Tomorrow's Affairs
Analysis of today
Assessment of tomorrow

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British creatives in the limelight as politicians search for good news on growth

It was another great Oscar night for the British, with a string of awards highlighting the strength of the creative industries in an otherwise stagnating UK economy.

A total of seven prizes, including for best director and best international feature film, fulfilled the pre-ceremony optimism of production designer Sarah Greenwood that "in the UK, we are renowned for amazing craftsmanship and amazing dedication and I think it really shows".

Greenwood worked on Barbie, the highest grossing film of 2023 that Warner Bros had told a parliamentary committee added £80 million to the UK economy by creating 685 jobs, employing more than 6,000 extras and supporting more than 700 local businesses near its UK studio.

Film is just one branch of a creative industries sector that has grown at more than 1.5 times the rate of the wider economy over the past decade.

Lucy Frazer, the culture secretary, told parliament this week: "The creative industries do not just enrich our lives; they enrich the nation's finances, and they are an economic powerhouse." She said the sector was growing at twice the rate of the rest of the economy, provided more than two million jobs, and was worth £124 billion to the economy in the last year alone.

In a mid-2023 update to a policy paper on the future of the sector, Prime Minister Rishi Sunak said his ambition was to add an extra £50 billion and one million jobs to those numbers by 2030.

Positive trade balance of £25 billion

Creative industries is a broad category that ranges from advertising to architecture as well as embracing culture, television and the physical arts. The big drivers are IT and computer services, which help to push up an overall input that accounts for almost six per cent of the UK economy.

In recent years the sector generated more value than the life sciences, aerospace and automotive industries combined. According to the UK's Creative Industries Council, the benefits include an annual positive trade balance of £25 billion.

As with other areas of the generally struggling British economy, the creative sector provides a further opportunity for the government to boast it is "going for growth" and for the opposition to claim it could do much better.

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Stuck in the middle are the artists and innovators dependent, as ever, on sources of funding to ensure that British creators stay ahead of the game.

Arts and culture executives accustomed to trembling in the shadow of the funding axe were therefore positively effusive about the recent budget in which Chancellor Jeremy Hunt announced a boost in spending, including a record £26 million for the National Theatre in London.

He also outlined tax breaks for film, theatre, orchestras and museums as part of a package that the composer and impresario Andrew Lloyd Webber termed a "once-in-a-generation transformational change that will ensure Britain remains the global capital of creativity".

Shop window for the globe

Others are skeptical that the budget boost will make up for a decade of funding cuts that have slashed the budgets of organisations such as the Arts Council England. Meanwhile, local municipalities teetering on the brink of

bankruptcy have been forced to contemplate closing theatres and other arts venues.

Commenting on Hunt's budget measures, Scottish Nationalist MP Kirsty Blackman told parliament this week that narrow tax reliefs would not fix the systemic issues within parts of the creative sector. "Over the past few years, local authorities have made £1 billion in cuts to arts funding, forced by Tory austerity and the reductions in funding for local authorities," she said.

> The creative sector would become a key part of industrial strategy under a future Labour government - Thangam Debbonaire

At this month's Big Creative UK Summit in London, the Labour party's culture spokesperson Thangam Debbonaire said she had made it her personal mission to ensure the creative sector would become a key part of industrial strategy under a future Labour government.

She accused successive Conservative governments of having overseen the degradation of cultural life in the UK. That was in sharp contrast to the view of culture secretary Frazer, who told artists and innovators at the same summit: "You are our shop window for the globe and we in government recognise that."

A rare bright spot in an economy

Whoever takes up the creative reins in the next government will clearly be sitting astride a potential winner. The creative industries have defied the general economic trend and are set to prosper further with the right balance of public and private investment.

The current government's sector vision for 2030 foresees the use of artificial intelligence as a tool to build immersive worlds and develop virtual production. "These wider shifts present an opportunity to leverage the UK's global technological leadership to turbo-charge growth in the creative industries," its policy paper promises.

Others have signalled a note of caution. The House of Lords Communications and Digital Committee said in a 2023 report that government should avoid complacency that could jeopardise the sector's future commercial potential.

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The Labour opposition has accused the government of blocking the pipeline of talent for the creative industries by shrinking education in culture and the arts.

The challenge has extended to higher education where there has been a tendency to talk down so-called low value arts and humanities degrees. That was perhaps inevitable in an environment in which the value of education is judged primarily on what it offers in terms of future salary.

Many in the creative industries know, however, that their lives can sometimes be a financial precarious, even if that is offset by

other non-monetary rewards. It would be a tragedy of Shakespearean proportions if future creatives were deterred from living their dream because of bad decisions by the policymakers.

Britain has a long and rich cultural history and has been a pioneer in setting up institutions to fund and administer the arts. The creative industries are a rare bright spot in an economy struggling for growth.

This year's British Oscar line-up would surely be joined by many others if they were to celebrate their awards by appealing to governments present and future to ditch the rhetoric and just get their act together on the creative front.