrastructure.gov.au/sites/default/files/documents/cultural-and-creative-activity-in-australia-2008-09-to-2022-23-methodology-refresh-statistical-working-paper-december2024_0.pdf

[44] BCARR (2018) working paper: Cultural and creative activity in Australia, 2008–09 to 2016–17 https://www.infrastructure.gov.au/sites/default/files/cultural_and_creative_activity_in_australia_2008-09_to_2016-17-2.pdf

A model developed by A New Approach (2020)[45] to evidence the economic impact of arts and culture is included below

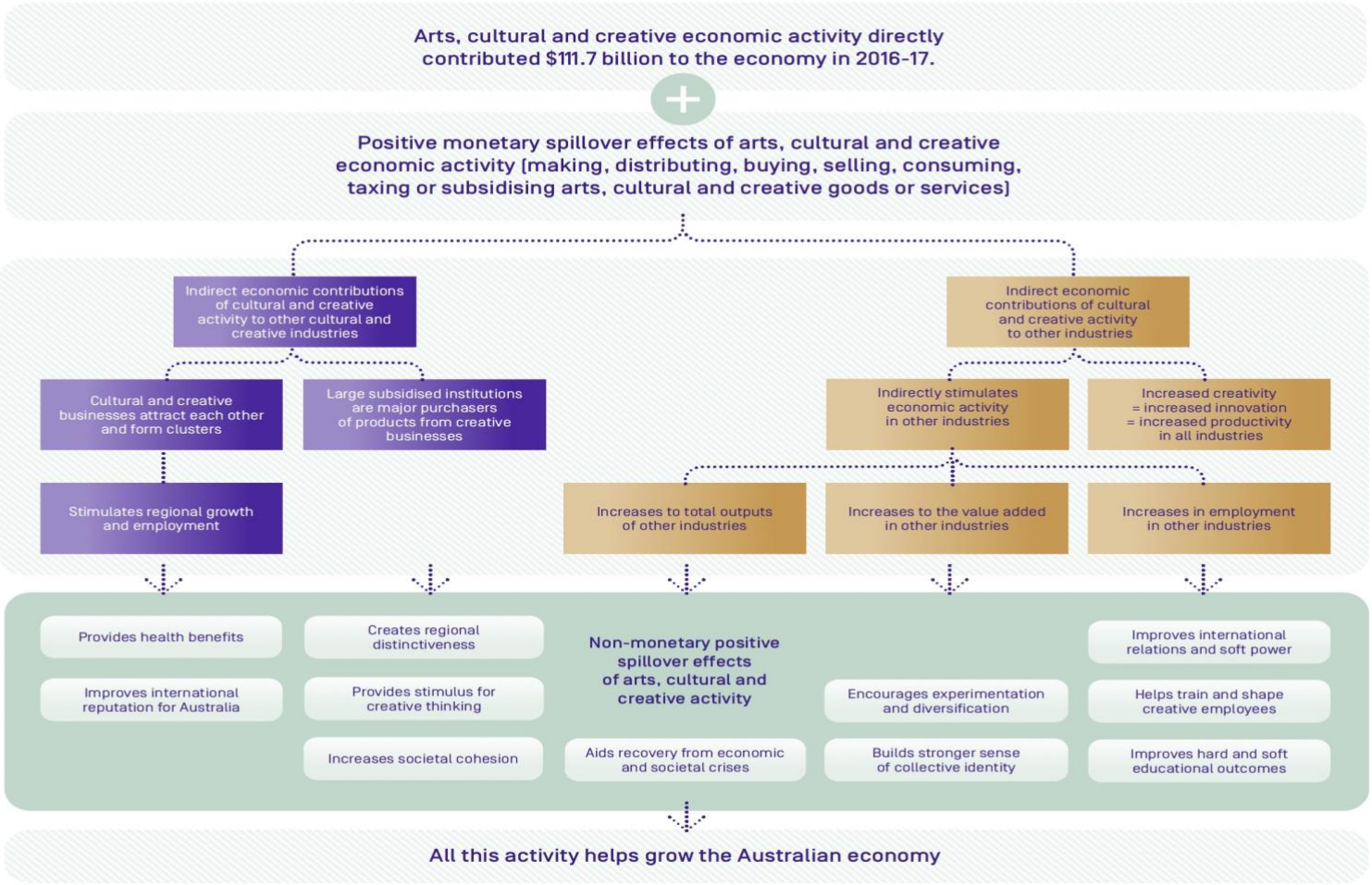


Figure 10: A proposed framework for how arts, cultural and creative economic activity stimulates the Australian economy. Source: ANA.

[45] A New Approach (2020) *Australia's Cultural And Creative Economy A 21st Century Guide*

Cultural Value

> Culture does not simply produce value, it embodies value.[46]
>
> Now more than ever, we need rigorous ways of understanding and measuring that elusive thing we call 'cultural value'. In an 'age of austerity,' making convincing arguments for public investment becomes all the more challenging.[47]

Cultural value is harder to measure than market exchange, and is therefore often overlooked (or assumed) in public policy and funding decision-making. Arguments about how to address this gap are not new. Over 20 years ago, UK theorist John Holden argued:

> Right across the public sector there is disquiet that ways of demonstrating benefit have become tortuous, employing 'complicated and contested assessments of causation'. Worse still, 'those things that [are] easy to measure tend to become objectives, and those that [are not, are] downplayed or ignored'. This presents a particular difficulty for the cultural sector, where much of what is done is not 'easy to measure'. [48]

And, later in the same paper

> "even the best objective data fails to account fully for why culture should be funded. The value of culture cannot be adequately expressed in terms of statistics…. Current forms of impact measurement are necessary, and they need to be improved, but they can never be sufficient"[49].

