



Assessing the Impacts of the Cultural Industry

by David Throsby

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David Throsby*

Introduction

The word "impact", when used in the phrase "economic impact analysis", has two somewhat different interpretations within the economics of the arts and culture. The first arises when the economic impact study under consideration relates to an institution such as an art museum, or an event such as a festival. In these cases the impacts are specific, seen for example in the effects of the institution or event on incomes or employment in the surrounding city or region. The impact in this sense is quite literal; the question is asked as to how the existence of the project affects economic activity, and the interest of the analyst frequently lies in comparing the with-project and without-project scenarios in order to demonstrate the benefits flowing from the project investment. Well conducted, with due regard for economic and statistical rigour, such studies can be very useful. However the pitfalls are many, as has been documented in the literature (Seaman, 1987, 2002; Bille Hansen, 1995; van Puffelen, 1996; Frey, 2004). There have been a number of dubious applications of the technique over the years; it seems that poorly-executed studies are particularly likely to arise when the motive is advocacy rather than objective economic analysis.

In this paper I want to turn attention to the second sense in which "impact" is used in the analysis of artistic or cultural phenomena. This sense is much broader, relating to the economic effects of whole industries or groups of firms or institutions in the cultural sector, rather than to a single project. In this context, interest is likely to centre on the economic "contribution" rather than "impact" of the industry or sector, assessed in terms of its levels of output, employment, export earnings, etc. Nevertheless, the phenomenon of impact may not be far away, because an analysis such as this may be able to be used to assess the impact of an exogenous shock affecting the industry, such as the sudden imposition of a tax or subsidy.

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Analytical Methods

There are a number of different ways in which the economic functioning of an industry can be assessed. The most basic approach is simply to measure the standard economic variables for which data are routinely collected for all industries by statistical agencies: gross value of production, value added, fixed capital formation, levels of employment of different categories of labour, and so on¹. For cultural industries the key issue here is one of definition of industry boundaries. How finely are industry classifications drawn and how realistic are they in representing distinct and recognisable areas of artistic and cultural production? For example, are statistics collected only for "the performing arts", or do they specify individual activities such as theatre, opera, dance, etc.? Some progress has been made in several countries in recent years in providing a more informed basis for designation of cultural industries, and the usefulness of cultural statistics that are currently being collected is improving all the time. Furthermore, efforts are being made to harmonize definitions across different jurisdictions through the development of new international standards for industry classification, due for implementation by the year 2007. In this process it is hoped that a more consistent structure for classifying cultural industries around the world will be agreed upon².

Studies of the economic contribution of cultural industries may be of value as a means of demonstrating, for example, that the arts are not some minor economic backwater but account for x percent of GDP, where x is greater than the casual observer might have imagined. However, such studies can also be misused if the aim is simply to talk up the economic "impact" of a particular cultural industry. This might occur, for example, by claiming that employment levels in the cultural industry represent new job creation; in fact in a fully employed economy it can be assumed that workers in the industry under consideration would have been employed elsewhere if the industry did not exist.

Moving to a higher level of analytical interest brings us to approaches which look at inter-industry relationships. Whether it is "contribution" or "impact" that is of interest, it is important to understand the ways in which a particular industry interacts with others if a full picture of the industry's role in the economy is to be painted. One of the most long-standing techniques available for this sort of study is input-output analysis. Its capacity to depict the ways in which output is produced and distributed in the economy, and to capture the direct, indirect and induced effects on industries, consumers and government of a range of external stimuli are well known.

In regard to the usefulness of input-output as a tool for economic impact analysis in the arts and cultural sectors, two considerations stand out. The first is that few input-output tables that have been constructed for whole economies or parts thereof have contained a sufficiently detailed breakdown of the arts and cultural industries to be of any use in analysing these specific activities. Often the arts will be

¹ See, for example, the "profiles" of various cultural industries in the UK contained in Selwood (2001).

² For further discussion of various aspects of cultural statistics, see contributions to Bernier and Lievesley (2003).

included, if at all, under "recreation", "leisure", "other services", or some other categorisation too broad to enable meaningful analysis of the arts. The second problem is common to all input-output studies, namely the stringent data requirements. Even input-output tables constructed at a relatively high level of aggregation can only be estimated after extensive data gathering, including of necessity some collection of data from primary sources. The combination of these two problems places a serious constraint on the extent to which input-output analysis can be used for studying economic impacts in the arts and cultural sector³.

