

Written evidence submitted by the Creative Industries Policy and Evidence Centre, led by Nesta

**Promoting Britain abroad - Digital, Culture, Media and Sport Committee
Submission from the Creative Industries Policy and Evidence Centre, led by Nesta
Submitted 6th Jan 2022**

Summary

This submission addresses the role that the UK's creative industries play (and could play) in building the UK's position as a soft power superpower by supporting local and national economies, growth and well-being, through the ability to attract international demand for its products and services, appeal to global talent, as well as helping the UK to address global challenges, from sustainable development to the current Covid-19 pandemic.

Much of this paper's content builds on a submission made by the PEC to the unpublished Soft Power Strategy and the published Integrated Review in August 2020 which was made by Eliza Easton, Claudia Burger and Eva Nieto McAvoy. This version has been edited by Eliza Easton and Benjamin Kulka.

We offer evidence in response to question 3 of the call for evidence:

- By taking testimonies from a series of international experts as well as UK thought leaders;
- We summarised research from the Creative Industries Policy and Evidence Centre (PEC) into the creative industries, highlighting their potential to become valuable soft power resources;
- We reviewed academic and grey literature on the role of culture and the creative industries in international relations as well as its impact on the demand for British products and services;
- We assessed the success of the UK and other nations' creative industry initiatives in improving international cultural relations.

Our main findings are:

- Culture and the creative industries are crucial elements of good international relations, not just because of their contribution to the global economy but because of their role in supporting local and national growth and their international outlook based on collaboration, movements and trade across borders;
- Soft power does not have to be a zero-sum game, and the creative industries can play a crucial role in supporting a soft power strategy based on mutuality and trust;
- Digital technologies are becoming increasingly important to the cultural and the creative industries in terms of skills, content production and consumption. Investment at the nexus of creativity and technology could offer specific soft power opportunities to the UK. The importance of creative technology has become even more apparent during the Covid-19 pandemic;

- Research into Artificial Intelligence with direct applications to the creative industries is relatively advanced in the UK compared to other countries, which makes us well positioned to take the lead in this field;
- The current definition of R&D limits the UK's potential to innovate through the intersection of technology and content, negatively affecting the creative industries and their potential to become a global hub for creative technology;
- British design has the potential to become a key soft power resource. Mission-led design reinforces this trend due to its local, national and global impact at the intersection of sustainable development and diplomacy;
- The UK's creative education sector is an important soft power asset, not only as something that makes the UK look good, but as a global product. Creative graduates, together with a diverse and cosmopolitan culture, are linked to higher local growth;
- There is serious concern about the future of Universities that specialise in the creative arts, as the emphasis of government policy seems to be increasingly on subjects that offer strong short term wage returns, without recognising the long term economic and wider value of creativity and culture;
- The ability of the sector to retain international students has important implications in terms of soft power, but also for the UK's Industrial Strategy and "levelling-up" agenda.

Our recommendations are:

- 1. The Foreign, Commonwealth and Development Office (FCDO) should introduce a set of measures which would ensure the diplomatic service is able to better work with the UK's vibrant creative industries.** A small creative industries and soft power briefing unit could work with embassies and the British Council to help forge new connections and measure the impact of such interventions; a standing item on culture and the creative industries should be added to the annual ambassadors conference to highlight both British heritage and the cutting edge of UK creativity;
- 2. The Government should give focus to opportunities at the nexus of creative content and technology.** This includes funding an AI and Creative Industries Centre, a £10m, 5-year industry-led innovation centre which would allow the UK to capitalise on its strong positions in the creative industries and in AI research (third only behind the US and China). It would help us to secure an early lead in a technology having an impact across creative industries with applications of recent breakthroughs in design, fashion, games, film, music, advertising and art. It would also reduce the risk of other countries rapidly increasing their AI activities and this then undermining the UK's position in the creative industries;
- 3. As the Treasury consults on the definition of R&D used in tax incentives, they ensure that any changes encourage innovation at the intersection of technology and content;**
- 4. A platform should be given to the UK businesses, academics and non-profits working in sustainable and mission-led design as a key part of the Government's soft power strategy.** As part of this we recommend support for trade missions, ongoing funding for the Cultural Protection Fund and that global promotion is given to the opportunities within the Chevening Scholarship Programme for those studying creative subjects;
- 5. All UK nations, and the central Government, should consider carefully how policy may inadvertently damage the UK's position as a global educator in the creative arts.** To assess the value

of degrees by graduate wage data alone risks missing important aspects of present and future market demand for creative graduates. The success the UK has had in creative education should be trumpeted in soft power policy, but this should be joined up with discussions happening in the Departments for Education and elsewhere in Government around the future of the Higher Education system.

In view of these recommendations, we suggest that following the publication of the Integrated Review in March 2021, a complementary Soft Power Strategy would still have immense value.

Introduction

"The creative industries are our calling card. Most nations have expertise in one, two or three of the creative sub-sectors – we are good at all of them. One of the biggest advantages of this is that we can combine different industries together, enabling extraordinary things to happen."

Sir John Sorrell, design entrepreneur and UK business ambassador

The United Kingdom's success as a soft power is far from new. However, interviews with global leaders in this paper taken by the PEC as evidence ahead of the Government's now published [Integrated Review](#) and the British Council's report on [Soft Power](#) show how much of it is still based on our heritage.¹ Perhaps now - as Jairaj Mashru, Director of Innovation at Salesforce in India told us - the UK needs a new creative recipe for soft power; one that combines some of our old assets with new ones and considers which global problems Britain will help to solve in the coming decades.

We focus on the creative industries because we believe that the sector plays an important function in changing the way others see us. The broad church the sector represents includes many of the UK's best known exports - from Jeeves and Wooster, to Harry Potter, Black Mirror, Stormzy, Miss Marple, Vivienne Westwood and the Great British Bake Off. It certainly includes many of its best loved exports. And the figures for the UK's creative industries are globally impressive: before the COVID-19 pandemic, across its sub-sectors the creative industries generated £116 billion for the UK economy, were growing at five times the speed of the economy as a whole, and exported £37.9bn worth of services in 2019.² The PEC has recently published a briefing based upon the findings of our latest research into the features and barriers facing the UK's creative industries exports, part of a discussion paper by PEC researchers from Newcastle University.³

"Today, in my opinion, the creative economy is closely associated with the soft power approach and is used by governments to promote culture, education, innovation, entertainment, business, social inclusion and diplomacy."

Edna dos Santos-Duisenberg, PEC International Council, International consultant and policy adviser, and former Chief of the Creative Economy Programme at the United Nations Conference on Trade and Development (UNCTAD)

¹ This can be a disadvantage as well as an advantage. Post-colonial legacies can hinder cultural relations as well, and, as Melissa Nisbett notes, even cultural relations devoid of any signs of the hand of government can carry 'connotations of colonialism, imperialism and propaganda since '[d]ominant states have always used culture to transmit political, social, cultural and economic values' (2013: 558).

