

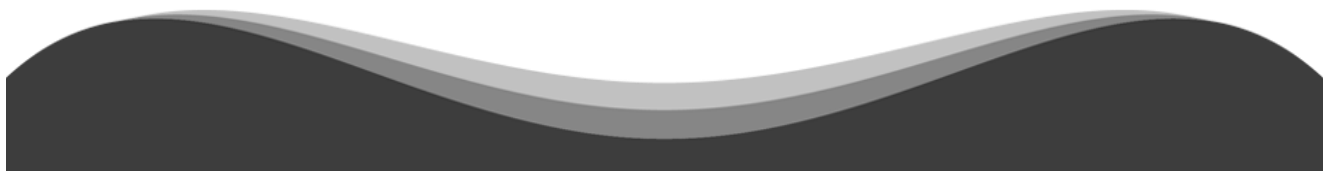
2021 Cultural Administration Research Survey

A Quantitative Evaluation:
The Economic and Social Effects of Culture (5)



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Note 1: This survey was conducted with the advice, cooperation, and supervision of the Research Council for “A Quantitative Evaluation: The Economic and Social Effects of Culture” organized by the trustee, CDI. (The Agency for Cultural Affairs commissioned the research council members.) “This survey” or “we” in this report refers to this research council.

Note 2: Monetary amounts converted into Japanese yen or US dollars in this report use the IMF (International Monetary Fund) exchange rate (annual average).

Note 3: Figures and tables in the text with no visible references were created by CDI and are based on the sources listed at the end of this document.

Note 4: The figures in the table are rounded off. Breakdowns and totals may differ.

Abbreviations

BPM6	Balance of Payments and International Investment Position Manual, Sixth Edition
CSA	Culture Satellite Account
DCMS	Department for Digital, Culture, Media and Sport
EBOPS	Extended Balance of Payments in Service
EBPM	Evidence-Based Policy Making
FCS	Framework for Cultural Statistics
GDP	Gross Domestic Product
GVA	Gross Value Added
HS	Harmonized Commodity Description and Coding System
SNA	System of National Accounts
TSA	Tourism Satellite Account
UIS	UNESCO Institute for Statistics

The Framework of this Research

This report summarizes the results of the "2021 Cultural Administration Research Survey---A Quantitative Evaluation: The Economic and Social Effects of Culture (5)". The research period extended from October 19, 2021 to March 31, 2022. The outline of this survey is as follows.

1. Purpose of the survey

The survey research for “A Quantitative Evaluation: The Economic and Social Effects of Culture” was conducted to estimate Japan’s cultural GDP. We undertook a partial estimation of cultural GDP, coordinated the results with UNESCO and conducted detailed case studies in other countries in the fiscal year 2020. We also estimated the overall cultural GDP and employment in the following fiscal year (2021). Through this series of efforts, a basic framework for estimating Japan's cultural GDP has been created.

Estimation of cultural GDP, however, is only a part of what is required for CSA (Culture Satellite Account) compilation. Similar to the National Accounts of Japan (System of National Accounts, or SNA), the CSA includes employment, import/export, and long-term estimates in addition to GDP estimates. In the forerunner CSA areas such as Europe and the United States, longitudinal studies of cultural employment, cultural import/export are being carried out in addition to estimation of GDP. For this reason, we estimated the imports and exports of culture not dealt with in previous studies. With the current report, we conclude three major CSA estimates: cultural GDP, cultural employment, and cultural imports and exports. We also created a five-year estimate to enable us to track the changes over time in Japan's cultural GDP and investigated how CSA is used as evidence of cultural policy in other countries. The results of this research are intended to serve as the basis for EBPM (evidence-based policy making) for cultural policy in the future, and contribute to the planning and execution of more diverse and effective cultural policies.

2. Survey content

2.1 Survey on cultural imports and exports based on the UNESCO proposal (issued in October 2017)

Regarding cultural imports and exports, UNESCO guidelines suggest the use of the universal Harmonized System (HS Code) for goods, and for services, the Extended Balance of Payments Service Classification (EBOPS Code). Based on these UNESCO guidelines, we estimated the imports and exports of Japanese culture using related statistics such as Japan's trade statistics and balance of payments statistics, referring to estimations and methods in other countries. Specifically, trade statistics (Ministry of Finance) were used for goods, and balance of payments statistics (Bank of Japan) were used for services. The results were compared with the figures of other countries that have already made similar estimates.

2.2 Estimating cultural GDP from 2015 to 2019

In this research, we estimated cultural GDP and cultural employment for the five years from 2015 to 2019. At the time of the 2020 estimate, the 2017 and 2018 input-output tables were not published. Since the 2017 and 2018 input-output Tables were published in 2021, this research study has been retroactively revised based on this.

2.3 Survey of utilization of cultural satellite accounts in other countries

In the 2009 UNESCO Framework for Cultural Statistics (2009 UNESCO FCS), which is a UNESCO CSA guideline, CSA is positioned as a tool for designing evidence-based policy making (EBPM) and for measuring and evaluating the effect of this policy. In addition to referring to these UNESCO guidelines, we investigated how CSA is currently being used for policy making and evaluation in other countries where CSA is being compiled. Specifically, we have summarized the use cases of seven countries, Canada, the United States, Germany, the United Kingdom, the Netherlands, Finland, and Australia, using the following methods.

- Review of descriptions in published literature such as reports on CSA in each country
- Questionnaire survey via the internet regarding the use of CSA for the departments in charge of compiling CSA in each country (Only the United States and Canada responded.)

2.4 Proposals for new cultural policies

Based on the results of three surveys, we extracted issues in Japan and made proposals on cultural policies.

3. Survey Research Council on Numerical Evaluation of Economic and Social Impacts of Cultural Arts” Members (2021)

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(Occupational titles are as of 2021)

Chapter 1 International Trade of Cultural Goods and Services

1. The Concept of International Trade of Culture

Estimation of cultural GDP (gross domestic product = value added) are quantified by replacing cultural activities with commodities. If cultural activities are replaced by commodities, the value of imports and exports of cultural commodities can also be known. In this way, the estimation of cultural GDP and the estimation of cultural imports and exports have a common starting point. Therefore, in many countries compiling CSA, cultural GDP, cultural employment estimates, and cultural imports and exports are estimated and become the components of CSA.

2. UNESCO Cultural Imports and Exports Estimate Framework

2.1 Framework in 2009 UNESCO FCS

The 2009 UNESCO FCS, which is the basis of the UNESCO standards on CSA, describes specific methodologies for the imports and exports of culture. The 2009 UNESCO FCS suggests that two types of cultural goods and services should be estimated in accordance with the trade and service balance framework.

The trade balance is subdivided into commodities according to the international standard import/export statistical item number (HS code). The service balance is classified by the extended balance of payments service classification (EBOPS code).

HS code

The HS Code is a universal classification number for import/export items based on the HS Convention (International Convention on the Harmonized Commodity Description and Coding System). As of April 2020, 159 countries and regions, including Japan, are members and over 200 countries and regions, including non-parties, are using the HS code. Import/export procedures (declarations to customs) utilize this code system. The Ministry of Finance of Japan prepares trade statistics for each item by aggregating data based on HS code. Although HS code is internationally unified up to the 6th digit, the 7th digit and subsequent digits are subdivided according to the rules of each country. The number of digits of the HS code and the detailed product classification differ by country. Japan also has its unique subdivided categories identified by the 7th and subsequent digits of the codes. It is important to note that the 7th and subsequent digits of the codes used in import/export statistics may vary.

EBOPS code

The Extended Balance of Payments in Services is a further subdivision of the service product classification in the IMF Balance of Payments and International Investment Position Manual (BPM). The EBOPS code is a classification of services, while the HS code is a classification of goods. The current balance of payments statistics for Japan are based on the IMF Balance of Payments Manual, 6th Edition (BPM6), but are not subdivided to the EBOPS code.

2.2 Framework for 2009 UNESCO FCS cultural goods import/export statistics

As the framework for the imports and exports of cultural goods, 2009 UNESCO FCS presents the following subdomains in line with the CSA framework. This subdomain is associated with goods rather than industry because trade balance statistics are created based on "recorded transactions (imports and exports) of goods between domestic residents and foreigners (non-residents)". In addition, the product classification is linked to the HS code.

Table 1-1 Framework of cultural goods and services based on the 2009 UNESCO FCS HS code

Domain	Sub-domain (HS code product classification)
A. Cultural/Natural Heritage	Antiques
B. Performance/Celebration	Musical equipment
	Recorded media (CD, tape, etc.)
C. Visual arts/Crafts	Paintings
	Other visual arts (Prints, sculptures, etc.)
	Crafts
	Jewelry
	Photos
D. Books/Press	Books
	Newspapers
	Other published work
E. Audio-visual/Interactive media	Movies and video
F. Design/Creative services	Architectural blueprints, design products, photo processed products, etc.

Source: "2009 UNESCO FCS"(UIS)

2.3 Framework for 2009 UNESCO FCS cultural services import/export statistics

In 2009 UNESCO FCS, cultural imports and exports were estimated mainly by supplementing international transactions of cultural goods (captured by HS code). However, the HS codes categorize tangible goods by observable physical properties. After the announcement of 2009 UNESCO FCS, the service economy expanded, the proportion of tertiary industries increased, and cross-border transactions of services, including cultural services that were not returned to goods, surged. This was also true of so-called content

industry transactions and global transactions of intellectual property rights such as copyrights. Such international transactions of cultural services have come to be covered by the service balance. In the service balance, the code for the service products of the Extended Balance of Payments System (EBOPS) is used.