Part of Holden's answer to this challenge was to define three main categories of cultural value:

- intrinsic value (arts for arts' sake)
- instrumental value (art and cultural participation as carriers for social goods), and
- institutional value (trust and engagement with public institutions)[50]

David Throsby further broke down these categories to identify five tenets of cultural value:

- **Historical value**: a special relationship with the past; a concept resting on particular viewpoints of history
- **Social value**: places or things that tend to make connections between people and to reinforce a sense of unity and identity
- **Symbolic value**: repositories of meaning
- **Aesthetic value**: a highly problematic area of enquiry involving dispute not only about what is beautiful but also about who has the power and authority to take decisions about what is beautiful
- **Spiritual value**: addressing aspects of the religious, the numinous and the sublime.[51]

One of the difficult dynamics of measuring cultural value is, of course, that notions of 'intrinsic' value, notions of aesthetics, excellence, quality and virtuosity which tend to involve elements of individual (or collective) judgement and subjectivity. The notion of intangible, or ineffable value, as powerful as they can be, inevitably suffer from a lack of rigour in issues of definition, consistency and disclosure. [52]

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[46] John Holden Capturing Cultural Value (2004) http://demos.co.uk/wp content/uploads/files/CapturingCulturalValue.pdf p.49
[47] AHRC (2021) Op cit p.5
[48] Holden 2004 p.16
[49] Ibid p.21
[50] Ibid
[51] David Throsby (2014) *Economics and Culture*
[52] Holden (2004) Op cit. p.140

> the administration of public funding for culture necessarily involves decisions about excellence and quality, the defence of those decisions often seems to lack confidence. The judgements of funders need stronger foundations than subjective opinions and an appeal to 'intrinsic value'.[53]

Problematically, subjective assessments are inevitably culturally-bound, and tend to align with the class dynamics of 'high art' rather than popular culture. In multicultural societies, these can lead to cultural reckonings around the privileging of the Western cannon, dominant cultural attributes and perspectives. It can also open up the sector to criticism of elitism and lack of relevance.

> We are playing a losing hand, taking us deeper into the hole with each passing fiscal. Arguments around the social good of the finer arts have faltered in the face of increasing diversity, increasing utilitarianism, and the increased purchase of popular forms over the public imagination. Cheaper digital formats distribute commercial content at scales and conveniences the likes of which very few non-profits can match. With the collapse of our arts education system and the perennial re-supply of older ticket-buyers set to run dry, a very different society replaces the one we (our insufficiently diverse, proscenium-loving sector) specialize in engaging.[54]

> Of course subjective interpretations of quality and excellence carry cultural bias and privilege notions of elitism – vulnerable to critique and demands for reckoning around pluralism.[55]

These arguments also begin to look increasingly anachronistic when audiences are 'voting with their feet (or fingers) in making cultural consumption choices, particularly in the digital environment in which free, or as-free, accessible and algorithm-curated content is coming an increasing part of audiences' media diets.

> The basic values of techno-capitalism are antithetical to art. "Clicks determine value," says McLennan, "whereas art is trying to get you to be reflective, step outside of yourself, engage the world more thoughtfully. It transcends the dopamine hit necessarily, whereas this is a design feature in digital interfaces"[56]

'Worthy' vs Popular content

The same levels of social impact cannot, of course, be claimed for all kinds of content. And it is disingenuous to justify the whole screen sector, citing high participation rates and concurrently espousing the virtues of observational documentary or arthouse filmmaking when the majority of the public in our conceptions of 'public value' are spending their time watching reality TV or scrolling social media. This is not to say that we should only be concerned with 'high' art, as this tends to be defined through the lens of dominant class and culture.[57]

According to the AHRC report, a more robust analysis requires 'grown up conversations' which require "openness about why those conversations might prove difficult". These issues include:

- The challenge of **inequality** of access to arts and culture, which the authors suggest should be addressed by widening the definition of arts and culture from narrow, 'high art' definitions towards including more informal participation, commercial and amateur activities, including minority ethnic cultural practice.