Nevertheless, some of input-output's close relatives may offer more hope. For example, social accounting matrices (SAMs) are not quite so demanding of data and yet enable a similar sort of analysis of the inter-industry effects of economic change. SAMs enjoyed a vogue during the 70s and 80s, especially in the World Bank where they were exhaustively investigated as a workable tool for development planning⁴. At that time interest focussed fairly heavily on the traditional sources of growth – agriculture, secondary industry, infrastructure, etc.; since then, and particularly over the last five years or so, increasing attention has been paid by development economists to the role of small-scale cultural industries as a source of economic growth in Third World countries. Such industries, which include local music production, local broadcasting and press, crafts, textiles, etc. have considerable economic potential as well as being important for cultural development. It may be, then, that SAMs could enjoy a revival of interest as a means towards more rigorous analysis of the economic functions of these cultural industries, assuming of course that the necessary data can be found.

Another variant of input-output analysis is its specifically regional formulation. Regional input-output techniques have been developed and applied over a long period of time in the field of regional economics, with many useful results being generated. Given the recent growth in interest in the possibilities for investment in arts and cultural activities as a means towards urban and regional revitalisation⁵, there would seem to be some scope for the extension of regional input-output analysis into the cultural field, again assuming that such a development is not stymied through lack of data. In particular, it should be noted that the factor of production that has been highlighted in discussions concerning the location of cultural industries in towns and cities has been the creative labour force (Florida, 2002); if it is possible in empirical terms to differentiate between creative and other types of labour, it may be that regional input-output analysis could be used to gain a much clearer understanding of the validity of claims about the nature of the "creative economy" in an urban setting⁶.

³ An example of an application of input-output analysis to studying the impacts of the arts and cultural industries is contained in Bryan (2000); estimates are made of the sectoral impacts of these industries on employment, output and incomes in the Welsh economy.

⁴ See, for example, Pyatt and Roe (1977); for a recent illustration of the use of a SAM as a tool in economic impact analysis, see Hakfoort *et al.* (2001).

⁵ See, for example, Rana (2000).

⁶ For illustrations of the use of regional input-output methods to examine the economic impacts of artistic activity, see DiNoto and Merk (1993) and Gazel and Schwer (1997).

Finally, mention should be made of the possible use of computable general equilibrium (CGE) models in the analysis of economic impacts involving the cultural industries. These models are usually estimated at a relatively high level of aggregation and are typically used to study the effects of a wide range of types of exogenous shocks on indicators such as GDP growth, employment and unemployment, investment, exports, etc. in the economy. A number of the difficulties described above in the context of other techniques apply also to CGE models, in particular the restrictive nature of some of the assumptions on which they are based, their data demands, and the difficulty of depicting the precise form of some types of shocks that may be of particular interest in a cultural sector analysis. An example of the latter problem is found in the possible use of a CGE model of an economy to analyse the impact of changing the regulatory environment surrounding cultural industries; if, for instance, a country like France, Canada or Australia wished to study the effects of changing local content rules in television, the only type of shock that could be administered to a typical CGE model of the country's economy would be likely to be fairly remote from being a realistic simulation of such a regulatory change⁷.

A structural model of a cultural industry

In the remainder of this paper I take a somewhat different approach to the modelling of cultural industries and their economic effects. All the analytical techniques discussed above represent the cultural industries either as a single sector (an aggregation of all creative production) or as single industries (movie production, publishing, visual arts, music, etc.). But it is also of interest to look more closely at the internal structure of these industries: how do the various components of a particular industry relate to each other and to the outside world? A structural model of the industry depicting the relationship between its various elements and between those elements and the rest of the economy can provide a means for addressing these questions. If such a model is build around the transactions between stakeholder groups within and outside the industry, it can be termed a *transactions model*.