In 2016, UNESCO (UIS) provided a framework for the cultural services balance in “The Globalization of Cultural Trade: A Shift in Consumption—International flows of cultural goods and services 2004-2013” (UNESCO Institute for Statistics, 2016). This framework is based on the EBOPS code. However, the EBOPS code does not appear if a type of service is a part of cultural service. This is unavoidable because data on cultural services is not systematically collected. Thus, when using the EBOPS code, as with the HS code, the six domains of culture used as the framework for estimating cultural GDP are the framework for estimating cultural imports and exports. It is necessary to extract cultural services while associating each domain with the EBOPS code.

In the 2016 UIS report, the following are suggested as cultural services in line with the 2010 service balance manual.

Table 1-2 Types of cultural transactions

<ul style="list-style-type: none"> ▪ Audio/visual transactions ▪ Art-related services · License to copy and/or distribute other products ▪ Heritage and preservation services (eg, fees collected from the exchange of relics among museums in different countries) ▪ Press services ▪ Other information services (excluding databases and related services) ▪ Building services ▪ Advertising services (included in advertising, market research, and opinion polls) ▪ Other (Culture-related products not included above)

Source: Manual on Statistics of International Trade in Services 2010, 2011

However, transactions of these cultural services cannot be extracted directly from the balance of payments statistics based on the EBOPS code. This is because the code categories are too broad. The UNESCO (UIS) guidelines provide recommendations, as shown in Table 1-4, for determining cultural services from the broader categories. Specifically, the composition ratio of the cultural part of a broad division is presented, and this composition ratio corresponds to the cultural service. However, this is tentative and must be improved in the future, taking the situation in each country into account.

Table 1-3 Link of cultural services to 2009 UNESCO FCS and allocation ratio in EBOPS classification

Domain in 2009 UNESCO FCS	Sub-domain (Cultural services in EBOPS2010 : detailed classification)	Allocation ratio to culture
A. Cultural/Natural Heritage	11.2.3: Heritage and recreational services	1
B. Performance/Celebration C. Visual arts/Crafts	8.4.2: Licenses to reproduce and/or distribute related products 11.1.2: Artistic related services	0.3
D. Books/Press	9.3.1: News agency services 9.3.2: Other information services	1
E. Audio-visual/Interactive media	8.4.1: Licenses to reproduce and/or distribute audiovisual products 11.1.1: Audiovisual services	0.1
F. Design/Creative services	10.2.2: Advertising, market research and public opinion polling 10.3.1.1: Architectural services	0.1

Source: "The Globalisation of Cultural Trade: A Shift in Consumption—International flows of cultural goods and services 2004-2013" (UIS)

3. Methods of Estimating Japanese Cultural Imports and Exports

3.1 Japan's statistics on the imports and exports of culture

Current UNESCO guidelines (2009 UNESCO FCS) recommend that two approaches be combined in estimating cultural imports and exports. One approach is the estimation of cultural products (goods) compliant with the HS code, and the other is the approach to cultural products (services) compliant with the EBOPS code. Applying these two approaches to Japan's import/export statistics, the import/export statistics for cultural goods correspond to the "Trade Statistics of the Ministry of Finance" and the import/export statistics for cultural services correspond to the "Balance of Payments Statistics (Bank of Japan)".

Furthermore, in Japan, in addition to these two types of statistics, the input-output status of each industry is also described in the input-output table. There are import/export items in the demand sector of the input-output table, and the import value and export value are calculated for each industry.

These figures in the input-output table are based on statistics from the Ministry of Finance and the Bank of Japan. They differ in that while the two types of trade statistics record the transaction prices of goods and services, those of the input-output table are listed as the industry transaction (demand) amount.

Figure 1-1 Input-output table import/export items

Demand sector Supply sector		Intermediate demand	Final demand				(Deduction) Imports	Domestic product
		Industries	Consumption	Capital formation	Stock	Exports		
Intermediate input	Industries							
Gross value added	Compensation of employees							
	Operating surplus							
	Tax etc.							
Domestic product								

Our research studies centered on cultural GDP estimates have been carried out using input-output tables. Therefore, in the cultural import/export estimation, the input-output table will be used to maintain consistency with the cultural GDP estimation work so far. In other words, it centers on the description of imports and exports in the input-output table, while supplementing the Ministry of Finance trade statistics and the balance of payments-related statistics (Bank of Japan).

Table 1-4 Japanese import/export statistics used in this survey

Corresponding field	Statistics of Japan	Overview
Cultural Industry	Input-Output table	A list of how goods and services were produced and traded among industrial sectors in a certain period (usually one year) in the form of a matrix. The value of imports and exports for each industry is listed in the demand sector (buyer).
Cultural goods	Ministry of Finance Trade Statistics	Regularly published statistics that aggregate import/export declarations submitted to customs for exports from Japan to foreign countries and imports from foreign countries to Japan based on the provisions of the Customs Law.
Cultural services	Balance of Payments Statistics (Bank of Japan)	Statistics, also called the balance of payments situation, that systematically record all foreign economic transactions (various economic and financial transactions such as goods, services, securities, etc., and the flow of settlement funds that accompany them) conducted between residents and non-residents during a certain period of time.

3.2 How to extract cultural goods from the three types of statistics

3.2.1 Input-output table

When estimating the imports and exports of cultural products using the input-output table, three cases were available. In this survey, Case I and Case II were targeted for estimation, and Case III was excluded. For this reason, the range of import/export estimation of cultural products using the input-output table is fixed at a smaller amount than that of the cultural GDP estimation. Thus, by adding an estimation using the Ministry of Finance trade statistics and the balance of payments statistics (Bank of Japan) to this smaller amount, we compensate for the narrowness of the range of estimation using the input-output table.

Case I: In which the industrial sector produces one type of cultural product

(Example: musical instruments, newspapers, movie theaters, advertisements, etc.)

Case II: In which the industrial sector produces multiple products, most of which are cultural products (Example: social education, publishing, commercial broadcasting, etc.)

Case III: In which the industrial sector produces multiple products, only some of which are cultural products. (Example: Game software is only a part of the internet-related services category)

In Case I, the import/export value of the industrial sector is regarded as the import/export value of cultural products.

Case II includes various cultural goods/services, each of which is distributed in one of a range of cultural GDP subdomain categories. In this case, the industrial sector appears in multiple domains or subdomains. The four industrial sectors in this case are "social education (national and public)," "photographic activities," "publishing," and "commercial broadcasting."

In Case III only some of the products supplied in an industrial sector are cultural goods/services. In this case, the ratio of the cultural part to the entire sector must be calculated using some sub-data, and the import/export value of cultural goods must be estimated. However, there is no such data available. In Case III, if an entire category is counted as a part of cultural imports and exports without further examination, the estimated value of the cultural imports and exports will be excessive, so this should be avoided.

For the above reasons, when using the input-output table for estimations, the two cases, Case I and Case II, were used, but not Case III. Therefore, an estimation of the imports and exports of culture using the input-output table provides an amount less than the actual situation because Case III is excluded.

Table 1-5 Domains in Cultural GDP and cases of cultural import/export estimation

Domain	Sub-domain	Industry	Case
A. Cultural/Natural Heritage	(1) National museums	Social education (national and public)	II
	(2) Public museums		II
	(3) Private museums	Social education (non-profit)	II
	(4) Cultural property protection	Social education (national and public)	II
	(5) Natural heritage protection		II
B. Performance/Celebration	(1) Entertainment facilities (movie theaters excluded) • Troupe	Entertainment facilities (movie theaters excluded) • Troupe	I
	(2) Musical instruments	Manufacture of musical instruments	I
	(3) Music software (CD etc.) (Production value)	Video picture, sound information, character information production	III
	(4) Paid music distribution	Internet based services	III
	(5) Music software production (exclude CD and other sales revenue)	Video picture, sound information, character information production	III
	(6) Music CD rental	Goods rental and leasing (car rental excluded)	III
	(7) National theaters	Social education (national and public)	II
	(8) Public theater, music hall etc.	Social education (national and public)	II
C. Visual arts/Crafts	(1) Purchased from artists (art • craft • calligraphy)	Miscellaneous amusement and recreation services	III
	(2) Purchased from artists (photo)	Photographic studios	II
	(3) Photography	Photographic studios	II
	(4) Art goods (posters, etc.)	Printing, plate making and book binding	III
	(5) Art goods (goods)	Miscellaneous manufacturing products	III
	(6) Hand-made Japanese paper	Paper	III
	(7) Pottery ornaments	Pottery, china and earthenware	III
	(8) Decorated pottery products	Pottery, china and earthenware	III
	(9) Cloisonne	Miscellaneous ceramic, stone and clay products	III
	(10) Artificial jewelry, including synthetic jewelry, imitation jewelry, artificial pearls and artificial crystal	Miscellaneous ceramic, stone and clay products	III
	(11) Engraved metal products	Miscellaneous metal products	III
	(12) Precious metal accessories, including jewel, ivory and turtle products	Jewelry and adornments	III