[53] Holden (2004) Op cit. p.24
[54] David Maggs, 2021 p25
[55] Holden (2004) Op cit. P.25
[56] David Maggs, 2021 p26
[57] See, e.g. Bennett, T., Savage, M., Silva, E., Warde, A., Gayo-Cal, M., and Wright, D. (2009) Culture, Class, Distinction, London: Routledge Basingstoke: Palgrave

- The need to acknowledge different **modes of engagement** and attention, including engagement that takes place in a variety of settings, most commonly the home and the virtual space of the internet.
- The requirement for better consideration of the growth of **digital technologies**, which not only provide new ways for people to connect with culture but also new ways to experience commercial culture, e.g. downloading and streaming TV and film. The distinction between producer and consumer has also become much less clear with the rise of user-generated content, reaction videos and fan content. [58]

This acknowledgment of sharing, recommending, remaking, contextualising and mashing up that happens in digital environment allow for a much more intimate relationship to content. Axl Bruns, in his analysis of user-generated content described participants in the blurring of making (producers) and viewing (users) as 'produsers',[59] in some regards an extension of 1980s audience theory on audience agency in interpretation and use of cultural texts.[60]

People-centred models

Some proponents of cultural value have responded to this issue by emphasising what culture does for people. Holden proposed a people-centred view of cultural value as a principle that:

- recognises the **affective** elements of cultural experience, practice and identity, as well as the full range of quantifiable economic and numerical data; it therefore locates the value of culture partly in the subjective experience of participants and citizens.
- adopts unchanging **public goods** such as equity and fairness, enhancing trust in the public realm, health and prosperity, as long-term objectives, thereby creating a context where more specific goals such as social inclusion and diversity can be more easily understood
- promotes a '**strong'** culture, confident in its own worth, instead of a 'weak' culture dedicated to the production of ancillary benefits.
- challenges policy-makers, cultural organisations and practitioners to adopt a **new concordat between funders, funded and the public**; Cultural Value gains legitimacy from public support and from the exercise of professional expertise; each part of the settlement is given due weight within an overarching framework that seeks to maximise public good and to promote the vitality of culture
- integrates culture with the rest of public policy; rather than being an add-on, existing in its own space, culture is seen as an **integral and essential part of civil society.**[61]

Holden sees the public itself as a source of legitimacy for culture funding - which, he argues, must lead us to recognise people's needs in delivery of cultural value: relevant programming, accessibility, opening hours, childcare. He also argues that culture should be understood as:

- Integral and integrated not simply "special" (de-mystified, part of agreement with community about needs)
- non-monetised value (requiring more nuanced KPIs from funders)

[58] AHRC report. Op cit. p.9

[59] Axl Bruns (2008) *From Prosumption to Produsage.* https://snurb.info/files/2014/From%20Prosumption%20to%20Produsage.pdf

[60] See e.g. Ang, I. (1985). *Watching Dallas: soap opera and the melodramatic imagination*. London, Routledge.

[61] Holden (2004) Op cit.

- a source of systemic health and resilience (requiring longer-term funding, and greater attention to building relationships)
- grassroots value creation, not top-down (which would draw on evaluation to improve programming and performance, not just to advocate for further funding).[62]

This focus on what culture does for people, and what it enables them to do, is foundational to the social impact elements of cultural value – defined as "instrumental" benefits.

Social value and social impact

Many claims made for culture's impact on society are based in benefits to community including:

- Self-expression and identity
- Mutual understanding
- Education[63]
- Health and wellbeing[64]
- Social connection

These areas have been the focus of much recent reporting, including by agencies wishing to demonstrate the range of returns on investment in arts and culture, especially where they are recognised as cost saving in other areas, for example: health, education and justice budgets.

Research and evaluation in these areas – whether exploring reported or observable social outcomes at population scale, or the impact of individual programs, have become increasingly used in the arts and screen – particularly the "impact producing" space – other used in social purpose documentary and public service media. The work of the Doc Society in the UK in producing the Impact Field Guide[65] was foundational to work in this area in Australia, applied in their own model by the Documentary Australia Foundation,[66] who seek social change by exploring social issues in high-impact documentary and outreach campaigns and the work of the social impact and outreach teams at the ABC[67] and SBS.[68]

The Impact Field Guide describes the impact of screen content through the lens of social change:

- Changing minds
- Changing behaviours
- Building communities
- Changing structures

These are measured via a range of methods, including digital analytics, focus groups and other qualitative data along with:

- Screening exit surveys, engagement (digital insights) to track **attitudinal change**
- Web traffic, hashtag tracking, social insights to track **public awareness**
- Polls, Social media metrics to track **public opinion**
- Campaigns (clicktivism), donations, memberships, volunteering to track i**nvolvement** Consumer trends, voting behaviour and social behaviour

[62] Ibid p.12
[63] https://creative.gov.au/advocacy-and-research/cultivating-creativity-a-study-of-the-opera-house/ and https://www.aco.com.au/learning-and-engagement/schools-programs/aco-foundations
[64] https://creative.gov.au/wp-content/uploads/2023/02/Connected-Lives-Creative-solutions-to-the-mental-health-crisis-Web-version.pdf
[65] https://impactguide.org/
[66] https://documentaryaustralia.com.au/impact-evaluation/
[67] https://www.abc.net.au/tv/pdf/WoW%20Impact%20Report%2013June19.pdf
[68] https://www.sbs.com.au/aboutus/in-the-community/sbs-outreach/

- Individual narratives, population-level change (behavioural measurement tools, consumer surveys) to develop **accounts of change**

Many audience theory researchers have extended this thinking into thinking about the way audiences respond to scripted content, most particularly drama. A canvas of academic work (applied in a 2011 study for SBS) draws on the concept of screen content as 'usable stories':