² Department for Digital, Culture, Media and Sport (2021). *DCMS Sectors Economic Estimates 2019: Trade in Services*. Retrieved from <https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-2019-trade-in-services/dcms-sectors-economic-estimates-2019-trade-in-services>

³ Easton, E. (2021) *The Creative Industries in the UK's Export Strategy*. London: Creative Industries Policy and Evidence Centre and Nesta. Available from: <https://www.pec.ac.uk/policy-briefings/the-creative-industries-export-strategy-insights-for-policy-makers> and Di Novo, S; Fazio, G and Maioli, S. (2021) *Creative firms and trade*. London: Creative Industries Policy and Evidence Centre and Newcastle University. Available from: <https://www.pec.ac.uk/discussion-papers/creative-firms-and-trade> Fazio, G (2021) *A review of creative trade in economic literature*. London: Creative Industries Policy and Evidence Centre and Newcastle University. Available from: <https://www.pec.ac.uk/assets/publications/PEC-Creative-Trade-Literature-Review-January-2021.pdf>

But we believe the creative industries should be used for more than, albeit vital, window dressing and economic ballast. And we are not the only ones.

This paper and its policy recommendations aim to set out how this vision might be achieved.

Why soft power?

The concept of ‘soft power’ became central to UK foreign policy in the early 2010s. It was the basis of a House of Lords enquiry (2014) and became advocated by the British Academy (Hill and Beadle 2014) and the British Council (Holden 2013). The British Council has placed their activity with reference to soft power, which has been articulated through a series of reports from *Trust Pays* (2012) to their most recent research into international perceptions of soft power, which places the UK as the most attractive ‘country for young people across the G20 (2020).’⁵ This strategy was reinforced by the recommendations of the Foreign and Commonwealth Office’s (FCO’s) - now the FCDO - Triennial Review of the British Council (2014) and the British Council Tailored Review (2019) and it was repeatedly mentioned in the Government’s Integrated Review (2021).

Whilst popular, soft power is a controversial term, and designing a soft power strategy is a controversial endeavour.⁶ This is partly to do with the fact that one of the secrets to effective soft power, the research shows, is its relative independence from overt state involvement – for example, the arms-length status of the BBC World Service and the British Council are crucial. It is also difficult to measure soft power and so assess the effectiveness of any specific policy.

The British Council has traditionally favoured the term ‘cultural relations’.⁷ ‘ This concept highlights a different aspect of international community building - one that is based on mutuality and cooperation, rather than on promotion and competition. Both cultural relations and soft power emphasise the role of culture within a foreign policy strategy in order to intervene in a global cultural arena, but there are distinctions between the two, such as the role of the state and the difficulty of balancing the pursuit of the national interest with positive-sum relations.

⁴ Cabinet Office (2021). *Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy*. Retrieved from <https://www.gov.uk/government/publications/global-britain-in-a-competitive-age-the-integrated-review-of-security-defence-development-and-foreign-policy/global-britain-in-a-competitive-age-the-integrated-review-of-security-defence-development-and-foreign-policy>

⁵ Retrieved from <https://www.britishcouncil.org/research-policy-insight/insight-articles/UK-most-attractive-country-G20>

⁶ The concept of soft power has been heavily scrutinized in recent years as its popularity has grown (e.g. Lock 2010; Zahran & Ramos 2010; Bially Mattern 2007; Hayden 2012; Hayden et al. 2016). The vagueness of the definition has often been noted – the fact that it builds on abstract assumptions with little empirical evidence about how influence and attraction work. It is also seen as theoretically ‘soft’ – for failing to fully investigate whether attraction is an individual or a socially constructed phenomenon or both. In addition, it is not clear how Nye’s ‘soft’ power relates to other theories of power, such as Gramsci (e.g. Zahran & Ramos 2010; Hayden 2012, pp. 38-39), Foucault (Lukes 2007; Ringmar 2007; Lock 2010), Bourdieu (Bially Mattern 2007, p. 101), or Lukes (Nye 2007; Lukes 2007; Bially Mattern 2007, p. 101; Bilgin & Elis 2008; Vuving 2009; Hayden 2012). Critiques have highlighted the little emphasis on crucial relational aspects of soft power that arise from the complementarity of institutions, and processes related to group/identity formation, networks, shared culture and values (e.g. Fisher 2010; Zaharna 2009). And the ethical foundations of soft power are not clear (e.g. Fitzpatrick 2014).

⁷ There is no general agreement on what cultural relations are -- they are part of a semantic field that includes cultural diplomacy, public diplomacy and soft power, particularly in the Anglosphere context. They are not a distinctive phenomenon, but a set of activities that take place within those broader fields. In a research project commissioned by the British Council and the Goethe-Institut, they found that cultural relations was often a practitioners’ term, and for some was a composite part of a country’s broader soft power assets. Although there is no agreed definition of cultural relations, the British Council and Goethe-Institut have recently (2017) proposed the following “Cultural relations are understood as reciprocal transnational interactions between two or more cultures, encompassing a range of activities conducted by state and non-state actors within the space of culture and civil society. Retrieved from : https://www.britishcouncil.org/sites/default/files/lit_review_short_working_paper_final_final.pdf

The overall outcomes of cultural relations are greater connectivity, better mutual understanding, more and deeper relationships, mutually beneficial transactions and enhanced sustainable dialogue between people and cultures, shaped through engagement and attraction rather than coercion.” Marie Gillepie et al. (2018) The Cultural Value Project. Cultural Relations in ‘Societies in Transition’” London: British Council. Retrieved from <https://www.britishcouncil.org/research-policy-insight/insight-articles/value-cult-relations>

However, as recognised above, ‘cultural relations’ has not had the traction of ‘soft power’ in political life, despite the fact that it is a much more specific set of activities and resources .⁸

As our research shows, in order to be effective, a new recipe for soft power for the 21st century should embrace a cultural relations approach, based on understanding, connecting and co-creating rather than on overt promoting and influencing - as this would undermine its very own mission.

Therefore, like the British Council, we do not believe that soft power has to be a zero-sum game. As problems in a growingly complex and interdependent world are rarely constrained by national boundaries, the benefits of soft power should equally be unconstrained. We believe it to be more useful to focus on how to best engage in international relations as partners in complex social, political and cultural contexts. The recommendations in this paper highlight the role the creative industries can play in supporting a soft power strategy based on mutuality and trust, recognizing both their importance in supporting local and national economies and their international outlook based on collaboration, movements and trade across borders.

