



India's Creative Economy

For Prelims: Creative Economy, Micro, Small and Medium Enterprises (MSMEs).

For Mains: The current state of India's Creative Economy and the ways to promote it.

Why in News?

India's creative economy comprising the arts and crafts, audio and video arts and design, among others, **accounted for exports of goods and services worth \$121 billion in 2019**, according to a paper by the Exim Bank of India.

What are the Key Findings of the Paper?

- India's **total exports of creative goods and services** stood close to **\$121 billion in 2019**, of which **exports of creative services** accounted for almost **\$100 billion**.
- In India, the contribution of the **design segment was 87.5% of the total creative goods exports in 2019**, and another **9%** is contributed by **art and crafts segment**.
- Besides, in the Indian context, **the creative goods industry has a trade surplus of \$16 billion**.
- Creative economy was significantly diversified in the country and industries such as the **entertainment sector give an important push to the creative economy**.
- **India ranks 6th globally**, outside the U.S., with respect to the **top international box office markets by revenue**.
- As per the study, **technology is playing a critical role** along with human creativity, knowledge, intellectual property in this evolving arena.

What is the Significance of this Study?

- The research paper maps the **untapped export potential of India's creative economy**.
- This study '**Reflection & Development of India's Creative Economy**' is **first of its kind**.
- It analysed **seven** different creative segments **such as art & crafts, audio visuals, design and visual arts**, as per the UN classification, **to map their export potential**.
- The study **also captured the role of artificial intelligence and machine learning, extended reality, and blockchain**, which are impacting the functioning of the creative economy.
- It also **analyses the Creative Economy policies of countries such as the U.K., Australia, France, South Korea, Indonesia, and Thailand** where creative economy has found significant importance, with dedicated ministries or institutions.

What should be the Way Forward to Promote Creative Economy in India?

- **Creative economy** in India must be **promoted by**:
 - Defining and **mapping the creative industries** in India.
 - Funding to **finance creative industries**.
 - Focusing on **joint programmes**.

- Addressing the issue of **copyrights**.
 - Promoting **Micro, Small and Medium Enterprises (MSMEs)** and local artisans.
 - Establishing creative districts and hubs.
 - Forming a **specialised institution** for creative industries.
- While India has made progress in industries associated with the creative economy, the **country has significant scope to upscale the value of its creative economy**.
 - There is a **need for drawing up a single definition for creative economy in the country**, while having a dedicated institution, which could explore its untapped potential.

Source: TH

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