By way of illustration, consider the visual arts. This industry consists of a number of groups of stakeholders. One important group is artists, who produce artworks using their own labour and other inputs sourced from various input suppliers. The output of artists is sold to consumers either directly, or through other stakeholders such as commercial galleries or dealers. Another important component of the visual arts industry is public art museums. They also use a variety of inputs, including importantly the capital services provided by their collections, to produce a range of services sold to consumers (some at zero price, e.g. when gallery admission is free). Surrounding these are yet more components of the industry, including infrastructure organisations supporting the visual arts, educational and training institutions such as art schools, and so on. All of these elements of the "core" visual arts industry have interactions with external entities, including consumers, other domestic industries, government and the external sector.

⁷ A sector bearing some resemblance to the cultural industries is tourism, an area where CGE models have been applied to estimate economic impacts (see, for example, Dwyer, 2003). Indeed CGE models have tended to replace input-output in the analysis of tourism impacts in recent years (Dwyer *et al.*, 2003).

The interrelationships between the various elements of the model described above can be seen in terms of the transactions between them. Two types of transactions can be identified, giving this model of a cultural industry its distinctive flavour. First, we can observe *economic* transactions – artists buying equipment from suppliers of materials, commercial galleries on-selling artworks to the public, governments providing funds to support art schools which in turn might pay some artists as teachers and receive fees from other artists as students, and so on. All of these transactions could be quantified for a given time period as a flow of funds between stakeholder groups in the model. Indeed, as we shall see below, these financial flows can be represented as a transactions matrix or a flow-of-funds matrix, with rows and columns covering all relevant stakeholder groups within the industry and beyond.

At the same time, there is a second type of transaction taking place, namely a set of *cultural* transactions. Artists engage in cultural transactions with dealers and consumers when the quality of their work is evaluated. Consumers engage in cultural transactions with art museums when they contemplate the cultural messages conveyed by the artworks on display. Similar cultural transactions occur between other stakeholder groups in the model. Thus, in the same way as we can construct a flow-of-funds matrix to represent the *economic* transactions between stakeholders, so also can we imagine, in principle at least, a matrix showing the flows of *cultural* value resulting from cultural engagements and exchanges within the industry and between the industry and the outside world. Thus it is possible to postulate a dual or shadow economy involving cultural transactions that parallels the real economy where actual financial exchange occurs. In some cases there may be a close relationship between flows of cultural and economic value; for example, the quality evaluations made by buyers and sellers of artworks for sale are likely to have a strong influence on the prices they are willing to pay and accept, and hence on equilibrium prices in the market. In other cases transactions may be purely economic (such as an artist buying materials from a supplier) or purely cultural (such as a person looking at artworks for free in a gallery or museum).

To put this model into effect in applying it to the visual arts, the first task is to identify the principal groups of stakeholders in the model. Typically, the visual arts industry in most developed countries could be seen to comprise the following elements:

CORE VISUAL ARTS

- Artists
- Suppliers of arts-related inputs
- Public galleries
- Commercial galleries
- Other retail outlets, auction houses, arts festivals, etc.
- Education and training institutions
- Infrastructure organisations

OTHER SECTORS

- Consumers
- Government

Benefactors and patrons
Other domestic industries
External sector (exports and imports)

A brief summary of each stakeholder category follows.

Artists: Since the concern of an industrial analysis is likely to be with professional practitioners rather than with hobbyists or leisure-makers, this stakeholder category will be confined to practising professional visual artists and craftspeople, whether full-time or part-time, and those in training to enter these professions. Defining “practising”, and more particularly “professional”, may vary because of different standards applied in different countries.

Suppliers of arts-related inputs: This category includes as part of the core industry those businesses which supply art inputs such as paints, canvases, framing services and other materials, which are sold mainly to artists and also to galleries and others. Of course artists buy materials from a number of different sources, many of which would not be counted as part of the core visual arts. A suitable criterion for inclusion in the core would be that a business supplies principally or only to the visual arts/crafts.

Public galleries (public art museums): This category refers to galleries in receipt of some public funding and involved primarily or only in collecting and showing rather than selling art.

Commercial galleries: These galleries can be defined as businesses whose primary activity is the display and sale of artworks. The definition might include artist-run spaces but would not include direct sales by artists, nor businesses that are involved in the sale of artworks as a secondary activity, such as auction houses, art museums and department stores, all of which are included elsewhere.

Other retail: This stakeholder category is intended as a catch-all for other forms of visual art and craft distribution that are not captured in the above categories. It would include art auction houses, arts festivals, and art galleries or other sales outlets which exist as part of other institutions (e.g. department stores).