In order to do so, we will focus on four areas that sit at the intersection of culture and diplomacy, highlighting important lessons to be learned from the UK’s creative industries international delivery in the last 5 years. In taking this approach, we will also be reinforcing our main argument: that one of the most effective ways for the UK to build alliances conducive to increasing its soft power is through its cultural activities and the growth of its creative industries.

Making the UK’s culture central to its foreign policy

“The nature of the challenges ahead means that diplomacy is too important to leave to the diplomats. For the UK to thrive we need to foster the skills of diplomacy in everyone - curiosity, emotional intelligence and empathy.”

Tom Fletcher, former UK Ambassador and a Visiting Professor at New York University

The creative industries, including culture, play a significant role in bringing nations together, whether that work is done by the public, private or third sector.

Shoshana Stewart, Chief Executive of Turquoise Mountain, an international charity that aims to preserve and regenerate historic areas and communities, was one of the experts interviewed by us for our paper feeding into the unpublished Soft Power Strategy. She told us how bringing the work of artisans from Afghanistan to the UK was encouraging people to reassess the country beyond what they know about its recent history. She described how this deeper understanding can, in turn, inspire collaboration and economic investment. Since this interview took place, it should be clear that this sort of mutual understanding may be ever more important as formal opportunities to collaborate with organisations in Afghanistan have broken down.

We also heard from members of the PEC’s International Council (a network of leading policy and creative economy practitioners from across the world, convened by The British Council) about how vital the sector is in building the soft power of their respective nations. For example, in a recent blog for the PEC, International Council member George Gachara, Social entrepreneur, Arts Manager, and the Managing Partner at HEVA Fund LLP in Kenya described the importance of the creative industries to ‘the African renaissance’:

⁸ Over the last five years soft power has been referred to 1050 times in the House of Commons and the House of Lords. Cultural relations have been mentioned just 192 times.

*“In the first decade of the 21st century, the increasing visibility of cultural and creative industries in cities across Africa has been emblematic of the African renaissance — characterized by the growth of per capita and household incomes, aggressive transformation of urban spaces, rapid adoption of digital communication, growing diaspora remittances and increased foreign direct investment. Most of all, there has been a growing sense of self-esteem, and vastly increased and globally consumed cultural expression through music, film, gaming, fashion and contemporary art along with other cultural products and experiences driven by the dynamism and innovation of Africa’s young men and women.”*⁹

The UK is no different in this respect. Another expert interviewed for this paper, Tom Fletcher, former UK Ambassador (2011-2015) told us how important Britain’s creative assets had been for him during his time in Lebanon, and how he believes that bringing people together around shared interests (whether James Bond or Harry Potter) can change the course of geo-political history.

At the moment British culture and creativity are used by our diplomatic services with varying degrees of success. As Tom explained:

“Governments tend to leave our instruments of soft power lying around rather than see them as part of a collective. When we do use them it’s ad-hoc, back of the envelope stuff: ‘should we do something on Shakespeare next week?’, ‘have we got something in place for the upcoming Olympics?’.

One potential reason for this slapdash approach is a lack of understanding about the important role the UK’s cultural and creative assets could play in diplomacy and international trade and the weakness of its institutionalisation in the FCDO. A study conducted by the Institute for International Cultural Relations at the University of Edinburgh for the British Council, *Soft power today: Measuring the effects* (2017), found that cultural ranking (e.g. the Good Country Index) was the most important factor in determining international influence.¹⁰ Results indicate that the UK’s soft power (measured in number of cultural institutes, GDP per capita, percentage of population on the Internet; political pluralism, democracy, few restrictions on political rights, and foreign aid; and a high cultural ranking¹¹) has a statistically significant impact on foreign direct investment (FDI), recruitment of international students, increased tourism, and international influence – measured by a country’s ability to affect voting patterns at the United Nations.

Proving the long-term impact of any single one of these variables remains difficult.¹² But despite this the FCDO could still consider exploring basic methods that can be used by diplomats to quantify the impact of their work in this area and encourage them to make better use of soft power assets.

A more systematic approach to the use of culture and creativity by the FCDO could also have significant benefits for the creative sector, by building international collaborations, sharing best practice and by helping to export content.

Tom Fletcher told us that: *“in terms of diplomacy’s relationship with the creative industries - it should be a two-way street. A diplomat’s power is, of course, increased by the UK’s soft power assets. But there is also a lot that diplomats can do to increase the power of the UK’s culture and creative industries overseas.*

This desire to use diplomatic networks to help connect creative clusters was echoed by those in industry in the UK - including by Lisa Burger, joint Chief Executive of the National Theatre.

⁹ Retrieved from <https://pec.ac.uk/blog/rebuilding-the-creative-economy-with-conscious-capital>, <https://pec.ac.uk/blog/safeguarding-a-creative-and-cultural-moment> and <https://pec.ac.uk/blog/brazilian-culture-and-creativity-during-covid-19-solidarity-and-lives>

¹⁰ Singh, J.P., MacDonald, S. (2017). *Soft power today: Measuring the effects*.

¹¹ *ibid*. It states that a ‘country’s cultural ranking in the world also matters for attracting foreign direct investment and for political influence in the world. The overall impact of being in the top 15 culturally ranked countries [...] translates into moving the ideal point of a country by 0.52 points. The impact of a high culture rank is higher than any of the factors in the models presented for UN voting.’

¹² For example Pamment, J. (2014). *Articulating influence: Toward a research agenda for interpreting the evaluation of soft power, public diplomacy and nation brands*.

“When all the focus is on delivery of a tour, identifying the appropriate individuals locally who could give guidance on how we could add value for the UK becomes a nice to have. The danger is it feels too complicated and too time consuming for little apparent short term benefit. But we all know the long term gains if we can get this right.”

Our recommendation would be that policymakers work with arms-length bodies like the British Council to help to matchmake British and international creative clusters. They could also provide those in the diplomatic service with opportunities to learn more about the UK’s cultural assets, as well as those of the nation they are serving in. For example, High Commissioners could be asked to research and return information on the three most important creative sub-sectors or activities in their given nation. In the annual Ambassadors conference they could introduce a standing item on soft power.

We recommend that the Foreign, Commonwealth and Development Office introduces a raft of measures which would ensure the diplomatic service is able to better work with the UK’s vibrant creative industries. A small creative industries and soft power briefing unit with strong links to other departments, particularly the Prime Minister’s Office and the Department for Digital, Culture, Media and Sport, could work with embassies and the British Council to help forge new connections, and measure the impact of such interventions and a standing item on culture and the creative industries should be added to the annual ambassadors conference to highlight both British heritage and the avant-garde of UK creativity.