> Audience theory tells us media is social. It is understood through interpretation and interaction. Marie Gillespie's work on 'TV talk' has explored how meanings of media texts are negotiated and contested via interactions with others and how they assist in the generation of new identities (Gillespie 1995). Roger Silverstone asserts that "experiences are real, even media experiences" (Silverstone 1999: 9) and describes how narratives interact with 'everyday discourses' of gossip, rumours and casual interactions interdependently to 'frame and measure experience' (Silverstone 1999: 11). These frameworks are useful for developing understandings of what John Hartley has described as the simultaneously individual experience and collective behaviour of television viewing (Hartley 1992).
>
> The experience of viewing and interpreting television is interwoven with social and political roles in a range of ways (Katz and Liebes, 1993: 20). Audiences draw on their own personal experiences, histories and identities in generating meaning out of television content. Drama provides audiences with the opportunity "to put the actions and interactions of human beings into perspective, both socially and culturally" (Costera-Meijer and de Bruin 2003) and relate them to actual political issues and in thinking about how television representations of cultural diversity influence or motivate viewers in multicultural society.
>
> This report explores how participants in our studies related to portrayals of cultural diversity. In doing so, the analysis draws on the work on difference and representation of Stuart Hall (1997) and the concept developed by Ella Shohat and Robert Stam (1994) of the 'burden of representation' imposed on 'texts' (programs) which disrupt dominant ways of portraying cultural difference.
>
> Drawing on discussions in the groups, the analysis suggests that the programs provided resources around which audiences could develop understanding, empathies, identifications or reactions which assisted them to negotiate their responses to important social issues. The dramas in this study provide examples of media as "...resources for talk, for recognition, identification, and incorporation as we measure, or do not measure, our images and our lives against those we see on the screen" (Silverstone 1999: 18). These resources are particularly important around 'difficult subjects' in a complex multicultural society. John Mepham (1990: 60) has called such resources 'usable stories' which can assist us to "make imaginatively informed choices and responses to other people" and to "articulate our feelings and aspirations". This study explored how audiences have articulated their responses to these programs as catalysts for conversations about multicultural society. [69]

Subsequent to this kind of analysis, what audiences do and how they use media and culture have become far more visible and trackable in an era of social media and web analytics. Forms of social listening and sentiment analysis such as that developed by Data61 for the State Library of NSW.[70]

In fields such as advertising, biometric studies are also used to explore visceral responses in the form of real time heart rate, galvanic skin response, facial emotion coding and eye-tracking - providing an alternate set of data points to understand engagement.[71]

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[69] Georgie McClean *"And in Doing So, reflect Australia's multicultural society..."* https://researchers-admin.westernsydney.edu.au/ws/portalfiles/portal/94918300/uws_12809.pdf

[70] https://www.sl.nsw.gov.au/research-and-collections/formats/social-media-archive

[71] AFTRS Biometrics: An Applied Innovation Research Project https://www.aftrs.edu.au/about/research-and-innovation/biometrics/

These areas are sites of rich exploration, however finding agreed forms of evidence that resonate with various stakeholders can be fundamentally challenging.[72]

Many argue that we need to find a shared language, particularly with Government decision makers, to make the case for culture funding:

> the need to fit the cultural sector's understanding of value into central government's standard framework for evaluating decisions is simply unavoidable. It is especially unavoidable given the increasing demands on decreasing resources expected across the public sector for the foreseeable future.[73]

Intrinsic vs instrumental value

It is possible to co-design mutually agreed frameworks for evidence. In the UK, for example, it is now recognised that an investment in the arts is a cost saving in health – quantified by agreed measures accepted in Treasury's Green Book.[74] These sorts of arguments are often called the avoided costs theory.

A range of critics and theorists have cautioned against the of over-instrumentalisation of arts and culture in advocacy:

> Is it an economic policy or a cultural policy? To truly recalibrate and recover art and culture in Australia, we must break with the assumptions and language of 'creative industries' and other types of instrumentalisation of art and culture. This is not to be written off as 'art for art's sake', but rather let us acknowledge its distinct contribution to society as art and culture - not as appendages to health, economy, social services or training. This unapologetic affirmation of art and culture's definitive public value, which is newly asserted by the United Nations and happening in culture ministries globally, needs to be imbued throughout this new policy.[75]

And in the UK, the dynamics around how instrumentlised understandings of value have influenced policy and funders' decision-making have long been critiqued:

> The funding bodies and the DCMS will have marshalled statistics on the social outcomes of the activities that they fund, and deployed arguments about how culture helps social integration, economic regeneration and health. The attempt to make the effects of culture transparent and manageable, in order to support it effectively, has somehow obscured the true nature of the activities and experiences themselves.
>
> The gathering of evidence about the impact of the sector has assumed centre stage in the management of the subsidised cultural sector in England. It is closely associated with an extension of government control over the sector, and the tendency to value culture for its 'impact' rather than its intrinsic value.
> In sum, the identifiable measures and 'ancillary benefits' that flow from culture have become more important than the cultural activity itself: the tail is wagging the dog.[76]

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[72] John Holden Capturing Cultural Value 2004 http://demos.co.uk/wp-content/uploads/files/CapturingCulturalValue.pdf p.12

[73] DCMS (2010) Op cit. p.17

[74] Angus Robertson, Scotland's Minister for Culture, speaking at the Australia-UK Cultural Dialogues, Edinburgh 2021 supported by DCMS (2010) Op cit.

