# A STUDY ON THE IMBALANCE BEHIND ADDED VALUE **OF CULTURAL INDUSTRY**

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## Abstract

Cultural creative industry is the inheritance and development of the cultural industry, mainly refers to those gaining momentum from the individual creativity, skill and talent in the enterprise, as well as those activities through the development of intellectual property rights creating the potential wealth and jobs. This paper first introduces the basic situation of Chinese culture industry, analyzes the reasons of cultural industry commercial imbalances, puts forward three suggestions: (1) the cultural positioning clear cultural and Creative Industrial Park, take the culture industry social benefits; (2) the creative industries and commercial real estate developers to combine; (3) strengthening government policy support. Only commercial cultural transference of interest, providing space and support for its development, to its unique cultural forces, nourish the growth of cultural industries.

Keywords: Cultural industry, Imbalances, Policy recommendation

## INTRODUCTION

Affected by the American sub-prime woes and the European debt crisis, the world economic is growing slowly, but due to the strong "lipstick effect", the cultural consumption has become a new economic growth point, which closely matched the requirement of expanding domestic demand and restructuring. What is the "lipstick effect"? In general, people material needs will be tighten when the economic slump, while the spiritual and cultural needs will be expanded. Because of the cultural consumption not only meets the spiritual needs, but also conform to the public affordability, it may be destined to become a kind of large demand, This phenomenon has been termed the "lipstick effect".

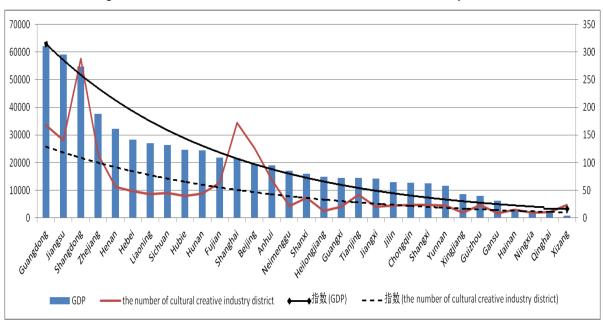


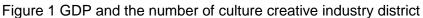
Public cultural and profitable culture industry is part of culture development .The intersection part, namely semi public product and semi private product, actually is the cultural industry. Therefore, the cultural industries are both cultural and commercial attribute.

#### THE BASIC SITUATION OF CULTURE INDUSTRY

With the "cultural industry multiplication plan during the 12th five-year plan period" issued, cultural creative industry becomes a focus. Cultural creative industry is the inheritance and development of the cultural industry, mainly refers to those gaining momentum from the individual creativity, skill and talent in the enterprise, as well as those activities through the development of intellectual property rights creating the potential wealth and jobs.

Since the deadline to December in 2013, the specific number of cultural creative industry district is as follows:





According to 2013 China provinces (municipalities and autonomous regions) of the total GDP rankings, we can find that a number of areas of cultural and creative industrial park with the land 's economic fundamentals show a positive correlation between levels : the total GDP of the top ten , in order, Guangdong , Jiangsu, Shandong, Zhejiang , Henan, Hebei, Liaoning, Sichuan , Hubei and Hunan, in addition to Liaoning, Sichuan and Hubei provinces , the number of cultural and creative industrial park owned by the remaining seven provinces are located in the nation.



The National Bureau of statistics began counting the culture industry data from the 2004. The Chinese cultural industry corporation's value added is RMB 3100 billion, as a percentage of GDP was at 1.94% in 2004; the proportion of GDP is 1.94%, while the value added in 2012 and 2013 are RMB 1.8 billion and 2.1 billion, which as a percentage of GDP were at 3.48% and 3.77%. And, the tendency of GDP with the number of cultural creative industry district each province keeps the same. So we can find that the contribution of cultural industry's development is quite considerable.