Develop cutting edge Creative Tech

Technology has the power to shape the world for the better: from social media allowing us to communicate with loved ones on the other side of the world, to stories brought to life on the screen with visual effects.

The UK is already a global leader in developing and adopting new technologies. As George Windsor, Head of Insights at Tech Nation, told us: *‘Scaleups are driving the UK global tech advantage. Ambitious tech entrepreneurs across the country are more networked than ever, and they are accelerating growth through international connections.’*

However, this business advantage does not necessarily make us a tech leader in terms of global influence, even if we limit that influence to only the “global middle class”.¹³

Jairaj Mashru, Director at the Office of Innovation for Salesforce in India told us that *“it isn’t just about the number of leading tech companies within your borders. Influence is gained when a country is being seen to shape global solutions to problems that exist around the world. To do this the UK needs to make use of the unique assets it already has, in a new way.”*

That does not mean that the UK cannot use its technological advantages to improve its soft power. When we interviewed Jairaj he singled out the UK’s exceptional culture (film, television, music) as a potentially important part of this new recipe: *“you have great media companies. If you want to compete with global players like Netflix, you just have to make sure they get really good at leveraging technology in creative ways to address a global market.”*

The importance of this creative technology has become even more apparent during the Covid-19 pandemic. PEC research with the Intellectual Property Office and Audiencenet showed that when comparing behaviours pre and post the first lockdown, we saw large increases in people accessing digital content.¹⁴

¹³ House of Lords (2014), *Persuasion and Power in the Modern World, Select Committee on Soft Power and the UK’s Influence.*

Lockdown also led to an increase in online content creation for 4 in 10 respondents (38 per cent), with 17 percent of this group taking it up for the first time.

In policy terms, the relationship between tech and the creative industries is close. The creative industries sector, as defined by the Department for Digital, Culture, Media and Sport (DCMS), already includes the most creative parts of technology (games, content development).¹⁵ Technology is joined to other creative sub-sectors including Advertising and Marketing, Architecture and Design not only by common policy concerns but by ‘creative intensity’ - a measurement of how ‘creative’ a sub-sector is in its working practices.¹⁶

The importance of the intersection between tech and culture was highlighted in both the DCMS paper *Culture is Digital* (June, 2019)¹⁷ and in the recent Creative Industries Sector Deal. In particular, arts and tech intersect in the Sector Deal’s commitments to capture new audiences by strategically investing in immersive content, break down barriers to R&D investment, and invest in skills like coding and creative story-telling.¹⁸ A good overview of the main opportunities and challenges of immersive experiences can be found in the PEC’s Discussion Paper on the subject.¹⁹

Research from the PEC on “The creative digital skills revolution” has gone further to demonstrate the blurred lines between creativity and technology, revealing a list of skills which should now be considered both creative and digital.²⁰ The research also reveals a number of powerful ‘createch’ jobs like graphic designers and photographers which ask for both creative and digital skills as a prerequisite.

The soft power potential at this intersection of creativity and technology can be seen by looking at the impact of a single creative product. A paper written by Nesta for the European Parliament highlights the global influence of Swedish game Minecraft, which is a sandbox video game that allows players to build with a variety of different blocks in a 3D procedurally generated world.²¹

In Britain, the Tate gallery has created a series of Minecraft worlds inspired by artworks from its collection (Tate 2014). In France, the Centre Pompidou has run workshops where people have been invited to reimagine famous buildings in Minecraft, such as Le Corbusier's Villa Savoye (Bright 2015). Minecraft has been used to involve people in designing the built environment of their communities as part of ‘Block by Block’ a charity set up in 2012 by Mojang (The developers of Minecraft) and the UN Habitat, the United Nation’s Programme for Sustainable Cities. The process has been used in more than 30 countries around the world, including crowdsourcing public space ideas in Mexico City and improving public spaces in poor areas of Mumbai.

The ‘soft power’ value of something like Minecraft is multifaceted. It has a global appeal and has played a fundamental part in the Swedish video games boom, so both brings joy to people worldwide and contributes to Sweden’s economy.²² But, as shown above, a game like Minecraft can also go beyond this

¹⁴ Creative Industries Policy and Evidence Centre, Intellectual Property Office, Audiencet (2020) *Understanding how our habits of cultural consumption changed during the UK's COVID-19 lockdown*. Retrieved from <https://pec.ac.uk/policy-briefings/digital-culture-consumer-panel>

¹⁵ Department for Digital, Culture Media and Sports (2016), *DCMS Sectors Economic Methodology*. Retrieved from <https://www.gov.uk/government/publications/dcms-sectors-economic-estimates-methodology>

¹⁶ Department for Digital, Culture Media and Sports (2013), *Classifying and Measuring the Creative Industries*.

¹⁷ Department for Digital, Culture Media and Sport (2019), *Culture is Digital*.

¹⁸ Department for Digital, Culture Media and Sport (2018), *Creative Industries Sector Deal*.

¹⁹ Written by our researchers from the School of Journalism, Media and Culture at Cardiff University, the paper looks at recent academic research into immersive experiences in museums, galleries and heritage sites, and highlights key debates, opportunities and challenges. <https://pec.ac.uk/discussion-papers/immersive-experiences-in-museums-galleries-and-heritage-sites-a-review-of-research-findings-and-issues>

²⁰ Bakhshi, B., Djumalieva, J., Easton, E. (2019) *The Creative Digital Skills Revolution*. London: PEC and Nesta

²¹ Davies, J. and Ward Dyer, G. (2019) *The relationship between artistic activities and digital technology development*. Retrieved from: [https://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS_STU\(2019\)634440](https://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS_STU(2019)634440)

²² Day, M. (2017, May 3). *Sweden's booming video game industry is more than just Microsoft's 'Minecraft'*. Retrieved from <https://www.seattletimes.com/business/microsoft/swedens-booming-video-game-industry-is-more-than-just-minecraft/>

and become part of important international initiatives, in this case by becoming part of UN projects to improve public spaces, as well as making architecture accessible and inspiring artists through work with the Tate and the Pompidou.

Other global examples of high profile crossovers between creative and tech include the National Holocaust Centre's Forever Project, a 3D interactive programme which preserves the voices of holocaust survivors for generations to come, and the National Theatre's smart caption glasses which use augmented reality to open up live performance for people with hearing loss.