[75] Reset Arts and Culture Submission to the National Cultural Policy consultation August 2022 Dr Tully Barnett (Flinders University, College of Humanities, Arts and Social Sciences), Jennifer Mills (author and activist), Professor Justin O'Connor (University of South Australia, Creative People Product and Place Research Centre), and Emma Webb OAM (Arts Industry Council of South Australia and Vitalstatistix). https://resetartsandculture.com/wp-content/uploads/2022/08/Reset-NCP-submission.pdf P.2

[76] Holden, 2004, Op cit p.14

Beyond the issue created assuming that responsibility for outcomes lies with cultural or creative producers of creative work, which is seen by some as adding another heavy burden to the sector, John Holden cautions about the impacts of relying too heavily on instrumental forms of value, as it:

- can have a 'sunflower effect' – distorting activity to measures;
- can lead to greater bureaucratisation generated by measurement frameworks;
- rewards consistency / 'sameness', leading to risk aversion and less innovation;
- can de-emphasise creative engagement between funders and practitioners;
- tends to mean evidence is used primarily for advocacy rather than learning (and is therefore less objective); and
- can tend to encourage funders to become more prescriptive.

Writing from Canada more recently, David Maggs also cautions against being "too willing to accept the trade-off and leap for social impact, regardless of its consequence for the value already in our possession"[77] namely, the power of the aesthetic.

In a very basic sense, the orientations towards intrinsic or instrumental value leads us to think differently about which part of the dynamics of creation and attention should be central in considerations about value. In short:

- Intrinsic value skews to the artist
- Instrumental value skews to the audience

Holden argues we must not lose sight of either, and must "treat audiences and non-attendees as grown-up beneficiaries of culture, while acknowledging the central importance of cultural practitioners." [78] and Maggs suggests "rather than trading our value for social impact, can we expand it towards greater social relevance?" [79]

We need to move away from culture wars about elites and unreflective assertions that arts and culture, and its creators, are simply 'special' (presumably more special than nurses or teachers) and therefore deserving of special treatment.[80] As Holden put it: "The instrumental/intrinsic debate has tended to polarise on class lines: aesthetic values for the middle classes, instrumental outcomes for the poor and disadvantaged."[81]

To get beyond this requires a more nuanced approach in which forms of value are no longer pitted against each other as either-or dynamics. We can recognise both, through what Claire Bishop calls "the productive contradiction of art's relationship to social change" as the act of understanding art as both essentially autonomous and "inextricably bound to the promise of a better world to come."[82] Of course intrinsic and instrumental value are inexorably linked. You don't get great outcomes without great art. Screen content is unlikely to offer 'higher order' social benefits if viewers are put off or distracted by weak scripts or poor execution. So, for example, the ability to support personal reflection (intrinsic) can spark discussion and exchange (instrumental) and the ability to engage empathy (intrinsic)[83] can lead to better and more inclusive social connection (instrumental).

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[77] Maggs, 2021. Op cit p46
[78] Holden 2004 Op cit p.26
[79] Maggs, 2021 Op cit p.46
[80] DCMS (2010) Op Cit.
[81] Holden, 2004, Op cit p.25
[82] Maggs (2021) Op cit. p.71
[83] https://www.ukri.org/wp-content/uploads/2021/11/AHRC-291121-UnderstandingTheValueOfArts-CulturalValueProjectReport.pdf

As Maggs puts it “The capacity of art is to engage the world in terms of the aesthetic. If we are clear on the value this represents (‘world-making’ capacity), and the means by which it arises (powers of attention and expression), then we might resist the tendency to abandon our strengths as the world turns to us in need.” [84]

Institutional value and trust

The concept of Institutional value speaks to trust in cultural institutions held by publics and the idea that cultural institutions (including theatres and art museums) should be regarded as:

> not mere "sites of experience" but as "creators of value." Depending on the strategies adopted and the way they are used in relation to society, such institutions can either create or destroy the institutional value of mutual understanding and trust among the public, the joy of shared experiences, and the sense of belonging that results from such experiences.

These forms of trust relate to the mode of engagement they facilitate, and the levels of inclusion, accountability and service they offer the community, which all lead to social licence. Public, cultural institutions can include public broadcasters, public funded film festivals and online spaces as well as physical structures, like the cinematheque cinemas at ACMI. While the indicators do not explicitly reference cultural institutions, trust in our public institutions is seen to be a foundation of a cohesion society and strong democracy, as a benchmark in the ‘cohesive society’ measures of treasury’s measuring what matters framework.[85]

Positive forms of participation, engagement and debate are understood to be helpful in building civic engagement and trust in public institutions:

> Participation in arts and culture may produce engaged citizens, promoting not only civic behaviours such as voting and volunteering, but also helping articulate alternatives to current assumptions and fuel a broader political imagination. All are fundamental to the effectiveness of democratic political and social systems. Arts and cultural engagement help minority groups to find a voice and express their identity. They can engage people in thinking about climate change when used not didactically but as a basis for reflection and debate. Governments also deploy culture internationally to build influence and trust, though the report notes the very limited evidence about the success of such programmes.[86]

The three forms of value identified by Holden (intrinsic, instrumental and institutional) are linked in a cultural value triangle in which:

- Intrinsic value is most aligned with publics
- Instrumental value is of most concern to policy makers and
- Institutional value mostly concerns sector professionals.

