

Impacts of the COVID-19 Pandemic on the Policy of Cultural and Creative Industries of Slovakia

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Abstract

The main aim of this paper is to identify and evaluate the impact of the COVID-19 pandemic on the cultural and creative industries from the national point of view and to assess the measures applied by the Slovak government in order to eliminate its consequences. The paper is oriented towards a microeconomic and macroeconomic perspective with special attention devoted to the financing of the cultural and creative industries, and the social impacts on the different groups of respondents. Because of the lack of data (even non-existence), this paper presents the results of original primary research conducted among representatives of these industries between November and December 2020 and through online structured interview with the representatives of the Ministry of Culture of the Slovak Republic. The last part of the paper critically evaluates the implemented support measures and their real influence on solving the unprecedented crisis caused by the COVID-19 pandemic in cultural and creative industries.

Keywords

Culture, Creative industries, Economic and social impacts, Policy

JEL Classification

O38, I30

Introduction

In today's Europe, there is a broad consensus that culture is a public service that is directly related to the quality of life and is a matter of identity for the place and citizens. Culture and creativity embodied in aesthetic, ethical, sociological and economic aspects of life have been significantly affected by the COVID-19 pandemic. The cultural and creative economy is one of the fastest-growing sectors in the world. According to Eurostat, in 2019, there were 7.4 million people in cultural employment across the EU-27 (3.7% of all employment). Noteworthy, just 75% of the cultural workforce in the EU-27 was employed on a full-time basis, lower than the share of full-time employment across all sectors of the economy at 81% (Eurostat, 2020; Lupu et al., 2020).

However, COVID-19 pandemic has badly impacted the cultural sector. Theatres, operas, art galleries, festivals and other places of public congregation have been forced to close at short notice bringing the results of intense creative effort and preparation to an abrupt end. Diverse activities from live performance and theatre productions, to exhibitions and galleries, have seen their revenues fall dramatically. The role of culture as a tool of human cultivation has partially lost its importance because of the hard fight with the world pandemic.

In this paper, we analyse the impact of the COVID-19 pandemic on the national policy towards cultural and creative industries from the microeconomic and macroeconomic perspective in Slovakia. We have focused especially on the financing of these industries, particularly on the social impact which have not been covered by any research in Slovakia. The case of Slovakia is worthy of presentation because the support of the cultural and creative industries at the national level has always had a low-level of interest from the government. This noninterest resulted in great economic damage to this sector caused by inadequate early, even discriminatory measures. The initiatives from lower levels helped change the supported grant schemes to make them more

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appropriate, but still not ideal. Besides, our research is oriented towards investigation of the social impacts on different groups of respondents from the cultural and creative industries based on original primary data.

The remainder of the paper is organized as follows. The first section briefly outlines the policy of the cultural and creative industries and their implementation in Slovakia; the second section describes the data and methods used; the third section presents our research results and their overall discussion; and finally, the last section concludes with the most important findings and draws attention to the key gaps and how they could be prevented in the future.

The policy of the cultural and creative industries is a sphere of social life, the main function of which is to create, produce and mediate the protection of cultural goods. For this purpose, a network of cultural institutions or cultural infrastructure is established, consisting of museums, libraries, galleries, operas, theatres, etc. The position of culture, as an essential indicator of the society status and the quality of individual life in society, is comparable to politics, law and the economic system. The cultural sector is a dominant part of the creative industries, which is built on a combination of arts and creativity with entrepreneurship and innovation. Thus, creativity is seen as a driving force of originality, new ideas and thought, as well as a basic element of production (Boden, 2004; Costa et al., 2009; Borup, 2010). Human creativity might be used for the benefit of society as new ideas can generate economic profit (Florida, 2002; Hartley, 2005; Howkins, 2001; Mundelius, 2008). To increase the efficiency of creative idea utilization, cross-disciplinary collaboration is needed between industry specific skills especially 'artistic skills' and competencies related to the use and adaptation of ICT; knowledge of how to commercialise creative ideas; business skills (management, entrepreneurship, marketing, financial skills and planning); and a range of 'soft skills' such as problem solving and interpersonal skills (The Conference Board of Canada, 2008). The creative economy, as a key part of globalization, has gradually built its position as a strategic development factor (see, e.g. Florida, 2002; Landry, 2008; Vaňová et al., 2016).