Chris Michaels, Director of Digital, Comms and Tech at the National Gallery described to us how far from missing the boat, the UK can still be '*best in class*' at the nexus of creativity and tech. For galleries and museums in particular, he told us that '*the richness of [the UK's] cultural and research assets is unbelievable. By thinking long term we can create and dominate a global market as these technologies develop.*'

The UK has come some way in cementing its place as a creative tech hub, through the work of the [Digital Catapult](#), as well as by bringing experts in this area from all over the world to the annual 'Createch' conference organised by the Creative Industries Council. Nesta (the lead on the PEC) has also undertaken a range of initiatives in this area, such as its work for the European Parliament's Panel for the Future of Science and Technology, its partnership with Arts Council England and the UK's Arts and Humanities Research Council (AHRC) on a Digital R&D fund for the arts, and data analysis work mapping the UK games and creative industries (Nesta, ACE and AHRC 2013; 2015, and Mateos-Garcia, Bakhshi and Lenel 2014).

Despite this, the reality is that investment in technology usually comes as part of creative industries programmes, and it is less common to see culture (film, television, music) and other creative industries mentioned in the UK Government's many technology and innovation projects. This is an important missed opportunity. Storytelling, for example, is central to immersive experiences and research in this area highlights the importance of ensuring technology is made frictionless, or even invisible.²³

In the recent Artificial Intelligence (AI) sector deal not one of the grand challenges looked at how to combine cultural content with AI assets - despite opportunities in this area with the high quality of UK content, and the emergence of new streaming platforms like Britbox, as well as an opportunity to combine our AI capabilities with other artistic forms. Research from the PEC shows that there are already high levels of UK AI research in areas potentially relevant for the creative industries, such as on image and sound data; however levels of AI research with direct applications to the industry are relatively low. Whilst this is true globally, the research finds that the UK is still relatively advanced compared to other countries and so is well positioned to take advantage of AI in the creative industries.²⁴

We recommend that the Government fund an AI and Creative Industries Centre, a £10m 5-year innovation centre that will provide:

1. **Training and skill development in AI for the creative industries:** The centre would provide training in AI that is directly focussed towards the needs of the creative industries.
2. **A gateway to R&D in AI for the creative industries:** The centre would connect creative companies with academic researchers in AI. If creative companies wanted to get input/advice from AI researchers on creative tool development, then the centre would be an entry point.
3. **Commercial development for AI creative start-ups:** The centre would perform an incubator/accelerator function for AI start-ups in the creative industries.

²³ Kidd, J. Nieto McAvoy E. (2019). *Immersive Experiences in Museums, Galleries and Heritage Sites: A review of research findings and issues*. Cardiff: Creative Industries Policy and Evidence Centre

²⁴ Davies, J. (2020). *The Art in the Artificial*. Nesta: Creative Industries Policy and Evidence Centre

This centre would allow the UK to capitalise on its strong positions in the creative industries and in AI research (behind only the US and China). In addition it would help us to secure an early lead in a technology having an impact across creative industries with applications of recent breakthroughs in design, fashion, games, film, music, advertising and art. It would also reduce the risk of other countries rapidly increasing their AI activities and this then undermining the UK's position in the creative industries.

Research from Nesta, the AHRC and UCL has also shown that if the Government wants to realise the potential of creative tech they should consider revising the definition of R&D they use, to fit our national strengths.²⁵

The definition of R&D that is used by the UK government corresponds to an international definition in the Frascati Manual which excludes the arts, humanities and social sciences. Consequently much of the research and development that happens in the creative industries - based on content development rather than just building physical technology - is excluded. Because of this, creative businesses are also excluded from the incentives that the government provides to help businesses to do more R&D.²⁶

If we want the UK to be at the forefront of technology and creativity then it makes sense that the Government incentivises R&D in this area. A review of the current definitions used by the government was promised in the Conservative Party Manifesto in 2019, and consideration of opportunity in this area should drive the focus of this review.

We recommend the Government reconsiders its definition of R&D to ensure it encourages innovation at the intersection of technology and content. We also recommend that the Government fund an AI and Creative Industries Centre, a £10m 5-year innovation centre that will provide training and skill development in AI for the creative industries, act as a gateway to R&D in AI for the creative industries and perform incubator and accelerator role for the commercial development for AI creative start-ups.

Global hub for design for good

The economic power of design in the UK is significant. The contribution it has made to the UK economy Gross Value Added (GVA) has more than doubled since 2010²⁷ and there are over 163,000 people working directly in the design sector. But it has more than economic impact: design shapes the way the world sees us. As Andrej Kupetz, Chief Executive of the German Design Council told us in an interview: *“design has helped to shape British identity, from William Morris and the arts and craft movement to iconic 60s/70s car designs like the Jaguar, Mini and Rolls Royce.”*

Recently, we have seen the power of design in tackling issues relating to the Covid-19 pandemic, whether that is in stopping the spread of germs in hotels or in creating applications that convey to young children the complex issues related to the pandemic.²⁸

²⁵ Bakhshi, H., Lomas, E. (2017). *Defining R&D for the creative industries*, London: Nesta, Arts and Humanities Research Council and University College London.

²⁶ *Ibid.*

²⁷ Department for Digital, Culture Media and Sports (2018), *DCMS Sectors Economic Estimates 2017: GVA* Retrieved from <https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-2017-gva>

²⁸ Retrieved from <https://www.designweek.co.uk/issues/7-july-13-july-2020/unicef-has-a-new-app-designed-to-protect-kids-from-coronavirus/> and <https://www.designweek.co.uk/issues/27-july-2-august-2020/philips-tv-remote-app-hotel/>

Design also cuts across all other sub-sectors of the creative industries. As Sir John Sorrell, design entrepreneur and ex-UK business ambassador, explained to us: *“If you took away design, other creative industry sub-sectors would not exist. Take the design disciplines that make London’s Royal Opera House work; without design you wouldn’t have the stage, costumes, lights or sets. Design is the glue for the creative industries.”*

However, the UK design sector does not always get the recognition it deserves. As Andrej Kupetz told us: *“these quintessentially British products [the Jaguar, Mini and Rolls Royce] were all designed over 40 years ago. British product designers still do a significant amount of high profile work, but their designs are not necessarily recognised as British. For example, how many people know that the iconic iPhone, iPod and Mac designs were created by a British designer, Jony Ive?”*

Industry leaders suggested to us that it may be the fault of policymakers that contemporary designers are not as well known as those that came before them. As Sir John Sorrell said, *‘If we look at the success of design in the 1960s, many of the policies that encouraged growth in that period were trade-focused. The rise of design cities such as Shenzhen in China shows that success through trade-focused policy has been replicated in other countries. As we have done it in the past, can we not do so again?’*

For Sir John, the solution to this is simple. *‘We know that we have British designers who are recognised as rock stars in other countries, such as Thomas Heatherwick in China or Paul Smith in Japan. Recognising and giving credit to great designers could have a significant impact on how the sector is perceived internationally.’*

Andrej Kupetz also felt that Britain could learn from its past, as well as thinking about design of all types:

“Perhaps you should look beyond product design to understand how Britain can maximise its assets. If we ask what makes something uniquely British, the response is something that’s practical, functional, and well-made with a hint of eccentricity. Fashion has really drawn from this perception, with London Fashion Week in particular showcasing a shared British identity. Perhaps a similar mechanism is needed to draw attention to product design and how it sits within the wider UK creative industries.”