By linking instrumental, intrinsic and institutional value, the triangle presented an answer to the need to reconcile differing interests and expectations, while also acknowledging the dynamic relationship between these three articulations of value.[87]

[84] Maggs (2021) Op cit p.47
[85] https://www.abs.gov.au/statistics/measuring-what-matters/measuring-what-matters-themes-and-indicators/cohesive
[86] https://www.ukri.org/wp-content/uploads/2021/11/AHRC-291121-UnderstandingTheValueOfArts-CulturalValueProjectReport.pdf p.7
[87] AHRC (2021) Op cit. p.18 (referring to Holden, 20014)

Cultural vs commercial arguments

Some accounts of cultural value generate binaries between 'cultural' content made by individual auteurs or collectives working in 'funded' environments and more 'commercial' content made at scale in larger, higher-turnover companies, as if cultural value only accrues to the former, and commercial value resides only with the latter. The reality today is that the movement of ideas, talent and audiences have long blurred the boundaries between these parts of the sector, which all generate cultural product in the context of a range of business models, supported in various forms by direct funding, public funding in PSM licence fees, offsets, policy settings and tax benefits, in which few operators are purely "commercial" anyway.

> It is an error to see publicly-funded and commercial arts and culture as separate worlds, one dependent on the taxpayer and the other on the market. They operate as part of a complex ecology of talent, finance, content and ideas. The non-profit cultural sector contributes research and development for commercial cultural providers, while public funding enables them to take risks with creative content and ideas. The flows between them, and indeed amateur arts and co-production as well, are underlined by the report. [88]

We may need a new language to understand the interactions between players in the complex ecology of screen and games production, and a new way to describe government grants, appropriations and tax offsets that support it, as Holden has pointed out:

> The vocabulary of culture reinforces the notion that money given to the arts, museums, libraries and heritage is a hand-out. The National Theatre and the army are paid for by tax, but only the arts are described as a subsidised sector. Theatres submit grant applications (every word needs weighing), whereas farmers receive top-up payments. Business schools use case studies, but culture puts together anecdotal evidence. The negativity of the language is startling. Culture is 'not for profit' – as long as profit is defined in a particular way. The notion of 'not for profit' tends to reinforce the tendency of the cultural sector to reward those who don't make a profit and to penalise those who do. Many cultural organisations are charities, where the professional management have to be governed by non-executive Trustees. When Government pays commercial private sector companies for R&D, it enters into a contract resulting in experimentation, but in the cultural sector the same thing is called upholding the right to fail. Terms such as state patronage and private philanthropy conjure images of subservience and the begging-bowl. This language may not be surprising, since historically private patronage preceded state funding, but the master/servant relationship is perpetuated by its use. It is little wonder that many publicly funded cultural organisations lack confidence. [89]

[88] Ibid p.8
[89] Holden (2004) Op cit. pp26-27

Critics of Cultural Value approaches

John Holden and David Throsby's influential outlines of cultural value have been subject to three main forms of critique:

> First, those authors wishing to deconstruct and reject the notion of any intrinsic value, casting doubt on the usefulness of the concept for decision-making. Second, those who argue that cultural value is included in the economic value of a good or service. Finally there is the related, more pragmatic, critique, especially pertinent given the current policy circumstances, that without using the economic value of culture it will be impossible to show the benefits of culture within CBA [Cost Benefit Analysis].[90]

Some critics of attempts to measure cultural value have focused on the 'subjectivity' of the measures, such as this review of Throsby's 2001 *Economics and Culture.*

> Throsby suggests five methods for determining the level of cultural value present in an object, including contextual analysis; analysis of content; social survey methods; psychometric measurement; and expert appraisal (pp. 29–30). While Throsby often implies that cultural value characteristics are subject to comparison to absolute standards, ultimately he leaves all of the evaluation methods to subjective opinion. Who decides when the context of an object indicates that it definitely possesses cultural value? Whose analysis of content matters? Attitudinal surveys merely identify the perceptions of those being questioned. Which experts provide valid appraisals, and how do we decide? Throsby does not address these questions, but they must be addressed if one wants to keep a meaningful distinction between economic and cultural value.[91]

We have largely moved on from such critiques, but the stain of 'complexity' and subjectivity still reduces confidence in alternative methodologies beyond purely quantitative methods (notwithstanding the complexity and many assumptions that underpin some economic models).

Indeed, some theorists are now asserting that "the notion of value is relational, in that the meaning and activity of creating value emerges from a complex set of interconnected social relations".[92] This thinking is being applied within and beyond domains of culture[93].