Education and training: The post-secondary visual arts education sector in most countries is inseparable from the visual arts itself, and, if so, would be appropriately included as an element of the core industry. This stakeholder category is likely to be based on an institutional definition, not an activity definition, covering funding and delivery of services by both government and private visual arts education and training institutions. Private tuition by artists outside of an institutional framework is also an educational activity, but it would be measured in the model as a direct payment from consumers to artists.

Infrastructure organisations: Organisations involved in providing support services to the visual arts such as funding, advice, promotional assistance and information exchange would be included in this category.

The above seven categories can be represented as comprising the core visual arts industry. In addition, we define five further stakeholder groups outside of the visual arts itself, with which elements of the core industry have both financial and cultural dealings. These additional categories are as follows:

Consumers: This category contains those who directly purchase or consume the final goods and services produced by the visual arts industry. It thus comprises those who buy artworks and related goods for private consumption and use, and those who view artworks in galleries and museums. It is confined to private individuals or households. In principle it might also include those who consume artworks as public goods by viewing them for free in the public domain, such as in public spaces or on the internet; however, since no direct financial transaction is involved, the inclusion of this demand in the flow-of-funds matrix is not appropriate.

Government: The government sector at federal, state and local levels has transactional relationships with the visual arts through provision of grants to artists and organisations, support for the capital and operating expenditure of public art museums, and so on. In the other direction, all stakeholders in the core industry provide funds to government through direct and indirect tax payments, not all of which can necessarily be identified and measured.

Benefactors and patrons: Private individuals and institutions who provide donations and other non-contingent funds to the visual arts make up this category. Sponsorship (contingent funding) should be regarded as a service provision by the visual arts and is more appropriately considered as a commercial transaction with the “Other domestic industries” category below.

Other domestic industries: Financial flows into the visual arts from other industries include sponsorships, and payments to artists for their labour inputs into other industry sectors. In the latter case, the labour may be skilled, such as an artist designing a web-site in the IT industry, or unskilled, such as an artist earning additional income as a taxi driver. Domestic flows out of the visual arts include payments by artists and arts organisations for a wide range of goods and services sourced from elsewhere in the economy.

External sector: Stakeholders in the external sector include those overseas residents who purchase local visual art direct from local sources (including foreign tourists) and those overseas suppliers from whom local individuals and firms directly purchase visual arts goods and services such as imported touring exhibitions.

Having defined the relevant groups of stakeholders, we can proceed to specify the model by identifying the economic and cultural relationships between them. In terms of economic transactions, the flows between stakeholders can be represented as a transactions matrix which tabulates the financial flows in a given period *from* every specified stakeholder group *to* every other. When this matrix is fully articulated, each cell in the matrix will record payments made by the row stakeholder (in the left-most column) to the column stakeholder (in the topmost row) in the period to which the analysis relates.

In parallel with this matrix we can imagine a corresponding matrix of cultural transactions. However, where tangible economic flows are readily measurable in financial terms, there is no such unit of account for representing cultural value⁸. Thus it is likely to be possible to identify cultural transactions (or "flows of cultural value") only in qualitative terms. For example, as noted above, we can postulate that the origin of cultural value creation in the visual arts lies in the works produced by artists, including works currently produced for the market by practising artists, and works in collections which are viewed by consumers in a variety of contexts. In the latter case, where works are shown in public institutions, additional cultural value may be imparted by the interpretive skills of curators and critics. Generally, the end-point of these flows of cultural value is the consumer, whoever he or she may be.

Although the flows of cultural value occurring as a result of the transactions depicted in this model are difficult or impossible to measure in quantitative terms – at least in our present state of understanding – we should not underrate the importance of these cultural transactions in a model of this sort. To comprehend the structure and functions of a cultural industry and its relationships with other sectors, it would seem desirable that explicit account should be taken of the industry's underlying cultural rationale. It can be argued that it is the peculiar characteristics of cultural goods and services that endow impact studies in the arts and culture with their distinctive flavour; hence confining impact studies to purely economic effects is only telling half the story.