#### THE IMBALANCE BETWEEN CULTURE AND BUSINESS

With the government and commercial capital increasing investment to industrial projects, the needs of the region's cultural output are also gradually increasing .The development of culture industry is sinking into the Contradiction between cultural orientation and economic benefit. Such as Shanghai Red Square Arts District, there are only 8 private art galleries, in the district, while other institutions unrelated cultures are about 80. In other words, despite the positioning of Red Square Arts District is arts and culture industry, but to support the operation of Arts district is not the art industry. Only if with "money " and " objects" as the evaluation criteria, whether the development of cultural industries will heavy " industry" rather than " culture" and emphasize "money " but not "people" ?

Someone believes that culture industry mainly consists of three parts: cultural content, communication platform and manufacturing of products and culture. Among them, the cultural content emphasis on the creation of intellectual property. Foreign phrase "content is the king", if you have intellectual property rights, and the creation of value, then your earnings will be high with great added value. But in China, " platform is the King", the wealthy engage in the platform , and make the digital culture industry flourish, while something with real value are rarely occurs leading to such industrial park development pattern that "only see the building but not culture and the hardware but no content". The reason is mainly manifested in the following aspects: First, the social benefit of cultural industries is ignored, and the true value is distorted.

Consumption of cultural products has a role in guiding spirit and matter, subjecting to the law of value and literacy's double domination. It can directly meet people's spiritual enjoyment and cultural needs, playing the role of education and guidance, which improving the overall quality of consumers. However, due to advance the interests, it is easy to overlook the people and human experience.

Secondly, the positioning of cultural industry district is unclear. There is no clear threshold boundaries to the agencies wanted to join in, thereby affecting the overall co-ordination, the park features and making the district characteristic not prominent.



Finally, policy support system is not perfect. From the current situation, the policy of cultural and creative industries development lakes systematic and integrity, the attention about cultural industries in the local is less, such as the arts district lacks long-term planning goals, artists' studios cannot create huge profits just like estate development, and government agencies always want to change the face of the old city through large-scale development and construction, "creating " urban's " new image ", therefore artists' studios are always difficult to obtain government's recognition and supporting.

#### **RELEVANT POLICY RECOMMENDATIONS**

The maximum value of the culture is not weight by GDP, but by what kind of values it creates and the invisible invasion and nourishment to people. So it is important to deal with the relationship of cultural and business.

According to the imbalance between the culture and business, this paper puts forward some policy suggestions as follow:

First, clearing cultural and creative industrial park cultural orientation, paying attention to the social benefit of cultural industries .It is needed to set a certain threshold of the park and objectively find the strengths and weaknesses of the park, fully understanding industry opportunities and challenges, selecting the appropriate positioning of the creative industry park, collecting beneficial resources and seizing industry opportunities. Meanwhile, the park playing the role of radiation needs to radiate culture to the outside world.

Second, the creative industries and commercial real estate developers combine. On the one hand, real estate developers and creative industries can provide preferential facilities, on the other hand, due to the creative industry has a strong culture, art, focusing on individualized expression of the environment, easy to attract tourists all over the country, developers can take advantage of the unique and creative industries neighborhoods the personalized experience, inspire fashion personality consumer groups, consumer desires.

Third, strengthen the government's policy support. Cultural industry as a special market economy requires government directional support and policy tilt. Government should continue to increase investment in the construction of public cultural facilities, while enhancing production of cultural products; it can provide some preferential policies for company registration and taxation to the Creative Industries businesses; it also can sign the tripartite contract referring to government, landlords and tenants to stabilize the enterprises settled rent.



## CONCLUSION

With the rise of cultural and creative industries projects, cultural industries' development is still a long journey. It is a missing way if we emphasis on the cultural economy GDP. Not only does the cultural have the significance of industries, but also pays attention to the behind values. The two properties that cultural location and economic operators locate seem contradictory, but in reality coexistence. Only when business transfers certain interests to cultural, provides space and supports its development, will its cultural power be able to nourish culture industries' growth. Therefore, clearing cultural and creative industries districts` cultural orientation, noticing its social benefit, strengthening the combination with commercial real estate developers, and solving the relationship between cultural orientation and economic interests, all which will be significant to the cultural industry's development.

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