Other sector leaders we spoke to were more cautious about the UK Government’s ability to bring attention to its current designers in the way they could those of the past, recognising that now tech companies, rather than the designers they hire, are the household names. But all agreed that the UK’s design specialism should be better understood and invested in.

Some policymakers have already signalled that they understand the need for a greater spotlight to be given to design in both domestic and international strategies. The Scottish Government’s 2019 Creative Industries Policy Statement highlights the importance of design and prioritises giving this economically successful industry a greater ‘international profile’²⁹

Delegations, like the one of more than 100 designers and design businesses that Sir John Sorrell took to the Business of Design Week (BoDW) in Hong Kong in 2019, also offer a unique international platform to the British design industry *“The UK was the partner country for BoDW 2019 and the event [was] the culmination of year-long ‘Design is GREAT’ campaign, led by the Department for International Trade, looking at how design and design thinking is innovating products and services in the UK. BoDW was supported by a number of Hong Kong organisations, including the Hong Kong Design Centre and Hong Kong Trade Development Council. The aim of the trade mission was to create new international partnerships for UK design businesses. [Platforms like this are] a key opportunity for the UK Government to show its support for British design.”*

²⁹ Scottish Government (2019), *Creative industries: policy statement*. Retrieved from <https://www.gov.scot/publications/policy-statement-creative-industries/pages/2/>

There are specific opportunities when we consider the UK design sector as an industry that could improve global welfare. The UK could build on its existing mission-led design sector by using public policy to enable that sector to better respond to global challenges. Building on the Grand Challenges set out in the Industrial Strategy, but ensuring the design sector is better able to access investment, the UK could be a world leader in design facilitated mission-oriented policy, which Professor Mariana Mazzucato describes as a public policy which focuses on mission-based, problem-specific societal challenges (instead of those focusing on particular sectors as in traditional industrial policy).³⁰

Industry leaders we spoke to directed us to the opportunities in mission-led design, not only because of the way that great designers in this field are changing the world for good but also because they believed that the UK is already leading in this field.

Shoshana Stewart, Chief Executive of Turquoise Mountain, told us:

“The work that I do in developing countries is all about growing their creative industries by linking local designers into global, ethical supply chains. If the sector is to drive growth in places like Afghanistan it needs to be highly designed and high-end - it can't be a race to the bottom. Given the UK's history leading movements around sustainable food and tourism, there is a real opportunity for the UK to become the centre of a sustainable design movement.

The UK already has a reputation for design 'for good' and London has developed a unique, creative environment which allows people to maintain their own national identity whilst learning and networking with those from all over the world.“

The following examples, provided by industry leaders at home and overseas, demonstrate the breadth and strength of British mission-based design which could be enabled by investment aimed at solving global problems:

- The Design and Living Systems Lab at Central Saint Martins which is a pioneering research laboratory that explores the interface of biological sciences and design to challenge established paradigms and envision new sustainable materials and forms of production for the future.³¹
- Ross Atkin's designs which help disabled people to live more independently, and introduce design and engineering to children.³²
- Hildrey Studio's design 'Proxy Address' project, which uses duplicated addresses to connect those facing homelessness with support.
- Natsi Audrey Chieza's pioneering chemical-free, water-saving biofabrication system³³
- Stella McCartney's sustainable fashion.
- Centre for Circular Design (CCD), which focuses on how design practice can innovate and inform the development of the circular economy for materials, textiles, fashion and other design fields.³⁴
- Architectural collective Assemble's community led project bringing streets out of dereliction in Granby.³⁵
- The University of London's multidisciplinary research group 'Forensic architecture' which investigates cases of state violence and violations of human rights around the world.
- Phoebe English's pioneering ecological practice in fashion design.³⁶
- Materiom, a Somerset House-based agency developing and sharing new (sustainable) material recipes.³⁷

³⁰ Mariana Mazzucato, (accessed August 2020) Retrieved from <https://marianamazucato.com/research/mission-oriented-innovation-policy/>

³¹ Retrieved from <http://www.designandlivingsystems.com/about/>

³² Retrieved from <http://www.fromnowon.co.uk/work/>

³³ Retrieved from <https://www.natsiaudrey.co.uk/>

³⁴ Retrieved from <https://www.arts.ac.uk/research/research-centres/centre-for-circular-design>

³⁵ Retrieved from <https://assemblestudio.co.uk/projects/granby-four-streets-2>

³⁶ Retrieved from <http://www.phoebeenglish.com/shop-grid/>

- Daniel Charn’s initiative ‘Fixperts’ which match-makes inventive designers to people with everyday design problems.³⁸
- Fashion designer and social innovator Bethany Williams’s Breadline project which aims to highlight and find solutions for the “hidden hunger” crisis in the UK.³⁹
- London’s Good Growth by Design.⁴⁰

Giving projects like these a global platform and targeted investment would mean not only demonstrating the best of UK academic practice and business innovation, but also the best we have to offer the world - whether that is by making the materials used in the fashion industry more environmentally friendly, or helping the homeless to regain identity.

We recommend that a key part of the Government’s soft power strategy is investment in and a platform given to the UK businesses, academics and non-profits working in sustainable and mission-led design. As part of this we recommend support for trade missions organised by global challenge, ongoing funding for the Cultural Protection Fund and that global promotion is given to the opportunities within the Chevening Scholarship for those studying creative subjects.

Be a hub for the world’s top creatives

Many of our universities are globally revered. International students not only bring in a significant amount of revenue to the UK in 2018/9, total revenue from the 496,000 international HE students at UK HEIs totalled £16bn⁴¹. The Government’s ambition, as stated in the International Education Strategy by the Department for International Trade (DfIT) and the Department for Education (DfE), is to grow this to 600,000 students and £35bn by 2030.⁴² Additionally to the direct, indirect and induced spending it gives us links to countries that far outlast those students’ tenure in the UK. In 2020 among serving monarchs, presidents and prime ministers who undertook higher education abroad, 57 were educated in the UK (only exceeded by 62 who were educated in the US)⁴³. Whether because of these networks, or the economic importance of our university sector, the soft power of our education system is already well recognised by the Government.⁴⁴

In the arts in particular the UK has been recognised as best in class: the 2021 QS World University rankings places three UK institutions in the top 10 institutions worldwide for delivering art and design subjects (including UK universities at spots one and two).⁴⁵ The UK also has three top ranking institutions