Söndermann (2009) and Power (2011) argue that despite differences there is a considerable overlap in considerations, which industries are producing creative and cultural outputs and those that are concerned with creative inputs and processes. Indeed, given policy and academic debate in the area, it is convenient to use the label "creative and cultural industries". These industries comprise of all cultural and creative enterprises that are mainly market-oriented and deal with the creation, production, distribution and/or dissemination through the media of cultural/creative goods and services. This set of enterprises includes all market-oriented companies that are financed through the market including those liable to taxation or simply all those that want to earn money with art, culture and creativity. Therefore, the policy of cultural and creative industries can be defined as a state-formed environment in which the processes of creating, dissemination and preservation of cultural and creative values take place (Kollár and Mrvová, 2003; Rojíková et al., 2020).

Despite the declared significance of the cultural and creative industries, within Slovak public policy, culture is not perceived as a priority and its monitoring and financing is based on a nonconceptual approach. Moreover, in comparison with western European countries, it is unusual to support culture institutions, events or artists through sponsorship or donation (except for multinational companies and financial institutions).

Literature Review

The leading policy maker of the cultural and creative industries in Slovakia is the Ministry of Culture. It is a central body of state administration for language; preservation of the heritage fund, cultural heritage and librarianship; art; copyright and related rights; cultural-educational activities and folk-art production; presentation of Slovak culture abroad; relations with churches and religious societies; media and audio-visuals; and the promotion of culture of national minorities.

The institutional framework of the cultural and creative industries consists of: The Ministry of Culture of the Slovak Republic containing the Art section - Art and Creativity Department; State Language Department; Section for media, audio, copyright and related rights; Section of cultural heritage and minority culture; the Ministry of Economy (the specific areas of creative industries); 8 higher territorial units and 2,927 local municipalities from which 141 have the status of cities.

The Ministry of Culture of the Slovak Republic methodically manages the activities of Slovak institutes abroad and their cultural activities (Act no. 575/2001 Call). It establishes 36 budgetary and contributory organizations (e.g., Slovak Philharmonic; Slovak National Theatre; Literary Information Centre; Slovak Design Centre etc.) and the higher territorial units 159 budgetary and contributory organizations (e.g., libraries, museums, galleries, etc.).

In Slovakia, as in many other countries, public budgets are the key sources of funding for culture, especially for its established entities such as museums, galleries, theatres and libraries. In the area of the cultural and creative industries (e.g., media, audio-visual production and book publishing), the government is an important actor.

In the period 2011 – 2017, Slovak expenditures on culture accounted for 1.83% of total public expenditures, while older EU Member States allocated 1.47% to culture and newer Member States 2.50% (figure 2). According to Eurostat data, Slovak public expenditure on culture in 2018 was approximately 0.87% of GDP (2.08% of public

expenditure) (figure 1). This GDP is 0.15% higher than average of other EU Member States, but at the same time 0.23% lower than average in V4 countries. According to data of the Ministry of Finance of the Slovak Republic, in 2019, public expenditures on culture were 623 mil. EUR. The share of public funds allocated to culture over time oscillates around an average value of 1.71% of the public budget.

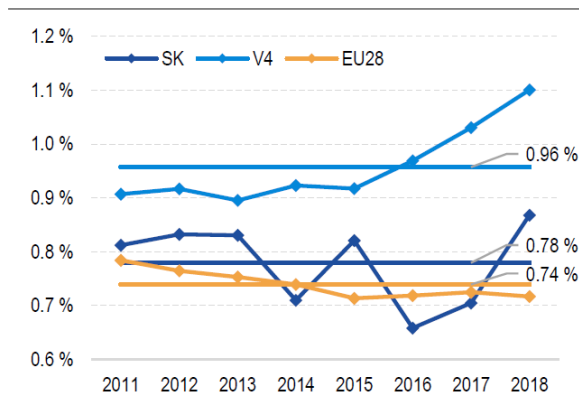


Fig. 1. Public expenses on culture from 2011 to 2018 (% of GDP).