Domain	Sub-domain	Industry	Case
D. Books/Press	(1) Books	Publication	II
	(2) Magazines	Publication	II
	(3) Book and magazine retailing	Retail trade	III
	(4) Newspaper	Newspaper	I
	(5) Newspaper retail	Retail trade	III
	(6) News agency service	Video picture, sound information, character information production	III
	(7) National Diet Library	Social education (national and public)	II
	(8) Public Library	Social education (national and public)	II
E. Audio-visual/Interactive media	(1) Movie production and distribution	Video picture, sound information, character information production	III
	(2) Movie box office revenue	Movie theaters	I
	(3) NHK Viewing fee income	Public broadcasting	I
	(4) Commercial terrestrial TV broadcasting	Private broadcasting	II
	(5) Satellite broadcaster revenue	Private broadcasting	II
	(6) Cable TV broadcaster revenue	Cable broadcasting	II
	(7) Radio broadcasting revenue	Private broadcasting	II
	(8) Community broadcasting revenue	Private broadcasting	II
	(9) Satellite general broadcasting audio broadcasting	Private broadcasting	II
	(10) TV program production and distribution	Video picture, sound information, character information production	III
	(11) Radio program production revenue	Video picture, sound information, character information production	III
	(12) Video (DVD) production • sales	Video picture, sound information, character information production	III
	(13) Motion picture distribution revenue	Internet based services	III
	(14) Post-production	Video picture, sound information, character information production	III
	(15) Game software sales	Information services	III
	(16) Online game operation sales	Internet based services	III
	(17) Distribution sales for feature phone	Internet based services	III
	(18) Arcade, TV and music game	Information services	III
	(19) Video (DVD • BR) rental	Goods rental and leasing (car rental excluded)	III
F. Design/Creative services	(1) Design	Miscellaneous business services	III
	(2) Architectural services (landscape design included)	Civil engineering and construction services	I
	(3) Advertising services	Advertising services	I

In the estimation of cultural imports and exports using the input-output table, a large number of sub-fields (items) in the fields (domain: case III) cannot be included in Table 1-6.

However, the total value of domestic production in the fields that can be estimated (in the case of 2015, the base year of the input-output table) is about 19 trillion yen. The estimated domestic production value of cultural GDP in 2015 was about 25 trillion yen. Therefore, if we look at the production value, not the number of items, about 6 trillion yen out of the domestic production value of about 25 trillion yen in the cultural sector can be found not to have been captured. However, on the whole, it can be said that imports and exports of 19 trillion yen, or about 76%, of the framework for estimating cultural GDP were successfully estimated.

This research study supplements a segment of this un-estimated part, roughly 24%, with the Ministry of Finance trade statistics and balance of payments statistics (Bank of Japan).

3.2.2 Ministry of Finance Trade Statistics

We extracted cultural products from HS codes according to UNESCO guidelines. Since HS codes up to 6th digits are used in Japan's Ministry of Finance trade statistics, the import/export value can be calculated at that level.

However, since there are cases such as what is described as the "musical instrument manufacturing industry" in the input-output table, but as "musical instruments" in 2009 UNESCO FCS, we must make adjustments so as not to double count. For example, in the case of "musical instruments", priority is given to the data of the "musical instrument manufacturing industry" in the input-output table over "musical instruments" in 2009 UNESCO FCS.

Table 1-6 Comparison of HS code with 2009 UNESCO FCS

2009 UNESCO FCS classification	HS code (2007)	Description
A. Cultural/Natural Heritage		
Antiques	970500	Collections and collectors' pieces of zoological, botanical, mineralogical, anatomical, historical, archaeological, palaeontological, ethnographic or numismatic interest
	970600	Antiques of an age exceeding one hundred years
B. Performance/Celebration		
Musical instruments	830610	Bells, gongs and the like
	920110	Upright pianos
	920120	Grand pianos
	920190	Other keyboard stringed instruments (excl. pianos)
	920210 920290	Other string musical instruments (for example, guitars, violins, harps)
	920510 920590	Other wind musical instruments (for example, clarinets, trumpets, bagpipes)

2009 UNESCO FCS classification	HS code (2007)	Description
	920600	Percussion musical instruments (for example, drums, xylophones, cymbals, castanets, maracas)
	920710	Musical instruments, the sound of which is produced, or must be amplified, electrically (for example, organs, guitars, accordions)
	920790	
	920810 920890	Musical boxes, fairground organs, mechanical street organs, mechanical singing birds, musical saws and other musical instruments not falling within any other heading of this Chapter; decoy calls of all kinds; whistles, call horns and other mouth-blown sound signalling instruments
Recorded media	852321 852329	Discs, tapes, solid-state non-volatile storage devices, smart cards and other media for the recording of sound or of other phenomena, whether or not recorded, including matrices and masters for the production of discs, excluding products of Chapter 37
	852351 852359	Solid-state non-volatile storage devices
	852380	Other media for the recording of sound or of other phenomena, whether or not recorded, excluding products of Chapter 37
	490400	Music, printed or in manuscript, whether or not bound or illustrated.
C. Visual Arts/Crafts		
Paintings	970110	Paintings, drawings, pastels, executed entirely by hand; not drawings of heading no. 49.06 and not hand-painted, hand-decorated manufactured articles; collages and similar decorative plaques
	970190	Collages and similar decorative plaques
	491191	Other printed matter; pictures, designs and photographs
Other visual arts	970200	Original engravings, prints and lithographs
	970300	Original sculptures and statuary, in any material
	392640	Statuettes and other ornamental articles in plastic
	442010 442090	Wood marquetry and inlaid wood; caskets and cases for jewelry or cutlery, and similar articles, of wood; statuettes and other ornaments, of wood; wooden articles of furniture not falling in Chapter 94
	691310 691390	Statuettes and other ornamental ceramic articles
	701890	Glass beads, imitation pearls, imitation precious or semi-precious stones and similar small glassware, and articles thereof other than imitation jewelry; glass eyes other than prosthetic articles; statuettes and other ornaments of lamp-worked glass, other than imitation jewelry; glass microspheres not exceeding 1 mm in diameter
	830621 830629	Bells, gongs and the like; non-electric, statuettes, other ornaments, photograph, picture, similar frames, mirrors, of base metal
	960110 960190	Ivory, bone, tortoise-shell, horn, antlers, coral, mother-of-pearl and other animal carving material and articles of these materials; worked, (including articles obtained by moulding)

2009 UNESCO FCS classification	HS code (2007)	Description
Craft	580500	Hand-woven tapestries of the type Gobelins, Flanders, Aubusson, Beauvais and the like, and needle-worked tapestries (for example, petit point, cross stitch)
	580610	Narrow woven fabrics, narrow fabrics consisting of warp without weft assembled by means of an adhesive (bolducs): Woven pile fabrics (including terry towelling and similar terry fabrics) and chenille fabrics (excluding goods of heading no. 58.07)
	580620	Other woven fabrics, containing by weight 5 % or more of lastomeric yarn or rubber thread (excluding goods of heading 58.07)
	580631	Narrow woven fabrics: Other woven fabrics of cotton (excluding goods of heading no. 58.07)
	580632	Narrow woven fabrics: Other woven fabrics of man-made fibres (excluding goods of heading no. 58.07)
	580639	Narrow woven fabrics: Other woven fabrics of other textile materials (excluding goods of heading no. 58.07)
	580640	Fabrics consisting of warp without weft assembled by means of an adhesive (bolducs)
	580810 580890	Braids in the piece; ornamental trimmings in the piece, without embroidery, other than knitted or crocheted; tassels, pompons and similar articles
	580900	Woven fabrics of metal thread and woven fabrics of metallised yarn of heading 56.05, of a kind used in apparel, as furnishing fabrics or for similar purposes, not elsewhere specified or included
	581010	Embroidery in the piece, in strips or in motifs without visible ground
	581091	Embroidery in the piece, in strips or in motifs: of cotton
	581092	Embroidery in the piece, in strips or in motifs: of man-made fibres
	581099	Embroidery in the piece, in strips or in motifs: of other textile materials
	581100	Quilted textile products in the piece, composed of one or more layers of textile materials assembled with padding by stitching or otherwise, other than embroidery of heading 58.10
	600240 600290 600310 600320 600330 600340 600390	Knitted or crocheted fabrics of a width not exceeding 30 cm, containing by weight 5 % or more of elastomeric yarn or rubber thread, other than those of heading 60.01
	600410 600490	Knitted or crocheted fabrics of a width exceeding 30 cm, containing by weight 5 % or more of elastomeric yarn or rubber thread, other than those of heading 60.01
Jewelry	711311 711319 711320	Articles of jewelry and parts thereof, of precious metal or of metal clad with precious metal
	711411 711419 711420	Articles of goldsmiths' or silversmiths' wares and parts thereof, of precious metal or of metal clad with precious metal

2009 UNESCO FCS classification	HS code (2007)	Description
	711610 711620	Articles of natural or cultured pearls, precious or semi-precious stones (natural, synthetic or reconstructed)
Photography	370510 370590	Photographic plates and film, exposed and developed, other than cinematographic film
D. Books/Press		
Books	490110	Printed books, brochures, leaflets and similar printed matter, whether or not in single sheets
	490191	Dictionaries and encyclopaedias, and serial instalments thereof
	490199	Printed books, brochures, leaflets and similar printed matter: Other
Newspaper	490210 490290	Newspapers, journals and periodicals, whether or not illustrated or containing advertising material
Other Printed Matter	490300	Children's picture, drawing or colouring books
	490510 490599	Maps and hydrographic or similar charts of all kinds, including atlases, wall maps, topographical plans and globes, printed
	490900	Printed or illustrated postcards; printed cards bearing personal greetings, messages or announcements, whether or not illustrated, with or without envelopes or trimmings
	491000	Calendars of any kind, printed, including calendar blocks
E. Audio-visual/Interactive media		
Film and Video	370610 370690	Cinematographic film, exposed and developed, whether or not incorporating sound track or consisting only of sound track
	950410	Video game used with a television receiver
	F. Design/Creative service	
Architecture and design	490600	Plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, being originals drawn by hand; hand-written texts; photographic reproductions on sensitised paper and carbon copies of the foregoing

Source: "2009 UNESCO FCS" (UIS)

3.2.3 Balance of Payments Statistics (Bank of Japan)

We estimated the amounts of imports and exports of cultural services by comparing the EBOPS codes shown in the UNESCO guidelines with the items of Japan's Balance of Payments Statistics (Bank of Japan).