³⁷ Retrieved from <https://materiom.org/about>

³⁸ Charlcrafft, E. (2012 Oct 22). *The New Era of Making needs Fixperts*. London: Dezeen. Retrieved from <https://www.dezeen.com/2012/10/22/the-new-era-of-making-needs-fixperts-says-project-founder-daniel-charny/>

³⁹ Shahnavaaz, N (2016 Jan 9). *Bethany Williams is boosting fashion’s eco-credentials*. London: Dazed Media. Retrieved from <https://www.dazeddigital.com/fashion/article/29090/1/bethany-williams-is-boosting-fashion-s-eco-credentials>

⁴⁰ Retrieved from <https://www.london.gov.uk/what-we-do/regeneration/advice-and-guidance/about-good-growth-design>

⁴¹ This includes spending on fee income and living expenditure and excludes Scholarships awarded and the cost to the government of EU tuition fee loans. In 2018, HE accounted for 69 per cent of total UK revenue from education related exports and transnational activity. Source: DfE (2020). *UK revenue from education related exports and transnational education activity in 2018*. Retrieved from https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/944966/SFR_education_exports_2018_FINAL.pdf

⁴² Department for Education and Department for International Trade (2021): *International Education Strategy: global potential, global growth*. Retrieved from <https://www.gov.uk/government/publications/international-education-strategy-global-potential-global-growth/international-education-strategy-global-potential-global-growth>

⁴³ Hillman, N. (2020). *HEPI Annual Soft-Power Ranking 2020*. . London: HEPI. Retrieved from <https://www.hepi.ac.uk/wp-content/uploads/2020/08/HEPI-Soft-Power-Ranking-2020.pdf>

⁴⁴ The two have been mentioned together 22 times in the House of Commons and 76 times in the House of Lords over the last five years.

⁴⁵ Retrieved from <https://www.topuniversities.com/university-rankings/university-subject-rankings/2021/art-design>

in performing arts in the same ranking.⁴⁶ In this submission we are using the broader definition of creative subjects that is also used in the PEC paper ‘For Love or Money’⁴⁷.

Programmes such as the AHRC UK-China Research-Industry Creative Partnership, and the University UK International’s mission to China, have further strengthened connections between UK HEI’s creative departments and Chinese counterparts and demonstrated the global appetite for collaboration in this area.

Our interviews with international sector leaders have highlighted the importance of the UK’s creative education offering as a key soft power asset. It was understood by those we spoke to not only as something that made the UK *look* good, but as a global good.

Linda Merrick, Principal of the Royal Northern College of Music (RNCM), based in Manchester, told us of the importance of international students to UK conservatoires:

“The RNCM’s reputation has seen it attract students and staff from across the globe, with its alumni enjoying success in the music industry throughout the UK and overseas acting as powerful ambassadors for the quality and impact of the UK’s leading performing arts conservatoires and its creative industries.”

EU students currently represent c.7% of the RNCM’s overall student population. In some institutions the proportion of EU students is much higher – c.20-25% of their population. As well as the financial risks entailed in losing such a sizeable amount of tuition fee income, EU students make a positive impact on institutions as regards quality and a balanced instrumental and vocal ecology.”

However, a combination of the impact of leaving the European Union, a reluctance to live abroad due to Covid-19, and proposed changes to the higher education system has led to serious concern about the future of Universities which specialise in the creative arts. The emphasis of government policy seems to be increasingly on subjects that offer strong economic returns, without recognising the wider value of creativity and culture.⁴⁸ For example, the Augar Review of post-18 education challenged whether public funding of creative arts and design and social studies subjects represented good value for taxpayers’ money given current levels of grant top-ups and debt write-offs (DfE, 2019).⁴⁹

Research from the PEC and the University of Sussex, “Graduate motivations and the economic returns of creative higher education inside and outside the creative industries,” offers some alternative perspectives on value for money. The research demonstrates the value of creative higher education by establishing a clear link between studying a creative subject at university and gaining meaningful graduate employment in creative work. It also suggests that the government should look at assessing a broader range of exchequer revenues (by linking subject choice to size and future employment opportunities) to ensure that a strong, creative talent pipeline is maintained.⁵⁰

⁴⁶ Retrieved from <https://www.topuniversities.com/university-rankings/university-subject-rankings/2021/performing-arts>

⁴⁷ The report bases its subject categorisation on the highest level CAH groupings (CAH 1) which consists of 26 subject groups. However, it recategorizes certain subjects as ‘creative subjects’, which it defines with reference to Comunian et al. (2011) as those subjects which map to the creative industries. This definition of creative subject covers all of the ‘Design and creative and performing arts’ CAH group,⁴ as well as all of the ‘Media, journalism and communications’ CAH group. It also adds a number of other subjects to the creative definition, such as script writing, video games design, television studies, and music recording, which would normally appear under different groupings.

⁴⁸ Carey, H., Florisson, R., Giles, L. (2019). *Skills, talent and diversity in the creative industries: critical issues and evidence gaps*. London and Lancaster: Creative Industries Policy and Evidence Centre and The Work Foundation, Lancaster University. Retrieved from https://pec.ac.uk/assets/publications/PEC-Evidence-synthesis-scoping_Work-Foundation-FINAL.pdf

⁴⁹ Independent panel report: post-18 review of education and funding (2019) Department for Education, Retrieved from <https://www.gov.uk/government/publications/post-18-review-of-education-and-funding-independent-panel-report>

⁵⁰ Bloom, M., Bakhshi, H. (2020) *Graduate motivations and the economic returns of creative higher education inside and outside the creative industries*, Creative Industries Policy & Evidence Centre and the University of Sussex. Retrieved from https://pec.ac.uk/assets/publications/Insights-for-policymakers_Graduate-Motivations-and-the-Economic>Returns-of-Creative-Higher-Education-Inside-and-Outside-the-Creative-Industries.pdf

Research from PEC and Work Advance has shown that over 90% creative workers are highly skilled in the Creative Industries and nearly 3/4s are educated to degree level or above – this compares to only 44% for all industries. Compared to other types of subjects there is a high degree of matching between creative graduates and creative jobs: 82% of creative graduates in design subjects also work in design industries; 78% of creative graduates in Music, performing & visual arts subjects and 75% of creative graduates in Architecture working in music, performing and visual arts and in architecture respectively. Further, 73% took their job because it was the type of role they wanted to do - this compares with only 66 per cent of non-creative graduates. Creative Higher Education courses are giving graduates the skills they need to gain employment in the roles they want.⁵¹

In contrast, the current approach of the Government is to employ measures of graduate outcomes that focus on wages and employment. It would therefore be crucial to widen specific measures of graduate outcomes. Anna Vignoles, the director of the Leverhulme trust and co-author of many of the publications published by the IfS on salary outcome of differing degree types, argues that historical earnings data neither reflect present nor future economic value:

“Even where wages are more clearly determined by the market, they do not measure ‘value’. The arts are attractive and many people want to work in them. That willingness keeps the supply of talent high, from which the creative industries benefit, but it also keeps the wages down.”⁵²

These findings were echoed in our interview with Linda Merrick, who noted that

“It is critical that the value of a degree is viewed holistically, and that the contribution conservatoire graduates make to the creative industries, and therefore to the UK economy, is properly recognised... There are concerns that the government’s emphasis on salary alone will dissuade talented students from studying at conservatoires, diminishing the UK’s creative workforce and undermining its global reputation for excellence.”