An empirical application

As an illustration of the empirical application of the model described in the previous section, I present some results from an unpublished study carried out by Christopher Madden and myself in 2001 (Throsby and Madden, 2001). This study formed part of a large-scale research project aimed at deriving policy guidelines and a code of practice for the visual arts and crafts industry in Australia.⁹

The economic component of the above model was quantified for the base year of 1996-97 by compiling data on financial transactions in that year between stakeholder groups. Statistics were obtained from sources such as annual reports, annual statistical returns, research reports of sample surveys, public accounts and so on. Data on the aggregate receipts and payments in the matrix were expected to be available from one or both of two sources. The amount of a single transactional flow, such as that between consumers and public galleries (payments by individuals to art museums for entrance to exhibitions, merchandise purchases, etc.) should in principle have been recorded both in the galleries' data as receipts, and in consumer expenditure data as payments. In relatively few cases, however, were both data sources available for any given transactional flow, and even if they were, there were

⁸ For further discussion of concepts of cultural value, see Throsby (2001, 2003).

⁹ The Visual Arts Industry Guidelines Research Project was carried out under the auspices of the National Association for the Visual Arts, with primary funding from the Australian Research Council. The team leader was Professor Terry Smith, Department of Fine Arts, University of Sydney.

often reasons why estimates of what would appear to be the same item differed between the sources. In some cases no reliable source could be found for either receipts or payments, and some inference or assumption had to be made. In general, we tried to rationalise apparent discrepancies in data, and, where more than one source was available, to use that which might be regarded as the more reliable.

The transactions matrix compiled for this study is shown in Table 1. It maps the flows of funds between the stakeholders in the visual arts industry and between the industry and the wider economy in Australia for the year 1996-97. The sense of the flows of tangible economic value which the figures in the matrix represent can perhaps be best appreciated in diagrammatic form. Figure 1 shows the principal net flows for the major stakeholder groups in the industry, plus the government sector. When two-way flows occur, the net positive amount is indicated. The diagram shows the origins of demand for the industry's output deriving from consumers, whose expenditures flow through to the primary creators, the artists, mostly via the mediating agency of galleries, auction houses, and other intermediaries. As well as selling their product, artists also sell their services in the form of labour supplied within the industry itself (for example, to the education and training sector, and to public galleries, as shown in Figure 1) and to other industries. In addition, we can observe that some part of artists' expenditures in pursuit of their creative practice remain within the industry (their purchases from input suppliers) but it has to be remembered that much of their work-related expenses (for items such as studio rental, freight, insurance etc.) accrue to suppliers outside the industry. Government is an important player in the matrix, especially as the principal funding source for visual arts education and for the operations of public galleries in Australia. In regard to artists, the matrix shows a net flow *from* artists *to* government, reflecting the fact that artists as a whole pay more in tax than they receive in grants.

We may also use the matrix to examine the extent to which financial flows circulate within the visual arts industry as we have defined it, and the extent to which they flow to and from the rest of the economy. Table 2 shows the percentages of the incomings and outgoings of the various stakeholder categories in the industry that derive from or are paid to other stakeholder categories in the core industry, and the percentages coming from or going to the wider economy. In terms of sources of revenue, the categories most dependent on within-industry financial flows are input suppliers, the intermediaries such as commercial galleries and other retail, and to a lesser extent artists (the relatively low within-industry figure for artists reflects the extent to which artists have to rely on non-arts sources of income, e.g. by taking employment outside the arts). On the expenditure side, most of the payments made by participants within the industry flow to recipients in other sectors for the goods and services they supply.

Turning to the question of the main economic partners of each stakeholder category, we can list the largest single financial flows for each category as a means of identifying the most important revenue source and payment destination for that group. The following tabulation indicates the principal revenue sources and expenditure recipients for the stakeholder groups within the core visual arts. The figures in brackets show the percentage that each source/recipient comprises of the total financial flows for each group.

