Ministero per i Beni e le Attività Culturali

UNIONCAMERE

CAMERE DI COMMERCIO D'ITALIA

ISTITUTO GUGLIELMO TAGLIACARNE per la promozione della cultura economica

IL SISTEMA ECONOMICO INTEGRATO DEI BENI CULTURALI

EXECUTIVE SUMMARY

The perception of the importance of cultural heritage's integrated economic system in the Italian economy, both in terms of present and future perspectives, is clear to the most. More limited and unclear are specific indications on the contours of this phenomenon, its quantification and qualification.

This study by Unioncamere, carried out by Istituto Tagliacarne and promoted by the Ministry of Cultural Heritage and Activities, is built on experiences at national and international levels, and aims to identify economic activities concerned with the issue of developing cultural heritage, and to determine its dimensions and weight on the overall economy.

For this purpose, 138 categories, based on the ATECO classification (Italian 5-digit articulation of NACE rev. 1 classification) have been identified, with the addition of an agricultural sector that is not uniquely identified by any ATECO activity related to quality agricultural products. These 139 activities have then been grouped into five areas:

1. Cultural heritage and activities: 23 categories
2. Cultural industry (publishing, audiovisual, multimedia): 31 categories
3. Food, wine and typical local products: 21 categories plus quality agricultural products
4. Industrial products and craft: 42 categories
5. Architectural activities and urban upgrading: 21 categories.

Based on these activities, the companies involved, comprising nearly 900 thousand units, have been identified and the value added and employment they produced have been quantified by adopting a bottom up procedure based on the Italian territorial organization in provinces.

The analysis shows a cultural sector holding a leading position in the national economy (in 2006 the value added was approximately 167 billion euro and the employment 3.8 million people (12,7% and 15.4%, respectively, of the total economic activity).

The partition into different areas shows the largest concentration in architectural activities and urban upgrading (approximately 34.8% of value added and 35.6% of employment), followed by food, wine and typical local products (21.1% for the former and 21.3% for the latter), cultural industry (17.1% and 15.8%), industrial products and craft (16.5% and 16.6%) and, last in terms of concentration but of key importance for the whole system, cultural heritage and activities (10.5% and 10.7%). Thus, the "core" of this ensemble of economic activities, i.e. cultural heritage and cultural industry, is just over one quarter of the total.

Based on this data, the estimated weight of the component due to public and private (non profit) institutions is 8.5% of the total value added and 8.7% of employment, which in the case of the two basic sectors (cultural heritage and cultural industry), represent 30.4% and 32.6% of the total, respectively.

This data allows a comparison between the year 2006 and 2001, showing how the economic system required by cultural heritage has an average growth during this period exceeding the total economy, both in terms of value added (+4.3% vs. +3.5% of the annual average) and employment (+2.9% vs. +1.3%).

From a territorial point of view, the North-East has the highest proportion of income and employment (13.4% and 16.3% of the total economy, respectively), followed by Central Italy (13.2% and 15.9%). In particular, Trentino Alto Adige, Friuli Venezia Giulia and Veneto are aligned on a high contribution of the selected activities to income and employment (around 14% for the former and 17% for the latter). Nevertheless, the regional ranking is led by Umbria (the percentage reaches 14.7%) for what the value added is concerned, and by Valle d'Aosta for employment (reaching an incidence of 19.1%).

% contribution of activities potentially related to cultural heritage to value-added and employment creation, by type - Year 2006

Sector	Value added		Employment	
	Millions euro	%	Thousands of units	%
1. Cultural heritage and activities	17.623,7	10,5	409,4	10,7
2. Cultural industry	28.657,5	17,1	606,8	15,8
3. Food, wine and local products	35.186,2	21,1	817,5	21,3
4. Industrial products and craft	27.503,2	16,5	638,1	16,6
5. Architectural activities and urban upgrading	58.144,3	34,8	1.366,8	35,6
Total	167.114,9	100,0	3.838,6	100,0
Total economic activity*	1.318.134,5	12,7	24.870,9	15,4

** These figures are net of the extra-regional dimension (i.e. net of value added and employment that cannot be territorialized)*

Source: Elaborations by Istituto Tagliacarne

Cultural heritage and activities are predominantly present in Central and Southern Italy, and in the latter case, particularly in Sicily. The cultural industry (publishing, audiovisual, etc..) is significantly present in the North West and in the Centre of the country. In Lazio, this phenomenon is strongly emphasized (due to the presence of Rome), gathering 23.1% of what produced in Italy and 19.4% of employment. The food, wine and local products sector shows a marked impact in northern Italy. In the case of Industrial and craft production it is the North East that shows a significant incidence. Architectural activities and urban upgrading in the South reaches 44.5% of the value added and 44.7% of employment.