[90] DCMS (2010) Op cit. p.20

[91] Shawn Ritenour. *Economics And Culture*. by David Throsby. The Quarterly Journal of Austrian Economics Vol. 6, No. 2 (Summer 2003) p104

[92] City of Sydney (2016) Op cit p. 3

[93] See, for example, Marianna Mazucatto, The Value of Everything

A mixed methodologies approach

Many have come to recognise that the many tensions in energy-sapping disputes between approaches and methodologies tend towards the self-defeating and can "yield only 'parallel' accounts of cultural value".[94] This has led the UK's Arts and Humanities Research Council to call, in its report *Understanding the value of arts & culture* for a more holistic, mixed-methodologies approach to measurement and analysis:

> Our key aim was to cut through the current logjam with its repeated polarisation of the issues: the intrinsic v the instrumental, the elite v the popular, the amateur v the professional, private v public spaces of consumption, qualitative v quantitative evidence, and the publicly-funded v the commercially-oriented. Definitional and boundary difficulties of these kinds have bedevilled debate about what constitutes the value of culture and in what ways it may be evaluated and captured.[95]

Of course, there must be some flexibility in approach and application for these disciplines to be able to talk to one another:

> The quantitative must simplify to achieve the standardisation needed to achieve the required comparability, while qualitative methods thrive on meaning and content but can find comparability more difficult.[96]

They stress that while the valuation processes of aesthetic philosophy and economics remain logically distinct, with their own histories, theories and techniques, they are in real life interdependent. Far more commonly, however, disciplinary outlooks and paradigms co-exist without interacting. [97]

Hasan Bakshi suggests a better approach would require multi-disciplinary dialogue to properly engage with cultural value:

> The academic community has not risen to the challenge of measuring cultural value, because there has been insufficient, genuinely multidisciplinary dialogue. Far too much has been written that is critical of other disciplinary perspectives and far too little on how different intellectual disciplines can work together constructively to deepen our understanding of the value of culture. [98]

The AHRC report calls for a rethink of methodological approaches, including:

- developing necessary standards of rigour in specification and research design.
- questioning the 'hierarchy of evidence' in which randomised controlled trials as the gold standard, even in areas where these cannot effectively be applied due to the difficulty in isolating variables in complex situations.
- accepting that Qualitative research (with the depth that it gives) need not be less rigorous than quantitative, experimental studies (with the breadth that they provide).
- the wider application of evaluation as a tool within the cultural sector itself, rather than as something carried out just for accountability purposes. Formative and participatory evaluation, as opposed to summative evaluation at the end, needs more attention if it is to play a role in helping cultural organisations and practitioners learn from their activities and their audiences.

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[94] AHRC Report (2021) p121
[95] Ibid p.6
[96] Ibid p.121
[97] Ibid
[98] Bakshi at Sydney p.15

- Better engagement between qualitative research (with the depth that it gives) and quantitative studies (with the breadth that they provide), acknowledging that qualitative research is far more suited to certain research purposes, and quantitative research is better suited to others.
- Recognising rigorous case studies (one of the characteristic strengths of the arts and humanities) as valid and important evidence notwithstanding the difficulties of scaling them up. Using in-depth, case-study evidence is one of the characteristic strengths of the arts and humanities, and of what they bring to society's knowledge and understanding.[99]

It should be recognised that the latter point above is not without critique, Holden cautioned that "it is increasingly recognised that crude transpositions of 'learning points' and 'best practice' from one context to another often fail, and that the knowledge that needs to be garnered from projects is about reflective and dynamic processes rather than about prescriptive methodologies." [100]

A range of potential cultural value measurement methods outlined in Table 4 below seek to address some of the key questions laid out at the start of this paper.

[99] AHRC (2021) Op cit p.9
[100] Holden (2004) Op Cit p.19

Social/ cultural Focus areas	Kinds of value	Kinds of measures	Existing resources (where they exist) (non-exhaustive list)
How much people engage	Audience measures	Consumption trends Viewing data Time spent Online behaviour	Box office (Numero + Comscore) Games sales + player numbers OzTam TV ratings + VOD subscriptions Time use surveys (e.g. Roy Morgan + ABS) Digital analytics
Who engages?	Equity Relevance	Diversity of representation Audience data	Seeing Ourselves (Screen Australia) Audience demographics (see above)
Type/ quality of engagement	Media diet - choice Attitudes to Australian content Discoverability of Australian content Outreach Engagement and attention	Reported behaviour Audience intention Appreciation scores Discoverability of content Ethnographic studies – in-field observation of target communities Biometric feedback	Focus groups (e.g. Hearts + Minds) Online panels (broadcasters) + surveys Community intercept surveys Audience reception studies Post screening surveys (e.g. DAF impact studies) Impact and outreach evaluations (e.g. ABC) SARA / AFTRS research
What it does for people	Cultural capital Social connection Attendance + participation Wellbeing Information/ awareness Community participation Sense of place	Trust in institutions Sentiment analysis Attendance rates Self-reported wellbeing Public awareness of issues/ themes Attitudinal / behavioural change Participation measures	Scanlon report (broad social trends + attitudes) Data61 methods + 'social listening' Box office + Festivals data Creative Australia's 'Connected Lives' report Web traffic, hashtag tracking, social insights media coverage, community feedback, public opinion polls, social media metrics
What people do with it	Resources for discussion 'TV talk' / civic engagement New forms of engagement/ sharing/ production	Focus groups and ethnographies Audience behavioural trends Individual narratives + journey mapping	Online / social media engagement Media and Entertainment Outlook Measures of engagement with different platforms. Modes of use e.g. MMO games