Category	Principal revenue source	Principal expenditure recipient
Input suppliers	Artists (62%)	Other industries (98%)
Artists	Other industries (49%)	Other industries (76%)
Pub. galleries	Government (62%)	Other industries (72%)
Comm. galleries	Consumers (65%)	Other industries (50%)
Other retail	Consumers (53%)	Other industries (83%)
Education	Government (80%)	Other industries (55%)
Infrastructure orgs.	Government (55%)	Other industries (84%)

On the revenue side, input suppliers are sustained not surprisingly by the expenditures of artists, whilst artists receive the most significant proportion of their income from outside the visual arts industry (as noted above). Public galleries, educational institutions and infrastructure organisations rely most importantly on government, whilst the commercial galleries, auction houses, etc. receive their largest flows of funds from the purchases made by consumers. As we have already observed, the largest expenditures made by elements of the core industry are directed to other sectors of the economy.

Concluding Remarks

This paper has been concerned with the application of economic impact analysis to cultural industries. Several techniques including input-output analysis and CGE modelling have been discussed. Empirical work in this field is severely constrained by lack of clarity in the definition of industry boundaries and by the difficulty of obtaining data to quantify many of the models under discussion. The paper puts forward a particular model of a cultural industry which looks beneath the macro surface. The model identifies transactions between the stakeholder groups that make up the core cultural industry and between these groups and the surrounding economy. It is specified as a flow-of-funds matrix showing the volume of transactions in a given time period between all stakeholders included in the model. Simultaneously a parallel matrix can be imagined representing cultural transactions between stakeholders; it is these flows of cultural value that give cultural industries their distinctive characteristic.

The usefulness of the model discussed in this paper lies in its dissection of the structural relationships between major players in the cultural industry under study and its depiction of the interaction between each of the stakeholder groups and relevant entities in the economy at large. The transactions matrix enables identification of the most important economic partnerships between players; in particular it shows how important various revenue sources are in contributing to the economic viability of the industry. Ideally this methodology could be used in conjunction with other complementary techniques, such as those discussed earlier in the paper, in order to gain a picture of the economic functioning of the cultural sector. Indeed since the data collected for a transactions matrix could be refined further to quantify, say, an input-output matrix, this model could be seen as a step along the way towards more sophisticated analysis.

At the same time the limitations of the model should be recognized. Three can be mentioned. First, although the data requirements to estimate a transactions matrix are not quite as demanding as for other techniques such as input-output, the statistical needs are still quite substantial, and could not generally be satisfied from a single source. Second, the economic form of the model only represents observable cash flows; in common with most of the other methods discussed above, it does not account for the economic value of nonmarket goods produced by the cultural industry under consideration. Finally, the dual economy of cultural transactions postulated in this paper, while it may be a conceptually satisfying dimension of the model, suffers from the fact that it is estimable only in the broadest qualitative terms; in these circumstances the relative significance of these transactions will remain difficult to judge until such time as more rigorous means for measuring cultural value are available.

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Table 1: Flow-of-funds matrix for visual arts industry: Australia: 1996-97 (\$Am.)