In order to enrich and qualify the undertaken analysis, direct investigation approaches were adopted, limiting the scope of observation to non-agricultural businesses. The first activity focused on in-depth interviews on relevant business experiences in cultural heritage; the second activity was a CATI telephone survey (computer assisted) on a random sample of 3,730 companies in the five examined areas, carried out between October and December 2008.

The main objective of this investigation was to provide evidence of the involvement of companies in cultural issues, going beyond the "automatism" arising from statistical classifications. Taking into account a certain margin of subjectivity for these matters, about half of the operators (49.4%), corresponding to just over 440 thousand companies, showed their involvement. For cultural heritage and activities, around 3 out of 4 companies (73.2%) declared to take active part in the process of cultural development of the country, while for the culture industry the percentage was 54.9%. Remarkably, for food and wine, industrial production and craft, and architectural activities and urban upgrading, the percentage is 46-48 %.

In general, approximately six companies out of ten (59.5%) acknowledged that technological innovation has a particularly important role of in the growth of activities related to the enhancement of cultural heritage. This is strongly felt in the field of cultural heritage and activities, where 70.7% of companies attaches a great value to technology development, as well as to cultural industry (63.3%).

Given that the overall picture reveals a quite low tendency of surveyed companies to relate with other development actors, the higher occurrence of relations primarily regards local institutions (24.7%). A slightly lower proportion concerns the relation with professional associations (23.6%), while only 14.5% of companies has frequent relations with banks, and around six percent with service centres (6.6%), universities and research centres (6.0%).

A relevant feature emerging from the survey is the relation with the credit: more than half of the operators regards as essential, or at least important, the role of banks in cultural sector development.

Finally, different results of the investigation show peculiar behaviours and performances of companies that are mostly involved in the issue of cultural heritage, these include:

- greater attention to the issues of innovation, both in terms of consideration (82.3% vs. an average of 59.5%) and of planned investments (15.3% versus 11.7%);
- greater interaction with the actors proposed in the questionnaire, with more emphasis on local institutions, trade associations and banks;
- better opening towards foreign markets (4.8% versus 3.9%);
- larger number of requests and use of credit (for innovation) and, in general, for the banking sector (70.1% versus 55.2%);
- improved performance in sales growth (even in a non-positive economic phase).

Summary of some competitiveness indicator calculated by the number of different companies amongst those feeling involved in the development of cultural heritage and those less interested or not-at-all interested

Indicators	Percentage		
	Involved	Not involved	Overall average
Recognized importance of cultural activities in the economic framework of the country	88,3	32,0	59,8
Over 50% of revenues in 2007 attributable to the enhancement of cultural heritage	45,5	2,1	25,0
Recognized importance of technological innovation	82,3	37,2	59,5
Planned investments in R & D and technology	14,7	6,9	10,7
Relation with:			
--Local institutions	37,4	12,2	24,6
--Schools and training centres	13,8	5,0	9,3
--Universities and research centres	9,5	2,5	6,0
--Sectors associations	38,1	9,5	23,6
--Banks and financial institutions	23,0	6,2	14,5
--Service centres	9,3	3,9	6,6
--Non profit organizations	5,0	1,6	3,2
Operators with export activities	4,8	3,1	3,9
Credit request*	17,6	8,5	13,0
Use of credit for investments in innovation**	56,5	43,8	53,2
Acknowledgement of the importance of banks	70,1	40,6	55,2
Turnover growth increased by 5%			
- in 2007 compared to 2006	6,3	4,7	5,5
- 2008 estimate *	5,2	3,0	4,1

* Calculated on the number of companies that have been granted the requested credit.

** Innovation in processes and in products

Source: Elaborations by IstitutoTagliacarne on survey's results.