However, as the guidelines point out, not all numerical values for these items fall under cultural services. Sport, for example, is included in personal, cultural, and entertainment services. Therefore, the UNESCO guidelines provide a certain coefficient for counting this as culture services. Although this ratio is tentative, it is used in this estimation. Again, we took care to avoid overlap with the input-output table.

Table 1-7 Balance of Payments Statistics and 2009 UNESCO FCS Comparison

Balance of Payments Statistics (Bank of Japan)	EBOPS2002 (2009 UNESCO FCS)	Allocation ratio to culture I
1.A.b.3.6 Intellectual property rights, etc. usage fee	892: Other royalties and license fees	0.3
1.A.b.3.9 Personal/cultural/entertainment services	288: Audiovisual and related services	1
	897: Other, personal, cultural and recreational services	1

Source: "The Globalisation of Cultural Trade: A Shift in Consumption—International flows of cultural goods and services 2004-2013" (UIS)

4. Japanese Cultural International Trade

The export value of Japanese culture obtained by the above method is 140 to 180 billion yen from 2015 to 2018, and the import value is 230 to 250 billion yen.

Table 1-8 Exports and imports of Japanese culture (2015-2018)

(100 million yen)

Domain	Sub-domain	2015			2016		
		Exports	Imports	Balance of payments	Exports	Imports	Balance of payments
A. Cultural/Natural Heritage	Social education (national and public)	26.3	0.0	26.3	28.4	0.0	28.4
	Social education (non-profit)	10.6	0.0	10.6	11.5	0.0	11.5
	Antique	22.7	78.8	-56.1	11.2	87.0	-75.8
	subtotal	59.6	78.8	-19.2	51.1	87.0	-35.9
B. Performance/Celebration	Entertainment Places (excluding movie theaters), Entertainment Group	792.2	814.6	-22.4	885.5	769.8	115.7
	Musical instrument manufacturing industry	535.5	633.9	-98.4	480.7	601.3	-120.6
	subtotal	1,327.7	1,448.5	-120.8	1,366.2	1,371.1	-4.9
C. Visual arts/Crafts	Painting	315.3	380.7	-65.4	312.4	363.0	-50.6
	Other visual art	116.4	465.2	-348.8	141.4	474.4	-333.0
	Jewelry	2,048.9	2,101.3	-52.4	2,531.6	2,096.5	435.1
	Photography	402.0	89.5	312.5	380.8	74.4	306.4
	subtotal	2,882.6	3,036.7	-154.1	3,366.2	3,008.3	357.9
D. Books/Press	Publishing	256.6	472.8	-216.2	260.3	410.2	-149.9
	Newspaper	19.4	26.0	-6.6	21.8	25.4	-3.6
	subtotal	276.0	498.8	-222.8	282.1	435.6	-153.5
E. Audio-visual/Interactive media	Movie theater	10.1	408.0	-397.9	10.9	424.7	-413.8
	Public broadcasting	0.1	0.0	0.1	0.1	0.0	0.1
	Commercial broadcasting	0.3	0.0	0.3	0.3	0.0	0.3
	subtotal	10.5	408.0	-397.5	11.3	424.7	-413.4
F. Design/Creative services	Civil engineering and construction services	3,704.3	3,706.8	-2.5	3,658.6	3,160.8	497.8
	Advertisement	4,024.0	8,819.0	-4,795.0	4,602.9	9,168.0	-4,565.1
	subtotal	7,728.3	12,525.8	-4,797.5	8,261.5	12,328.8	-4,067.3
Cross-sectional area	Other personal, cultural and entertainment services	133.4	329.8	-196.4	173.8	292.5	-118.7
	Copyright and other usage fees	723.9	3,003.7	-2,279.8	900.5	3,669.8	-2,769.3
	Audiovisual and related services	651.9	1,221.0	-569.1	707.3	1,210.8	-503.5
	subtotal	1,509.2	4,554.5	-3,045.3	1,781.6	5,173.1	-3,391.5
Total		13,793.9	22,551.1	-8,757.2	15,120.0	22,828.5	-7,708.6
Total export/import (based on input-output table)		867,694.2	1,021,681.3		808,319.0	878,650.6	
Ratio of total cultural exports and imports to total exports and imports (based on input-output table)		1.6%	2.2%		1.9%	2.6%	

Table 1-8 Exports and imports of Japanese culture (2015-2018) (Continued)

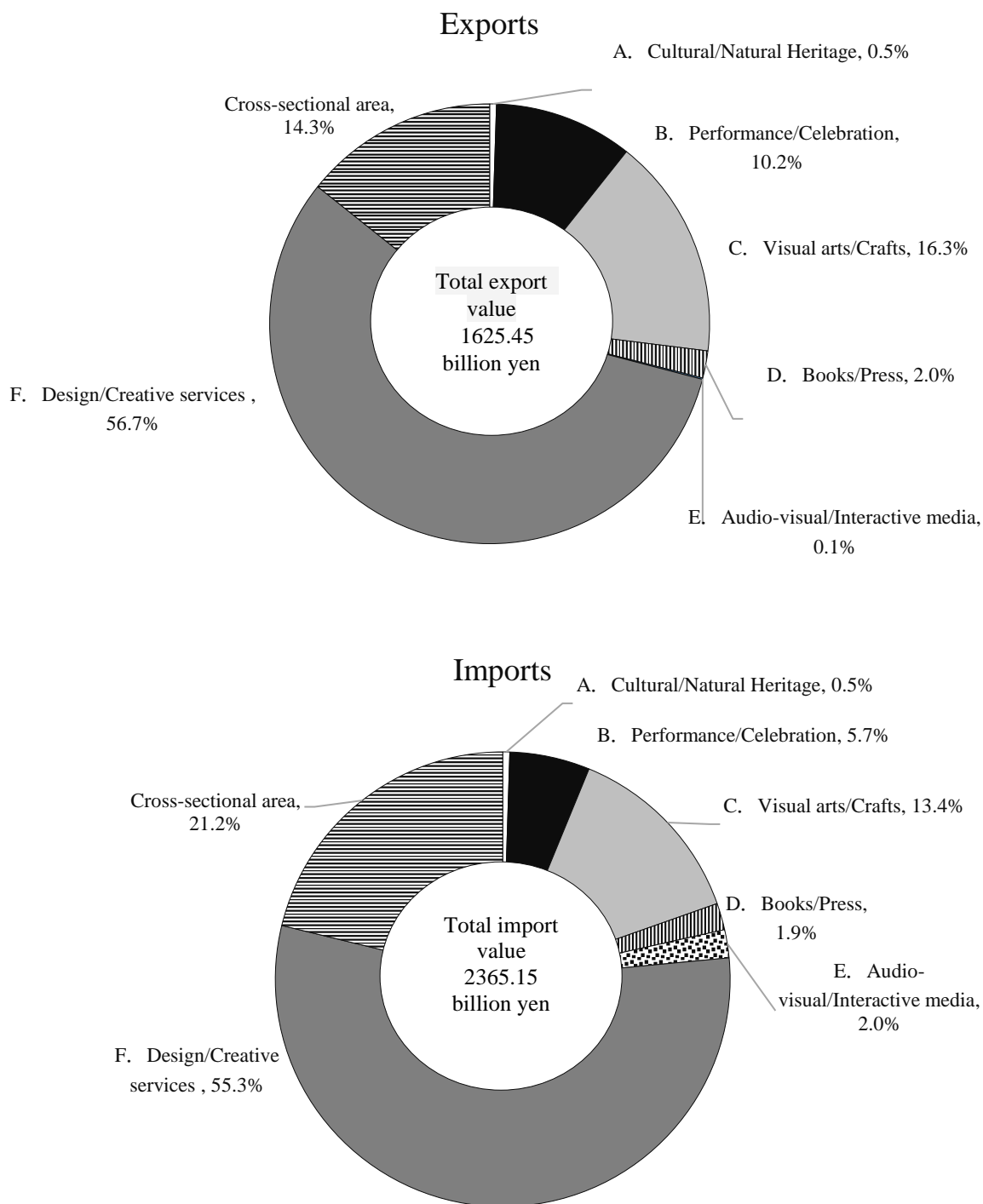
(100 million yen)