Table 4. Cultural measures of screen and games – approaches and sources

'Total Value'

Corey Allen, Arther Grimes and Suzie Kerr (2013) have proposed an approach to 'Total Value' of TV dramas (in their work for Manatū Taonga – Ministry for Culture and Heritage, Aotearoa New Kealand) aligned with the rubric below:

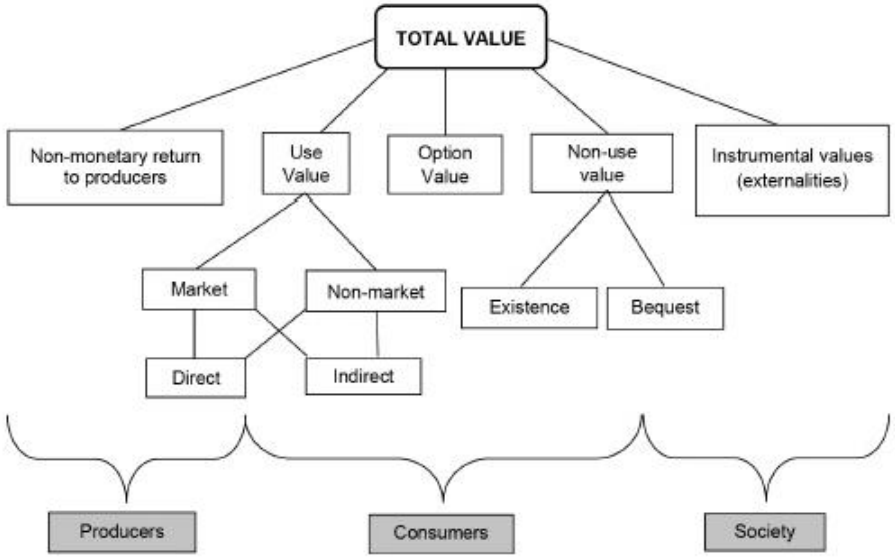

Figure 2.1 Total Economic Value of Culture 101

They apply this model in four case studies of Australian TV crime dramas, The key points drawn from their approach to this analysis are:

- TV drama is multifaceted and extends beyond mere economic metrics.
- The concept of phronesis, or practical wisdom, should be used to evaluate the broader impact of TV dramas on society, including their cultural, social, and economic contributions.
- Cultural value is deeply intertwined with economic value and cannot be considered separately. A holistic approach (incorporating both economic and cultural dimensions (including non-monetary benefits to creators, the role of diverse and inclusive storytelling and externalities such as economic stimulation and cultural tourism) are required to understand "total value."

Note: The use of 'instrumental value' here is not identical to that used by Holden, which he defined as measurable economic or social benefits. Here, Holden's instrumental value would be categorised as a 'use value' (Belfiore et al., 2014). Source: Allan et al. (2013, p. 13). McCutcheon, M and Turnbull, S (2024) *Transnational TV Crime*. Edinburgh University Press.

Final Points

Debates around how to measure economic, social and cultural value have raged for decades, as the pendulum swings between privileging different models of value, for various political and policy-oriented reasons.

> As trustees of the public interest, funders respond to what they understand to be the public's interest in culture, and that interest extends beyond maximising financial return. Funders are directed and influenced by Government to achieve a shifting series of explicit and implicit public policy goals.[102]

In short, value needs to be articulated in some form in order for cultural production to be valued.

> In a fundamental sense the notion of 'value' is the origin and motivation of all economic behaviour. At the same time, but from a very different perspective, ideas of value permeate the sphere of culture. In the economic domain, value has to do with utility, price and the worth that individuals or markets assign to commodities. In the case of culture, value subsists in certain properties of cultural phenomena, expressible either in specific terms, such as the tone value of a musical note or the value of a colour in a painting, or in general terms as an indication of the merit or worth of a work, an object, an experience or some other cultural thing. Of course both economics and culture, as areas of human thought and action, are concerned with values in the plural – i.e. the beliefs and moral principles which provide the framework for our thinking and being.[103]

All of these ways of understanding and measuring value themselves carry values and ideologies: is the priority utility and productivity, or equity and access, personal transformation or civic engagement? The reality is that all of these dynamics matter.

Crudely put, commonly used measures tend to congregate around the following ideas:

- Valuing cultural assets – intangibles: aesthetics, historical/ legacy value etc.
- Valuing process – activity, employment skills and innovation
- Valuing consumption – transactional measure, choice value, relevance
- Valuing engagement – participation measures

In order to find an articulation of value that is not at war with itself, the focus should be on developing a holistic, people-centred model that recognises the mutual relationships between personal and public benefit and, similarly, the economic benefits of wellbeing, confident identity and lives live rich with meaning and connected to others.

A useful model would recognise different registers of impact – from the individual to the industry, community, economy and nation – in order to better understand the relationships between various kinds of impact and use them to articulate through-lines between them.[104]

[102] Holden (2004) Op cit. p.28
[103] David Throsby (2014) *Economics and Culture*
[104] A way to conceptualise this has been modelled in the table on p3 of this paper.

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