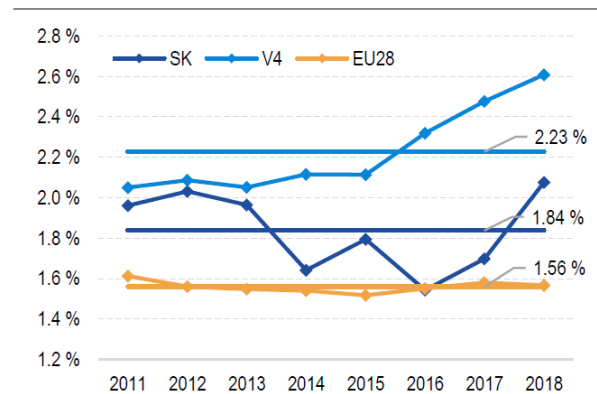


Fig. 2. Public expenses on culture from 2011 to 2018 (% of public expenses).

Public budgets are interconnected in their expenditure flows - the source of expenditure of entities in one public budget is often transfer from another public budget. For example, established subsidy funds are financed by a transfer from the Ministry of Culture of the Slovak Republic. A large part of the expenditures from these funds is directed to transfers to various entities under the responsibilities of local and regional governments, as a subsidy. The Ministry of Culture has the largest share in public expenditures in culture (41%), followed by local authorities (21%), national TV and radio RTVS (17%) and regional municipalities (11%). Expenditures of the Ministry of Culture of the Slovak Republic were allocated mainly to 30 departmental budgetary and contributory organizations, which accounts for 55% of total expenditures. The Ministry of Culture also supports the church (15%), RTVS (11%) and independent funds for the support of the arts and culture (6%) through direct transfers. Subsidies and other transfers from the Ministry cover 8% of expenditures and the expenditures of the Ministry of Culture of the Slovak Republic itself represent only 5% (Ministry of Culture, Ministry of Finance of the Slovak Republic, 2020).

Nevertheless, local and regional government is an important part of cultural financing in Slovakia. Similarly, the largest part of regional government expenditure on culture are transfers to budgetary and contributory organizations providing cultural services. In case of local municipalities, the cultural expenses consist of transfers to budgetary and contributory organizations providing cultural services – organising of cultural events and care for cultural and historical monuments.

Private sources of expenditure in culture are not currently mapped in detail. The share of private sources in culture in Slovakia is lower than abroad. Through data analysis in document Revision of culture expenses (Ministry of Culture, Ministry of Finance of the Slovak Republic, 2020), the private sector buys less cultural products and services than abroad. The most negative difference in comparison with European average is in the volume of investments in culture in the form of donations and sponsorship.

The important part of cultural expenses is a set of independent funds for the support of the arts and culture through direct transfers from Ministry of Culture of the Slovak Republic. It includes the Audio-visual Fund (2010), the Art Support Fund (2016) and the National Minority Culture Support Fund (2018).

Besides the aforementioned funds, subsidies are also provided from the subsidy scheme of the Ministry of Culture of the Slovak Republic within another four programs – Let's renew our house (support for protection, restoration and development of cultural heritage); Culture of disadvantaged groups (support for cultural activities of disabled or otherwise disadvantaged groups population); Cultural vouchers (support of the cultural participation of young people); Support of the local and regional culture. A new program was created for elimination of the consequences to culture caused by COVID-19. All these subsidy funds have the form of a public independent institution and are established by specific laws. Their origin is based on the so-called arm's length principle.

Another form of support are art funds. Art funds were established by Act no. 13/1993 Coll. for national cultural and public institutions. Their main mission is to support literary, scientific and artistic activity, and to constitute material conditions for the creation of new works and artistic performances. They provide support in the form of scholarships; long-term, creative rewards; awards; travel allowances; loans to support creative activities and other forms of support. Art funds contains Literary Fund; Music Fund and Fine Arts Fund. The main sources of revenue are contributions from the recipients of royalties and royalties of performers, contributions from the use of free

works and contributions from users of works. In addition, it can also be income from business, gifts, subsidies, sponsorship contributions, inheritance, etc.

In this section, we characterised the situation in the policy of cultural and creative industries in Slovakia up to 2019. However, from March 2020, the situation has changed significantly. The challenges and obstacles caused by COVID-19 pandemic are reflected in the next sections.

Methods

The main aim of the paper is to identify and evaluate the impact of the COVID-19 pandemic on the cultural and creative industries and to assess the measures applied by the Slovak government, implemented especially by the Ministry of Culture as it is the main coordinating and funding body in this area.

This paper is based on our long-term research in cultural and creative industries. In the first section, we characterised the strategical and financial framework of the policy of cultural and creative industries based on in-depth desk research and qualitative analysis of official documents and data of the Ministry of Culture of the Slovak Republic as well as quantitative analysis of Eurostat data.