Domain	Sub-domain	2017			2018		
		Exports	Imports	Balance of payments	Exports	Imports	Balance of payments
A. Cultural/Natural Heritage	Social education (national and public)	32.1	0.0	32.1	39.4	0.0	39.4
	Social education (non-profit)	13.0	0.0	13.0	15.9	0.0	15.9
	Antique	19.1	58.9	-39.8	20.8	122.1	-101.3
	subtotal	64.2	58.9	5.3	76.1	122.1	-46.0
B. Performance/Celebration	Entertainment Places (excluding movie theaters), Entertainment Group	833.4	1,066.3	-232.9	1,115.6	738.5	377.1
	Musical instrument manufacturing industry	504.5	604.1	-99.6	541.7	599.2	-57.5
	subtotal	1,337.9	1,670.4	-332.5	1,657.3	1,337.7	319.6
C. Visual arts/Crafts	Painting	274.7	547.0	-272.3	357.3	500.3	-143.0
	Other visual art	97.5	392.0	-294.5	141.6	398.1	-256.5
	Jewelry	1,994.9	2,226.2	-231.3	1,566.9	2,178.8	-611.9
	Photography	437.5	80.9	356.6	582.5	102.9	479.6
	subtotal	2,804.6	3,246.1	-441.5	2,648.3	3,180.1	-531.8
D. Books/Press	Publishing	282.9	416.8	-133.9	298.4	412.6	-114.2
	Newspaper	25.0	54.8	-29.8	30.2	27.2	3.0
	subtotal	307.9	471.6	-163.7	328.6	439.8	-111.2
E. Audio-visual/Interactive media	Movie theater	11.4	428.5	-417.1	10.8	476.3	-465.5
	Public broadcasting	0.1	0.0	0.1	0.1	0.0	0.1
	Commercial broadcasting	0.3	0.0	0.3	0.3	0.0	0.3
	subtotal	11.8	428.5	-416.7	11.2	476.3	-465.1
F. Design/Creative services	Civil engineering and construction services	3,320.1	3,398.4	-78.3	3,561.0	3,422.0	139.0
	Advertisement	8,317.3	10,968.7	-2,651.4	5,648.1	9,651.9	-4,003.8
	subtotal	11,637.4	14,367.1	-2,729.7	9,209.1	13,073.9	-3,864.8
Cross-sectional area	Other personal, cultural and entertainment services	167.9	324.5	-156.5	327.2	214.9	112.3
	Copyright and other usage fees	1,159.8	3,790.2	-2,630.4	1,607.5	4,276.0	-2,668.5
	Audiovisual and related services	1,001.6	1,035.6	-34.0	389.2	530.7	-141.5
	subtotal	2,329.3	5,150.3	-2,821.0	2,323.9	5,021.6	-2,697.7
Total		18,493.1	25,392.9	-6,899.8	16,254.5	23,651.5	-7,397.0
Total export/import (based on input-output table)		893,794.0	989,229.3		935,337.2	1,074,277.0	
Ratio of total cultural exports and imports to total exports and imports (based on input-output table)		2.1%	2.6%		1.7%	2.2%	

(Note) The value of cultural exports and imports includes those calculated from statistics other than the input-output table, such as jewelry and cross-cutting areas. The ratio is calculated by assuming that the export/import value of the input-output table includes the figures of these export/import values.

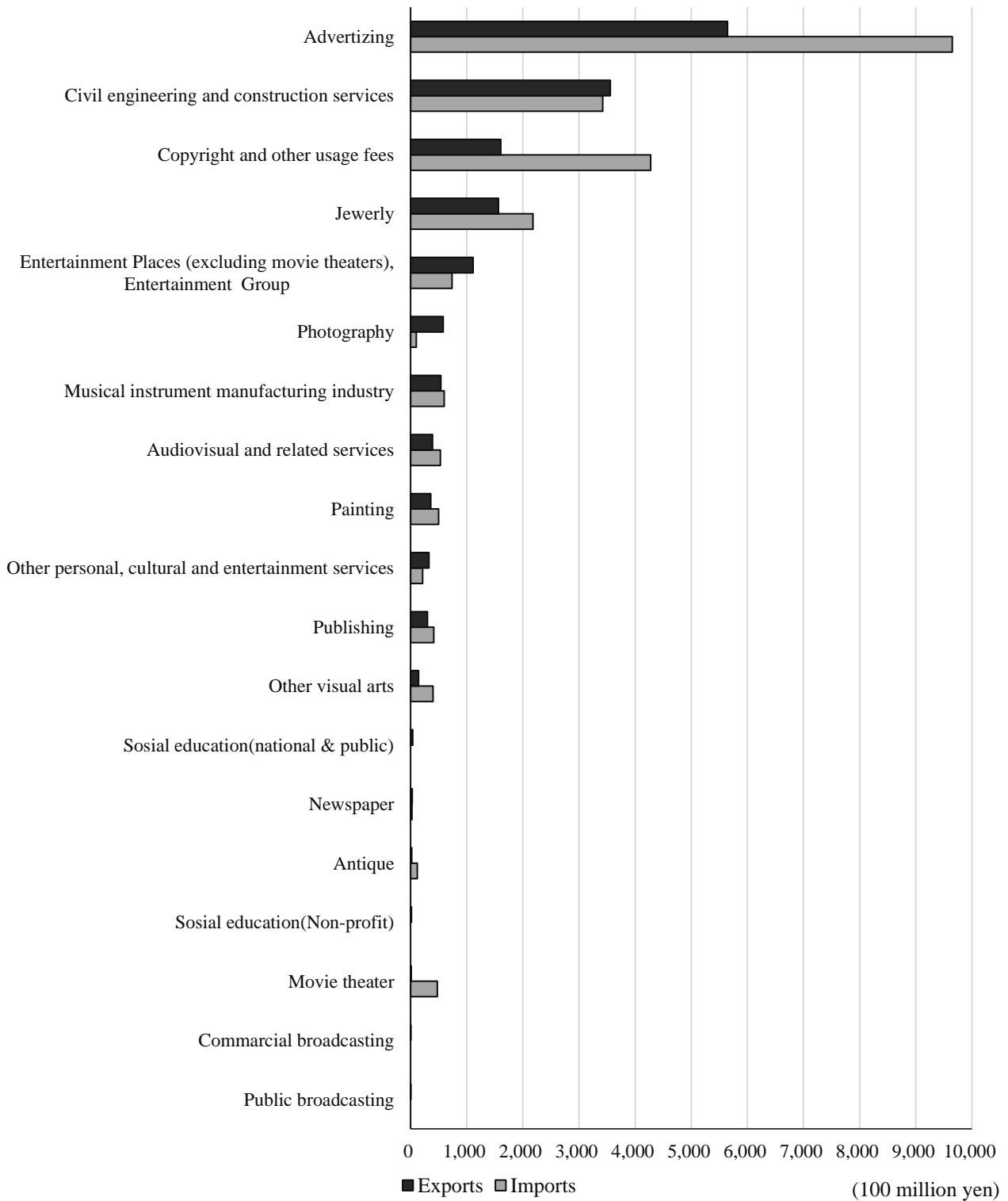
The composition of exports and imports in 2018 is shown below. "F. Design/Creative Services (Civil Engineering Services/Advertising)" is the largest category, and both exports and imports exceed 50%. This is followed by "C. Visual Arts/Crafts" and "Cross-sectional Area". (The cross-sectional area represents items that cannot be assigned to categories A to F, but overlap with some areas.)

Figure 1-2 Composition of Japanese cultural exports and imports by domain (2018: nominal value)



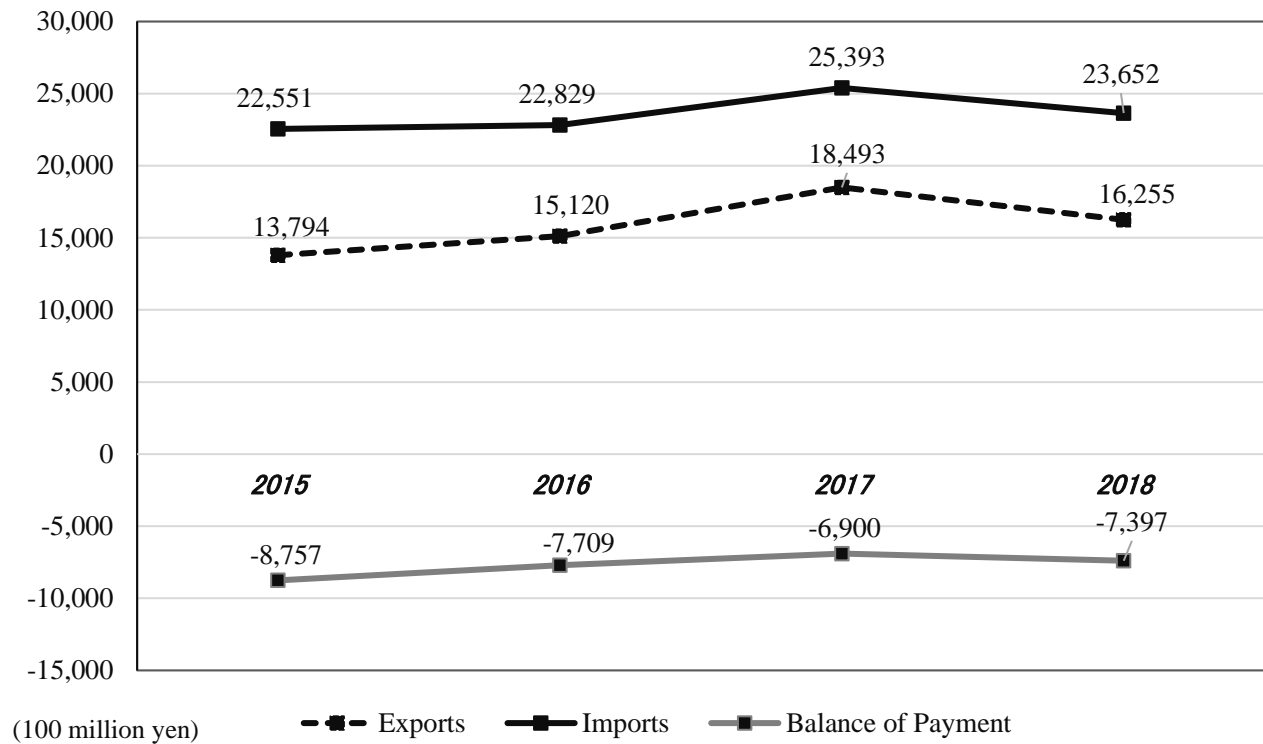
The amounts of exports and imports by subdomain are large for the three services of advertising, civil engineering and construction services, and royalties such as copyrights. In terms of goods, the amount for jewelry is the largest for both exports and imports.

