

INTERNATIONAL RELATIONS: TRANSFORMATIVE IMPACTS OF ARTS, CULTURE AND CREATIVITY

Factsheet 6 drawn from ANA's Insight Report,
'Transformative: Impacts of culture and creativity'

What is soft power?

It is the ability to get what you want through attraction rather than coercion or payments. It arises from the attractiveness of a country's culture, political ideals, and policies.

— Joseph S. Nye Jr. in
'Soft Power: The Means To Success In World Politics'

Why are arts and culture a tool to help build soft power?

They can be used directly, to show off Australia's unique arts and cultural assets, or indirectly, as a way to tell stories about the advantages of 'the Australian way'.

International engagement: How arts and culture impact diplomacy and soft power efforts

As nations seek to better understand and measure the impact of their engagement with international partners, the value and importance of cultural reputation is becoming increasingly clear. Australia's arts and culture activities and institutions enhance our reputation with our international neighbours. Australia also capitalises on its creative and cultural strengths through diplomatic activities such as cultural exchanges.

The need to maintain and enhance Australia's reputation abroad

Australia's response to Covid-19 has affected our global reputation in various ways. Global leaders have acknowledged our success in suppressing the spread of the virus, enhancing our reputation and cachet. However, our reputation as an international education provider – our largest service-based export – is likely to take a hit. Looking ahead, our reputation with our immediate neighbours, South-East Asia and the Pacific, will be shaped by our regional response in the wake of the pandemic's economic impact.

Prior to the Covid-19 global pandemic, Australia was beginning to slip in international reputation rankings. Also, as Australia has become increasingly isolated from its Asia-Pacific neighbours, we have experienced a soft power deficit and have lost ground with this region's leaders and decision-makers.

By investing in strategies to enhance Australia's cultural reputation, our country can further strengthen its standing in the Asia-Pacific region and across the global stage.

That's why we need to be systematic and strategic about developing a strong, rich cultural terrain that enhances our sense of national identity, and showcases 21st century Australia to the world.

Why use arts and culture to build our international relations?

Arts and culture provide a significant and meaningful pathway towards trust and understanding between nations. Further, arts and culture play a key role in building and improving international relationships, including those focused on trade and security. A nation's cultural reputation is intricately linked to its soft power expertise in navigating and negotiating diplomatic relationships.

Cultural diplomacy has been found to build international relationships and gain the trust of international partners, leaders and peoples. Targeted cultural activities and investment are a potent tool Australia could use to regain lost ground and re-establish our international credentials. The various ways that soft power can be measured, including those related to arts and culture, are shown in Figure 1.

Figure 1:
Components of McClory's 2010 Soft Power Index. Adapted from Hans Hoegh-Guldberg 2015 [Music in Australia website].

Components of the Soft Power Index



Business/ Innovation

International patents, WEF Business Competitiveness Index, level of corruption, Boston Consulting Group and National Association of Manufacturers innovative index, and Foreign Direct Investment percentage of Gross Fixed Capital.



Culture

Foreign visitors per 1,000 population, reach of state-sponsored TV and radio, number of foreign correspondents, an index of the global power of native language, and number of gold medals in the most recent summer and winter Olympics.



Government

The economic, education and health outcomes of the UN Human Development Index, the World Bank Governance Index, an index of political freedom and personal liberty, the World Economic Forum (WEF) Trust in Government Index, and an index of subjective well-being measures.



Diplomacy

Development aid to other countries relative to GDP, languages spoken by the head of government, visa freedom, strength of Anholt-GfK Roper Nation Brands Index national "brand", and number of dedicated cultural missions abroad.



Education

Number of think tanks divided by GDP, number of universities in top 200, number of foreign students.

Australia is dropping in global soft power rankings

From 6th to 10th in the Portland Soft Power 30 Index between 2015 and 2019.

From 8th to 15th in the FutureBrand Country Index between 2014 and 2019.

From 4th to 6th in the Global Reputation Rankings report between 2013 and 2018.

Existing strategies for improving soft power and diplomatic efforts through arts and culture

Understanding the importance of arts and culture to our international and domestic tourism, and making the most of our distinctive offerings, are both key to targeting effective investment and promotion to sustain and grow tourism activity. Some successful targeted arts and culture activities identified in national and international research are shown in Table 1.