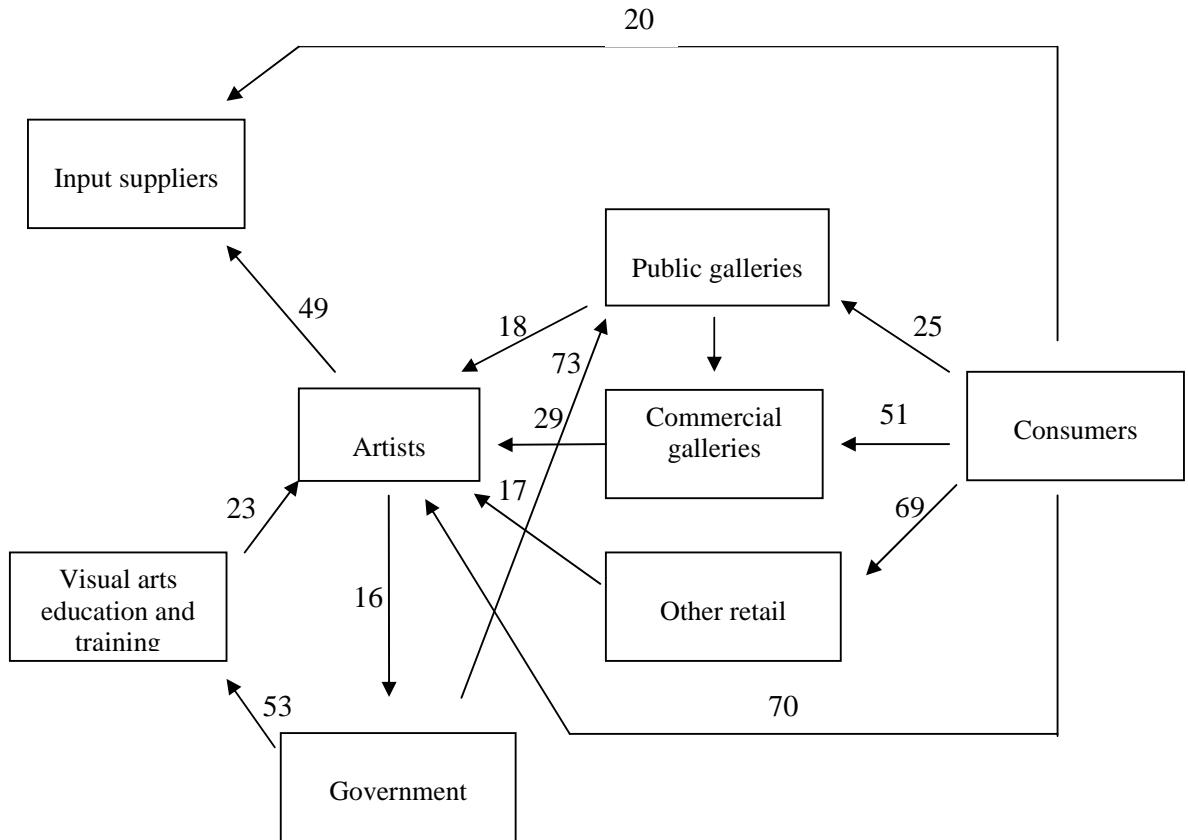
To From \	Input suppliers	Artists	Pub. galleries	Com. galleries	Other retail	Educ. Institns.	Infra-structure	Consumers	Govt.	Bene-factors	Other dom. inds.	Exter-nal sector	TOTAL
Input suppliers									1.4		78.0		79.4
Artists	49.0			5.1	3.2	3.3	5.4		27.9		293.0		386.9
Public galleries	3.6	18.3		7.3					1.5		86.4	3.7	120.8
Comm. galleries	3.5	34.3							1.4		39.9		79.1
Other retail		20.1							2.3		108.5		130.9
Educ.institns.	3.3	26.3									36.2		65.8
Infrastructure		4.4									22.7		27.1
Consumers	20.0	69.6	24.6	51.4	68.8	9.9	5.4					18.5	268.2
Government		11.6	74.4	2.1		52.6	15.0						155.7
Benefactors		3.4	8.8				1.3						13.5
Other dom. inds.		190.2	13.0	13.2	38.7			268.2	121.2	13.5		37.0	695.0
External sector		8.7			20.2						30.3		59.2
Total	79.4	386.9	120.8	79.1	130.9	65.8	27.1	268.2	155.7	13.5	695.0	59.2	

Table 2: Relationship between the core visual arts industry and the wider economy

Payments to:	From core industry		From other sectors		Total	
	(\$m.)	(%)	(\$m.)	(%)	(\$m.)	(%)
Input suppliers	59.4	75	20.0	25	79.4	100
Artists	103.4	27	283.5	73	386.9	100
Public galleries	-	-	120.8	100	120.8	100
Comm. galleries	12.4	16	66.7	84	79.1	100
Other retail	3.2	2	127.7	98	130.9	100
Educ. institns.	3.3	5	62.5	95	65.8	100
Infrastruct. orgs.	5.4	20	21.7	80	27.1	100

Payments from:	To core industry		To other sectors		Total	
	(\$m.)	(%)	(\$m.)	(%)	(\$m.)	(%)
Input suppliers	-	-	79.4	100	79.4	100
Artists	66.0	17	320.9	83	386.9	100
Public galleries	29.2	24	91.6	76	120.8	100
Comm. galleries	37.8	48	41.3	52	79.1	100
Other retail	20.1	15	110.8	85	130.9	100
Educ. institns.	29.6	45	36.2	55	65.8	100
Infrastruct. orgs.	4.4	16	22.7	84	27.1	100

**Figure 1: Principal net financial flows: Australian visual arts industry:
1996-97**



Note: the amounts shown are net flows in \$Am.