Figure 1-3 Values of Japanese cultural exports and imports (2018)



As for trends, exports increased in 2017, and the balance deficit decreased (Fig. 1-4) due to a decrease in the deficit width of advertisement.

Figure 1-4 Trends in the value of Japanese cultural exports and imports (2015-2018: nominal value)



Chapter 2 Estimation of Japanese Cultural GDP

1. Premise of Estimation

The framework for estimating cultural GDP and cultural employment for the five years from 2015 to 2019 in this research study is as follows.

Input-output tables from 2015 to 2018 were used to estimate the value of domestic product, value added and employment figures. The input-output table for 2015 is a nationwide input-output table (basic table) of the base year jointly prepared every five years by 10 ministries and agencies such as the Ministry of Internal Affairs and Communications. From this table, the coefficient for estimating employment figures and the margin for commerce and transportation can also be obtained. The 2016-2018 input-output table is an extended input-output table consisting of the Ministry of Economy, Trade and Industry estimates produced by extending the 2015 input-output table (basic table). Some parts of the domestic production value, which cannot be estimated directly from the input-output table, were estimated using basic data.

We estimated the value added ratios using the cost structure section of the basic transaction table of the input-output table.

At the time of the 2020 estimation, input-output table data up through the 2016 extended input-output table was available. Since the 2017 and 2018 input-output tables have now been published for the 2021 estimation, the estimates for 2020 have been re-estimated using this information. However, for 2019, no extended input-output table was published, so the 2018 extended input-output table was used. Therefore, it will be necessary to re-estimate 2019 by updating the data using the 2019 extended input-output table published in 2022.

Cultural GDP from 2015 to 2019 is expressed as a nominal value estimated from actual market trading prices. However, since growth rates and trends are often viewed as real values excluding rising and falling prices, changes in cultural GDP over a five-year period are expressed as real values based on 2015 figures. The 36 classifications of economic activity are the most specific classifications for the System of National Accounts (SNA) deflator. The subdomains of the cultural sector are more specific than the 36 classifications, but the subdomains correspond to this deflator.

The number of employees was estimated based on the employment coefficient and each production value obtained using the employment table of the 2015 input-output table and the domestic production value (basic transaction table).

2. Estimation of Cultural GDP

2.1 Cultural GDP (2015-2019)

Table 2-1 shows the domestic production value (nominal value) of Japanese culture for the five years from 2015 to 2019. The ratio of cultural GDP to Japan's total GDP was 1.9%, but in 2019 (provisional value) it is 1.8%.

Table 2-1 Domestic production of Japanese culture (2015—2019: nominal value) (100 million yen)

	2015	2016	2017	2018	2019
Domestic production value of the cultural sector	247,407	253,051	253,799	253,276	249,807
Domestic production value	10,103,743	9,984,540	10,287,585	10,494,199	10,474,248
Domestic ratio	2.4%	2.5%	2.5%	2.4%	2.4%
Gross Domestic Product (GDP) of the Cultural Sector	100,934	104,939	105,612	104,567	102,156
Gross Domestic Product (GDP)	5,380,323	5,443,646	5,530,730	5,562,938	5,584,912
Ratio to GDP of Japan	1.9%	1.9%	1.9%	1.9%	1.8%

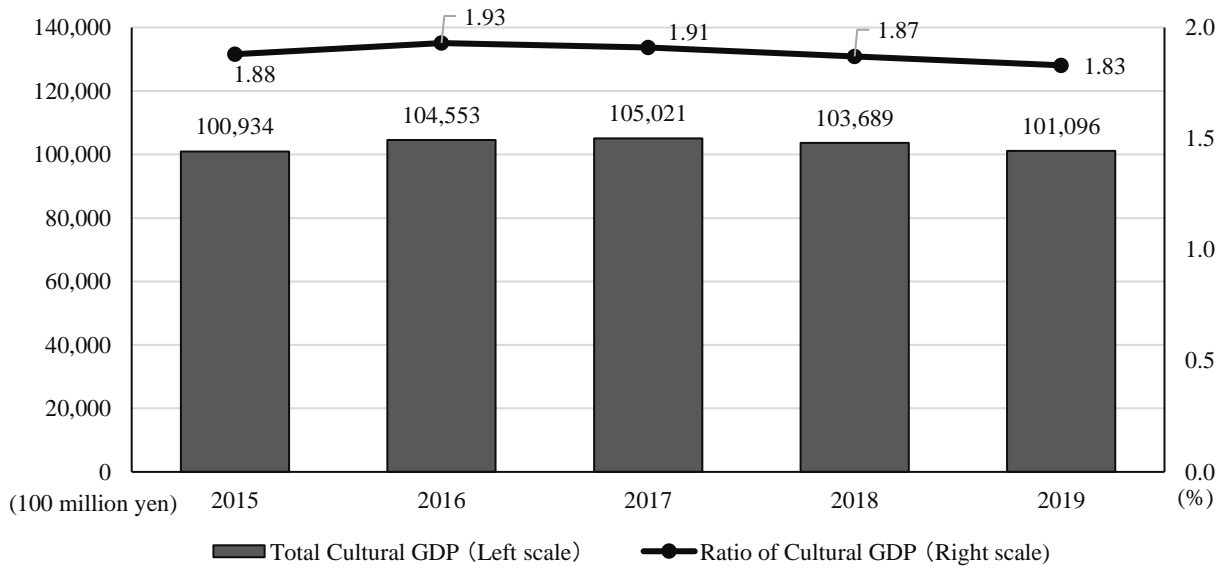
Table 2-2 Cultural production in each field (2015-2019: nominal value) (100 million yen)

		2015	2016	2017	2018	2019
A. Cultural/Natural Heritage	Domestic production value	3,258	3,545	3,643	3,547	3,617
	Value Added	1,260	1,422	1,429	1,346	1,411
B. Performance/Celebration	Domestic production value	11,825	11,971	11,366	12,359	12,833
	Value Added	5,773	5,948	5,590	6,121	6,368
C. Visual arts/Crafts	Domestic production value	5,374	5,755	5,751	5,666	5,613
	Value Added	3,343	3,595	3,615	3,476	3,447
D. Books/Press	Domestic production value	39,631	38,226	35,998	34,658	34,231
	Value Added	17,914	17,777	16,829	16,179	15,939
E. Audio-visual/Interactive media	Domestic production value	76,416	78,383	79,656	80,600	80,813
	Value Added	28,264	28,974	29,735	29,609	29,605
F. Design/Creative services	Domestic production value	110,902	115,171	117,385	116,446	112,699
	Value Added	44,381	47,222	48,413	47,837	45,387

2.2 Transition

The transition of cultural GDP (real value) from 2015 to 2019 (provisional value in 2019) based on 2015 is in the 10 trillion yen range. The percentage of cultural GDP in domestic GDP changed only slightly, from 1.9% to 1.8%.

Figure 2-1 Changes in cultural GDP (2015-2019: real value)



3. Estimation of Cultural Employment

3.1 Estimate methods

The System of National Accounts (SNA) of Japan estimates the number of employees by economic activity. The number of employees in the cultural sector is estimated using the employment table and domestic production value of the 2015 input-output table.

3.2 Estimated results

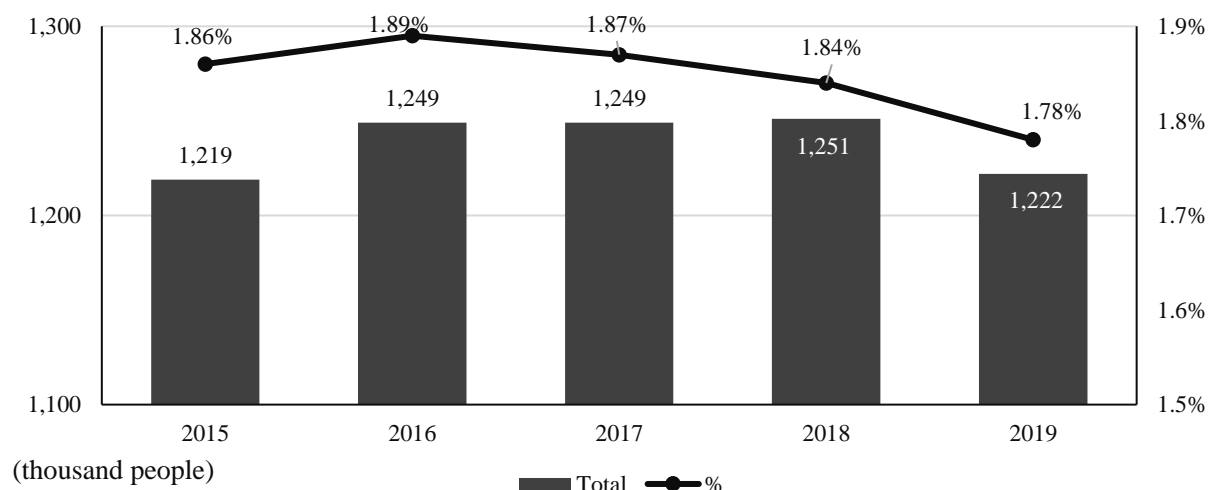
The total number of employees in the cultural sector is 1.22 million in 2015, 1.25 million from 2016 to 2018, and 1.22 million in 2019 (provisional). The ratio of the number of employees in the cultural sector to the number of employees in the whole country has remained at about 1.9% (provisional value of 1.8% in 2019).