But it is vital that assessments of value through graduate outcomes are sufficiently meaningful in a future labour market. The policy implications of these insights are fully explored in a recent PEC policy briefing authored by Lesley Giles, which highlights an urgent need for the DfE to consider the strategic advantage of different subjects in policy decisions using their existing labour market framework, to widen the specific measures of graduate outcomes and to ensure that assessments of any specific subject area aren’t too broad and recognise the heterogeneity of arts subjects in the UK.⁵³ Only by doing this can we protect the global good that is the best of UK arts education.

International students are particularly important to the health of the UK’s education sector, our creative industries and, in turn, to our soft power. Research from the PEC and Newcastle University Business School on “International creative students: their significance for UK universities, regions and the creative industries,” cites the significance of university students from overseas for the UK, noting that of the 26% increase in education exports from 2010 to 2016, 67% is attributable to higher education institutions. Many universities rely on fee income from international students, but the dual pressure of Covid-19 and Brexit has made a number of institutions anxious about disruption to international demand for UK education.⁵⁴

⁵¹ Giles, L. (2021) *How to design a creative higher education system that supports economic needs*. Creative Industries Policy & Evidence Centre and Work Advance. Retrieved from: <https://www.pec.ac.uk/policy-briefings/how-to-design-a-creative-higher-education-system-that-supports-economic-needs>

⁵² Vignoles, A. (2021) *What is the value of Higher Education?* Available from: <https://www.pec.ac.uk/blog/what-value-higher-education>

⁵³ Giles, L. (2021) *How to design a creative higher education system that supports economic needs*. Creative Industries Policy & Evidence Centre and Work Advance. Available from: <https://www.pec.ac.uk/policy-briefings/how-to-design-a-creative-higher-education-system-that-supports-economic-needs>

⁵⁴ Vermeulen, W., Di Novo, S., Fazio, G. (August 2020) *International creative students: their significance for UK universities, regions and the creative industries*, Creative Industries Policy & Evidence Centre and Newcastle University Business School. Retrieved from <https://pec.ac.uk/assets/publications/PEC-discussion-paper-International-creative-students-their-significance-for-UK-universities-regions-and-the-creative-industries.pdf>

The research concludes that the ability of the sector to keep attracting international students, especially in the face of shocks, has critical implications both nationally and at the local level. Creative graduates, together with a diverse and cosmopolitan culture, are linked to higher local growth. Retaining international students therefore has important implications for the UK's Industrial Strategy and "levelling-up" agenda, as well as in defining how other nations see us.⁵⁵

It is important that the impact of changes to immigration rules and higher education funding structures are seen in light of the importance of these institutions to our soft power, particularly for those that specialise in creative education.

We recommend that all UK nations, and the central Government, should carefully consider how policy may inadvertently damage the UK's position as a global educator in the creative arts. To assess the value of degrees by graduate wage data alone risks missing important aspects of present and future market demand for creative graduates. The success the UK has had in creative education should be trumpeted in soft power policy, and this should be joined up with discussions happening in the Departments for Education and elsewhere in Government around the future of funding in the Higher Education system.

⁵⁵ *Ibid*

Appendices

Methodology

To consider what might make up a creative recipe for soft power, we have taken evidence from a series of international experts as well as UK thought leaders. We looked at the existing literature and tried to find what was missing. Where possible we provide concrete policy recommendations, stemming from this consultation.

The paper is organised by the ingredients we believe could make up a new recipe for soft power. In deciding these we started by looking at the metrics developed as part of the Portland Soft Power Index.⁵⁶ We wanted to think about what drove these international rankings - the logic of the paper being that by following our 'recipe' the Government might be able to improve Britain's position.

Moreover, we worked to identify challenges that do not only seek to boost the *perception* of Britain. We believe that in its Soft Power Strategy the UK should look to help solve global problems. This means picking those areas where we have a unique advantage and ensuring that we are using that advantage in a way that enhances international cooperation as well as our own position.

The UK should not be the only beneficiary of ambitions to, for example, provide an excellent education for creatives from all over the world, or of developing creative tech that can be used worldwide; by investing in mission-led design we do improve how others see us, but the reason for that is that we are contributing to finding solutions to global issues.

As we wrote the paper we were also influenced by a number of other factors, including the conversations we had with Government representatives, the British Council and the experts we interviewed. We came away with four challenges for the UK which we believe should be fundamental in any soft power strategy.

These are to:

- **Make UK culture central to foreign policy**
- **Develop cutting edge Creative Tech**
- **Become a global hub for mission-led design**
- **Nurture the world's top creatives**

Soft power for the whole UK?

In this paper we seek to give examples of policies that could benefit the whole UK. Some of the policies discussed here are devolved matters (for example, education) and others are not (for example, those pertaining to the British Council). Others could be accepted at national levels or across the UK.

It is also important to note that the UK's composite nations have their own international identities and brands of soft power, as well as their own visions for their respective creative sectors. For example, in the recently published Creative Industries Policy Statement by the Scottish Government they wrote that the "Creative industries are well placed to showcase and promote Scotland abroad, for example through screen, music, fashion and textiles, design, architecture, digital technologies, games, visual and performing arts"⁵⁷. Where relevant, this is something we have highlighted in this paper.

About the Creative Industries Policy and Evidence Centre (PEC)

The Creative Industries Policy and Evidence Centre (PEC) works to support the growth of the UK's creative industries through independent evidence and policy advice. Led by Nesta and funded by the Arts and Humanities Research Council as part of the UK Government's Industrial Strategy, the PEC comprises a consortium of universities from across the UK (Birmingham, Cardiff, Edinburgh, Glasgow, Work Foundation at Lancaster University, LSE, Manchester, Newcastle, Sussex and Ulster). The PEC works with a diverse range of industry partners including the Creative Industries Federation.

⁵⁶ McClory, J. (2019) The Soft Power Index. London: Portland Communications.

⁵⁷ Scottish Government (2019), *Creative industries: policy statement*. Retrieved from <https://www.gov.scot/publications/policy-statement-creative-industries/pages/2/>