Objective	Increase international reputation	Strengthen Australia's cultural tourism industry	Invest in and celebrate Indigenous arts and culture
			
Strategic investment activity	Invest in developing, and elevating Australia's world-leading, award-winning and innovative arts and cultural offerings both nationally and internationally to develop positive and nuanced national and international cultural narratives relevant to 21st century Australia.	Invest in activities, venues and events that will ensure Australia's arts and culture offerings remain a major tourism destination for international, interstate and inter-city visitors.	Invest in the unique creative and cultural contributions made by our First Nations artists. Aboriginal and Torres Strait Islander arts and culture are held in high esteem internationally, and Indigenous visual art is regularly featured in high-profile international events.
Proven outcomes	<p>Building cultural reputation has impacts across a country's overall performance. For example, a one-point increase in country reputation predicts a 0.9% increase in the proportion of tourists per capita, and a 0.3% increase in export rates [\$].</p> <p>As the Australia Council for the Arts reported in 2015, an estimated 2.4 million international visitors made their way to Australia in 2013–14 to engage in arts tourism – protecting and enhancing our reputation in this area is achievable.</p>	<p>By protecting and enriching Australia's reputation as a cultural tourism destination, we strengthen our ability to attract internationally significant arts and culture-based events to our shores.</p> <p>Capitalising on international appetites for Australian arts and culture also brings economic benefits. For example, the Sydney Opera House contributed around \$775 million to the Australian economy in 2013, and has an estimated cultural and iconic value of \$4.6 billion.</p>	<p>Today, nine in 10 Australians agree that Indigenous arts are an important part of Australian culture.</p> <p>The Australian Government also formally acknowledges the contribution our First Nations artists make in enriching Australia's cultural reputation. For example, the Department of Foreign Affairs and Trade runs an Aboriginal and Torres Strait Islander Program that promotes a range of Indigenous cultural exchange activities.</p>

Table 1:
Successful international engagement outcomes achieved through strategic arts and culture investment



What do middle Australians think about the role of arts and culture in international relations?

It's important to have Australian artists and movies and—so we feel like we can be representing on the world stage. Gives us feelings of pride and identity, of belonging. It's also promoting what Australia is all about and giving that unique flavour that other countries would not be able to experience or understand. It's promoting Australia. Our culture. Yeah. It's a good introduction to the world about us; it's definitely a good thing. (Female, Brisbane)

Promoting our content [abroad] is a good example. Like, the "G'day Australia" campaigns in LA, trying to get more exposure for Australian actors and actresses, and you just think: now it's all [Australian actor Chris] Hemsworth, all—who else're the chicks watching now? So that's actually given Aussies a chance to be world famous and crazy rich. (Male, Melbourne)

I suppose we are building our own culture. We are a multicultural society and draw from a lot of different backgrounds. We are saying 'here you go, here is something that is uniquely Australian, you can see elements of different cultures in there but it's something we can say is uniquely Australian'. (Male, Sydney)



In times of crisis, arts and culture are more critical than ever

The world has changed in 2020, and the evidence about the impacts of arts and culture are more relevant than ever. Research shows that, during and following major crises such as health emergencies or natural disasters, effective arts and cultural activities are those that aim to reconnect affected communities, reduce feelings of isolation, strengthen people's connection to place, provide opportunities for reflection and commemoration, and foster a shared sense of hope and optimism. Arts and cultural activity can also increase a nation's soft power potential; a critical resource during a period of global disruption.

Opportunities to improve international engagement through investment in Australian arts and culture

The evidence is clear: effective investment in arts and culture generates tangible, measurable and significant benefits across many different areas of our lives. Australia now has the opportunity to refresh its national policy settings and create a more coherent investment approach across governments, businesses, philanthropic organisations and creators.

In light of this conclusive evidence, Australia's public and private investors, policy makers and other stakeholders who want to improve Australia's international relations should:

Create new engagement opportunities

Australia's arts and cultural institutions and events are a key tourism attraction for international visitors. So, it follows that we should ensure our arts and culture are a central pillar of Australia's soft power diplomatic activity. As well as creating opportunities for medical, technological and engineering collaborations, Australia should be investing in opportunities for arts and culture-based research and practice collaborations and exchanges, particularly with our closest regional neighbours.

To improve arts and cultural international relations opportunities for all Australians; inform a contemporary approach to cultural and creative industry development; and address Covid-19 recovery, Australia's public and private investors, policy makers and other stakeholders should:

Champion a National Arts, Culture and Creativity Plan

A National Arts, Culture and Creativity Plan would inform more coherent policy settings and investment at all three levels of government. This could be achieved in the same vein as the existing National Sport Plan, 'Sport 2030', that identifies enduring and non-partisan principles and clarifies responsibilities.

More information

A New Approach is an independent think tank championing effective investment and return in Australian arts and culture. We research and report on arts and culture investment issues and policy settings. By sharing our findings with key Australian decision-makers, we support the development and implementation of effective, informed and strategic investment.

ANA was established in 2018 with a \$1.65 million commitment by The Myer Foundation, the Tim Fairfax Family Foundation and the Keir Foundation. The Australian Academy of the Humanities is the lead delivery partner for this initiative.

The information and data provided here is detailed further – with evidence sources – in our 2019 Insight Report, 'Transformative: impacts of culture and creativity'. The quotes from middle Australians are from our 2020 Insight Report, 'A view from middle Australia: Perceptions of arts, culture and creativity'.

See www.humanities.org.au/new-approach for more information and to access the full reports.

How to cite: A New Approach, 2020, 'International relations: Transformative impacts of arts, culture and creativity' [Factsheet 6]. Produced by A New Approach think tank with lead delivery partner the Australian Academy of the Humanities, Canberra.

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