As for the number of employees in each field, the number of "F. Design/Creative Services" was the highest each year, peaking at 560,000 in 2017. In addition, "D. Books/Press" and "E. Audio-Visual/Interactive Media" have more than 200,000 employees each. In 2015 and 2016, the number of employees in "D. Books/Press" was higher than "E. Audio-Visual/Interactive Media", but the number of employees in "D. Books/Press" was declining. Since 2017, the number of employees in "E. Audio-Visual/Interactive Media" has exceeded the number of employees of "D. Books/Press".

Table 2-3 Number of employees by sector

	(thousand people)				
	2015	2016	2017	2018	2019
A. Cultural/Natural Heritage	32	34	35	34	35
B. Performance/Celebration	76	77	73	79	82
C. Visual arts/Crafts	91	96	96	94	94
D. Books/Press	260	250	236	233	229
E. Audio-visual/Interactive media	239	245	248	251	255
F. Design/Creative services	522	545	560	559	527
Total	1,219	1,249	1,249	1,251	1,222

Figure 2-2 Changes in cultural employment



Chapter 3 Utilization of CSA in Other Countries

1. UNESCO Recommendations

In the survey, “Measuring the Economic Contribution of Cultural Industries”, conducted prior to the compilation of 2009 UNESCO FCS, the purpose of CSA is stated as follows. The globally shared recognition of the purpose of CSA and its utilization are:

- (1) Formation of evidence-based policy (EBP)
- (2) Measurement and evaluation of policy impact

Table 3-1 UNESCO Guidelines for CSA Framework

Purpose	Indicator	Content
1. Economic scale and structure of cultural industry	(1)GDP /GVA	<ul style="list-style-type: none"> ▪Estimating subdomains and related areas in the basic items of CSA ▪Contribution of culture to GDP/GVA
	(2) Employment	<ul style="list-style-type: none"> ▪Contribution of cultural regions to employment (may include core domain and subdomain volunteers) ▪Self-employed ratio ▪Productivity in cultural regions
	(3)Industrial Activity	This varies by country. It may include the following. number of companies by scale opening and closing status imports and exports balance of payments
2. Economic spillover	(1) Production spillover effect	<ul style="list-style-type: none"> ▪This enables us to recognize the current realities, structure, and transition.
	(2) Employment spillover effect	
	(3) Spillover effect on GVA	
	(4) Spillover effect on tax revenue	

2. Purpose and Utilization of CSA in Other Countries

In other countries, although the CSA framework generally complies with the international standards set by UNESCO, it varies somewhat depending on the country's situation. The following is a summary of the purpose and direction of CSA utilization in some countries that have created CSA. In general, while the goals of CSA in each country are virtually the same, the CSA framework is devised based on their purpose and concrete methods of utilization.

2.1 Canada

Canada was the most enthusiastic country in the development of CSA and theoretically led the UNESCO model. Therefore, the UNESCO model and the Canadian model have similar content. One characteristic of the Canadian CSA is that it includes a category for sports.

The purpose of the CSA is to "quantify the economic importance of culture and sport to the Canadian economy by calculating the value of production, distribution, GDP and employment of goods and services in the area of culture and sports". CSA is positioned as "functioning as one standard (or benchmark) for utilizing and analyzing various existing statistics", namely:

- 1 Timely macroeconomic performance indicators on the state of culture in Canada;
- 2 Detailed information on jobs in culture industries;
- 3 Estimating government tax revenues generated from culture industries and culture products; and
- 4 Economic impact modeling that can be used for "what if" simulations of indirect or multiplier effects generated throughout the economy from additional spending on culture.

In addition to the vision listed above, we received the following questionnaire survey responses regarding the current status and future utilization of CSA in Canada.

- From a statistical point of view, measurement of the economic importance of culture is the most important. It allows us to create a standard of measure (GDP and output) which can be used for comparability of culture and sport with other industries, sectors and other countries. Although we currently don't do the later, the possibility is there to do so in future.
- For many of our external stakeholders, many of whom are policy focused, the evaluation of cultural and economic policy would be the most important. CSA data is key to understanding and developing policy to respond to the needs specific to the culture and sport sector.
- CSA has a time lag, and as such it is difficult to provide a timely response when events occur. Development of timelier and more frequent data (i.e. semi-annual and quarterly) are of significant interest.

- Development and use of impact models in addressing current and future economic conditions, particularly the impact of unanticipated shocks (i.e. Pandemics, etc.), would be helpful in measuring the direct and indirect effects of an event (shock) and its impact on culture and sport in Canada.
- The CSA has been in production for a number of years during which time we have learnt that having reliable survey data and administrative data is key. To measure culture and sport, we must disaggregate macroeconomic estimates to the most detailed level possible. Split factors are required as the data used do not allow users to extract culture from a single or a few industries. As such, readily reliable survey and administrative data is needed.
- Being relevant and timely are essential. The CSA and its ancillary products have allowed us to reflect current economic conditions (i.e. the impact of COVID-19 and related restrictions). For instance, development of the National Culture Indicators (NCI)- which provides quarterly data on culture and sport products by GDP, Output and Jobs- has allowed us to capture the impact of COVID-19 and has provided policy makers with the insight necessary to create directed policy to help those impacted by the pandemic.

2.2 U.S.A

A characteristic of the United States is that it emphasizes the economic spillover effect of culture along with the estimation of cultural GDP. To that end, a wide range of industrial fields such as retail and manufacturing are added to the estimation of cultural GDP. According to their questionnaire survey response, "it is important to explicitly track the recovery from COVID-19 in the future."

2.3 Germany

Germany approaches CSA from two perspectives: that of cultural and of creative industries. The purpose of the CSA compilation is "to clarify what is the current economic importance of the cultural and creative industries in the economy as a whole, including comparison with other traditional sectors of Germany". In other words, the purpose is to clarify the importance of the cultural and creative industries within German industry. This point has a slightly different nuance from the term "cultural impact on the economy" that is often used in other countries. The emphasis on impact is often made in countries where the status of cultural industry is not fully recognized, but in Germany such recognition is already widespread and the cultural and creative industries are an important sector of the economy. Therefore, in addition to emphasizing the impact of CSA, this indicator serves as a basic statistic and tool for grasping the structure and movement of cultural industries and for planning and executing cultural and economic policies. Thus, in Germany, CSA is prepared as a general statistic from which to compile further concrete statistical evidence.

For example, the following questions from a 2019 report on highlighting current issues clearly shows their approach to using CSA. It also reveals that the issues are dealt with in a way that is not cultural policy, but industrial or regional policy.

- What is the current economic importance of the cultural and creative industries within the overall economy and compared to other traditional sectors in Germany?
- What are the key distinguishing features of the individual submarkets in these industries?
- How have the cultural and creative industries and their submarkets developed over the last few years in terms of core indicators such as turnover, value added, number of companies and employment, etc.?
- What start-up activities are being seen in the cultural and creative industries in Germany?
- What is the breakdown of the cultural and creative industries between urban and rural areas?
- What is the situation of companies and the self-employed in the cultural and creative industries in rural areas?

(Source : “2019 Cultural and Creative Industries Monitoring Report”)

2.4 UK

The UK has two perspectives: those of cultural and of creative industries. Furthermore, as the name of the ministry in charge, the Department for Digital, Culture, Media and Sport (DCMS), indicates their satellite account covers a wide range of fields. As a result, the cultural domain is captured in an integrated or parallel manner with the digital domain, media domain, and sports domain, which are expressed with the policy position of the cultural domain. The UK CSA has expanded its scope to include the Department for Digital, Culture, Media and Sport (DCMS), and in addition to determining CSA significance and purpose state, “Stakeholders in each field are not the traditional SNA sector, but the DCMS (Culture, Media and Sport) sector. This enables them to assess their economic contributions and understand how current and future policy interventions can be most effective.” By examining this wide range of CSA data, they seem to clarify the overall social significance of DCMS and solidify the policy base.

2.5 Netherlands

The Netherlands has a perspective of "the impact of culture on the economy" in creating CSA, and connects the media domain to culture. The purpose of their CSA compilation is to use it as an excellent and reliable tool for demonstrating the economic importance of culture and media from a macroeconomic perspective. It is used to describe the Dutch economy using internationally agreed definitions and methods. CSA is also positioned as a tool for "calculating key macroeconomic variables (production, consumption, value added, employment, etc.) and enabling us to quantify the share of culture and media in various macroeconomics". The following directions have been shown for their utilization of CSA.

(Basis for the cost of cultural policy)

- Show not only the social aspects of culture and media, but also their economic importance and the contribution of culture and media to the economy. Show a clear contribution of culture and media to Dutch employment and economy, even if they are costly.

(A tool that quantitatively positions culture in the macroeconomy)

- Previously, from a macroeconomic point of view, there was no reliable tool for demonstrating the economic significance and value of culture and media. CSA is one of the tools to solve it. The CSA can calculate key macroeconomic parameters (production, consumption, value added, employment, etc.) and quantify the share of culture and media in the economy as a whole.

(Tools for understanding the structure of the culture and media industry)

- Show the most important cultural and media products (commodities and services) within the cultural and media area itself. It can also show which industries play what roles in the cultural and media areas.

(Source : Satellite Account for Culture and Media 2015 “How culture and media contribute to the Dutch economy”)

2.6 Finland

Finland was the first country in Europe to create a CSA. In particular, they paid attention to data on the imports and exports of culture. CSA has the following position or purpose. “CSA quantifies the impact of culture (industry) on the economy and estimates the ratio of cultural GDP to the total GDP of the country.”

(Source : “Culture Satellite Account—Final report of pilot project” (2009))

2.7 Australia

The emphasis is on the nature of the satellite account, and the contrast between CSA and SNA. It is said to "measure the economic contribution of cultural and creative activities" mainly using the following four components.

- Comparison with SNA of industrial activities that form supply chains of cultural and creative goods and services;
- Comparison with SNA of activities in other industries performed by workers in cultural and creative occupations;
- Estimating the contribution of volunteer services to arts and heritage organizations, which are the expansion areas of SNA;
- Capture of non-market output of market producers in cultural and/or creative industries - this captures the value of goods and services supplied by non-profit institutions for free, or at prices that are not economically significant, because the production is supported by charitable contributions and other transfers (as an extension of SNA).

(Source: “Australian National Accounts: Cultural and Creative Activity Satellite Accounts, Experimental” (2014))

2.8 Conclusion

CSA is a tool for quantifying the contribution or impact of culture on the economy. The use of a CSA can clarify contributions and impacts, and provide evidence of concrete and common guidelines to various stakeholders in the cultural realm. For example, from the cultural side, it is possible to present policy promoting (economic) investment in culture, thereby promoting culture and arts by numerically proving that the contribution of culture to the economy is large.

In Germany, along with the CSA's annual estimation, they survey and quantify the entry/exit status of cultural industries, the status of companies (proportions of small and medium-sized enterprises and self-employed people are large, etc.), and the differences between urban and rural cultural industries, using these data as an EBPM for the industrial development policy of culture.

In the UK, CSA analysis led to tax incentives for creative industries. In other words, if the “creation → production → consumption” cycle of creative industries is grasped among industries, even if tax incentives are applied in the “creation” part, the GVA (GDP) produced over the entire cycle will eventually increase. This in turn, leads to an increase in tax revenue.

The United States is thought to be focusing on employment and economic spillover. In particular, it pays attention to the employment power of cultural industries, and seems to be guiding policies such as unemployment rate reduction through cultural industry promotion. However, this response occurred when the high unemployment rate was a problem in the United States. From this perspective, not only cultural GDP, but also economic spillover effects are grasped by the CSA, and the employment effects of culture, focused on. For example, the economic and cultural measures of implementing cultural policies as public works projects during a recession and creating employment effects there can be derived from this way of thinking.

In general, as mentioned above, CSA is not only inward evidence for planning and executing cultural policy, but also outward evidence for broadly developing social policy by grasping the relationship between culture and economy. Therefore, it will be important to utilize CSA as an important tool for connecting cultural policy and economic (industrial) policy, or regional economies and regional development with culture. In the future, it is hoped that CSA will be used to collect and analyze multifaceted analysis perspectives and data for that purpose.

When that occurs, as Canada points out, it will be necessary to take measures to accelerate the CSA response time. The speed of economic and cultural movements differs, but if there is a close responsive relationship between culture and economy, this gap would be bridged. It is necessary to conceive ideas and make efforts to make CSA function as a satellite account so annual data will be made promptly available every year, if not quarterly.

Chapter 4 Proposals for New Cultural Policies

1. Enrichment as a Satellite Account

Although the term System of National Accounts (SNA) has come to appear in newspaper reports, it seems generally to be understood as "SNA = GDP statistics". However, as the name implies, SNA is a system and is not only used for estimating GDP. SNA guarantees consistency among various indicator statistics such as "added value and final demand", "nominal/real series and deflator", and "flow and stock", and provides information on the national economy from various perspectives. It is a mechanism for achieving standardization.

SNA was established in its current form in 1968, and the industrial classifications (agriculture, manufacturing, service industry) created at that time are still used today. However, in the modern economy, some economic activities fall outside these classifications. Examples are culture, tourism, NPOs, long-term care, childcare, and R & D. Accounts that focus on such economic activities are called "satellite accounts." Picture the SNA as the earth. A satellite in orbit enables us to observe what cannot be seen from the earth's surface.

One of our most well-known satellite accounts is the "Tourism Satellite Account (TSA)" published by the Japan Tourism Agency. This satellite account system consists of multiple accounts and includes domestic tourism spending by foreigners visiting Japan, domestic tourism spending by Japanese, overseas tourism spending by Japanese, a production account of the tourism industry (GDP is a part of this account), employment in the tourism industry, and other aspects of the tourism industry. It is a multiple account system similar to a total fixed capital formation. In the future, it is hoped that cultural GDP will be expanded to encompass cultural satellite accounts, including accounts for cultural industry production, cultural industry import/export, cultural industry employment, cultural industry fixed capital formation, and cultural industrial goods stock.

2. Development of non-Western Cultural Fields

The current cultural GDP estimation is based on the "UNESCO Framework for Cultural Statistics" published by the UNESCO Institute for Statistics in 2007. However, this standard is strongly regarded as a Western-centric standard of culture. Many aspects differ from what Japanese imagine when they think of culture, for example, Japanese consider "tea" and "flower arrangement" to be culture, but these and other

Japanese pursuits are not included by UNESCO. Crafts such as ceramics, lacquer ware, and Japanese paper are also excluded from the list of cultural industries. Furthermore, although some may think that sake and Japanese cuisine belong in the category of Japanese culture, “eating and drinking” is not considered to be culture by UNESCO standards. On the other hand, “book fairs”, a publication-related event, are considered to be a component of culture in Europe and the United States, but are an unfamiliar cultural pursuit in Japan. In the field of design, architectural design and clothing design are within the category of culture by Western standards, but industrial design is outside the category of culture.

It goes without saying that each country must, to a degree, follow common standards to enable an international comparison of statistics. GDP, an indicator of economic scale, is widely used as a common world standard. On the other hand, as mentioned above, cultures are diverse and cultural practices inevitably differ widely from country to country. In fact, part of Japan’s Tourism Satellite Account consists of two estimates, one adheres to the universal standard and the other to Japan's own standard. In this way, we suggest that satellites too may require satellites, or “moons”. In addition to compiling an international standard cultural satellite account, it may be meaningful for us to produce and publish an additional estimate (a moon) based on Japan's own standards. This extra step would pave the way for non-Western countries to explore more inclusive cultural satellite accounts. As discussed in the next section, adding this type of flexibility to the methodology will speed the spread of cultural satellite accounts in Asian countries. This is an area of future development which demands our attention.

3. Disseminating Information to the International Community

To reiterate, Japan’s Agency for Cultural Affairs estimates cultural GDP based on the manual published by the UNESCO Institute for Statistics in 2009. Our agency began working on its cultural GDP estimation in 2017. Even though we got a late start, it is significant that our estimate was the first to be completed among Asian countries. Since 2005, the Japan Tourism Agency has released their official "Tourism Satellite Account (TSA)" online. It is hoped that the Agency for Cultural Affairs, as well, will soon publish statistics in this form. As mentioned above, discussions on cultural satellite accounts are centered around Europe and the United States (European countries, the United States, Canada, and Australia). The websites of these countries feature not only charts showing cultural satellite account data, but also publicize cultural satellite accounts with highly accessible videos.

In the Spanish-speaking Latin America region, the Convenio Andrés Bello (CAB) has uploaded not only a Spanish, but also an English version of the CSA report to its website to provide information about CSA. Publicizing CSA work in English increases its value and accessibility. As Japan was the first to

introduce the concept of cultural GDP in Asia, it would be natural for us to take a role in publicizing and disseminating the concepts of cultural GDP to Asian countries. This would be a key part of strengthening cultural cooperation with Asian countries in the future. As a matter of course, for Japan to lead the spread of the cultural GDP concept in Asia, it is essential to disseminate this information in English.

4. An EBPM for Promoting Cultural Exports

In this year's research, we estimated the imports and exports of culture and found that trade in Japanese culture is in a "trade deficit" state. Japan is not alone in this. At present in fact, only the USA has achieved a cultural trade surplus. As mentioned above, one way to increase cultural GDP by having culture play a part in the growth strategy is to expand not only the domestic, but also the foreign market. Countries working on CSA have a heightened awareness of their cultural imports and exports and are striving to increase them. Estimates contributing to the CSA (system), are important statistical data for increasing awareness of the cultural contribution and are useful for EBPM.

However, conventional trade statistics and balance of payments statistics have an industrial-society-type system similar to SNA, making it difficult to supplement culture. Moreover, the difficulty of doing so is increasing as cultural products shift from goods to services. It is generally difficult to promote exports of culture. For example, exporting Japanese literature (publishing) is much more difficult for Japan than for English-speaking countries. This prospect would become viable, however, if we were to work strategically in the way South Korea did with their K-POP success. At the same time, it is important to prepare pinpoint (for example, limited to music genres and movie genres) import/export statistical data for cultural export strategies and EBPM in conjunction with general statistical data on cultural imports and exports.

5. Gaining CSA Responsiveness

As Canada mentioned regarding their CSA utilization status, to be used effectively, it is vital for CSA to be as responsive as possible to social trends. The difference in COVID-19-related responses to cultural stakeholders paralleled the difference in the effectiveness of CSA in each country. CSA, which is an SNA satellite account, may first and foremost be a macro perspective statistical system and not a tool for immediately responding to micro events. However, as Canada suggests, it is necessary to consider the framework and methodology of simple and of partial CSA that can respond quickly to a range of cultural events even from a micro perspective. Being able to function as an EBPM of the imports and exports of the above-mentioned culture will also contribute to improved responsiveness.

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