For the purpose of our study, we have used official data from the national level. However, because of difficulty, even the non-existence of relevant data, we have conducted original primary research organised in two steps. Firstly, we have organised interviews with the representatives of Ministry of Culture and the Institute of Culture Policy, in order to detail the data and information on budgetary issues and measures related to the pandemic. The respondents were the head of this institute as well as the head of the department of creativity and education at the ministry.

Secondly, a questionnaire survey was conducted during November and December 2020 among 28 representatives of cultural and creative industries. The novelty of the research is in the strengths and weaknesses of the first round of supporting measures for cultural and creative industries as well as social impacts of COVID-19 from the point of view of their representatives. The survey was distributed by e-mails and social networks. The questionnaire consists of combination of closed and open questions. We selected the research results relevant for this paper. We are aware of the relatively low number of respondents, but the survey was realised only as a pilotage to the extended quantitative research which will be specifically oriented to the financial issues of development of cultural and creative industries.

Clearly, we recognize that more data are needed, but for the time being as well as specificity of the research results in the context of COVID-19, this could be a good starting point for further in-depth research.

Results

At the beginning of 2020, the first news about COVID-19 started to appear, especially associated with the situation in China. No one was able to image what would happen in the next few months and how significantly it will influence our lives. During the next few months, COVID-19 infected people began to be identified in almost all countries on the world. It was a main incentive of national governments to implement the protective measures aimed at elimination the spread of the virus. It affected all areas of our life. One of the most significantly influenced area were cultural and creative industries.

The first restrictions in Slovakia were implemented almost immediately after the first cases appeared, on 6th March 2020. The state of emergency has been declared and lasted until 14th June 2020. From 10th March 2020, the Crisis Board of Slovakia prohibited the organization of sports, cultural and public events, firstly, for a period of 14 days, with possible prolongation. Moreover, there were only a limited number of shops opened, namely grocery stores, pharmacies and drugstores, and service providers. In other words, cultural and creative actors, whose activities are based on the interaction with audience, were without revenue and work. From 6th May 2020, while respecting the strict conditions and the hygienic rules, museums, galleries, libraries and exhibition halls were opened with the limitation of people based on square meter. Afterwards, from 20th May 2020, theatres and cinemas were opened as well. Gradually, the restrictions were curtailed, but there were still limits for creative actors and not all of them were able to cope with the rules.

The second wave of COVID-19 restrictions was announced by the Ministry of Health of the Slovak Republic on 11th August 2020. The development of infected individuals needed to be controlled and loose restrictions were imposed. From September 2020, a "COVID-19 district stoplight" system was introduced. The risk was colour coded – green (safe district), orange (districts with an increasing number of infected) and red (districts with a high number of infected). In the red and orange districts, stricter measures were taken, especially for mass events. On 1st October 2020, a state of emergency was declared again for a period of 45 days throughout the territory of Slovakia, in December it was prolonged another 45 days. The situation slightly improved in November, but in December the number of infected as well as the number of deaths had increased and became known as the third wave. The strongest restrictions were imposed on 1st January 2021 and it is not possible to predict how long this will be valid.

For the cultural and creative industries, the time from March 2020 has been very difficult and uncertain and from a financial point of view, the situation is very critical. From the emotional point of view, the time of isolation and loss of social contacts brought various negative impacts on the personalities of creatives.

On the other hand, this crisis gives rise to new ideas, mobilize the creative potential, opened the space for new forms of implementation of cultural and creative activities, or in other words for innovations in delivering cultural services and creative outputs. After the experience of the first wave of COVID-19, a lot of cultural institutions, creative people and associations in various fields of art retrofitted their IT infrastructure and started to provide cultural services online. The Ministry of Culture of the Slovak Republic provides a list of online available activities (see <https://www.culture.gov.sk/ministerstvo/kultura-zije-online/>). Music groups, dancing studios, theatres, galleries, operas, philharmonics, and libraries use their own websites, channels on YouTube or profile on social networks, mainly Facebook and Instagram, to promote their activities and mediate them directly to audience's homes. The customers can use these services for free, for voluntary fee or a price of an electronic ticket that allows the connection to an activity.

Although, these innovations partially replace the physical activities within the creative and cultural industries, the representatives of cultural and creative industries are expected to have a decrease in sales by 80% only for the first half of 2020, however, the situation only became steadily worse for the second half of 2020 (Press release of the President of Slovakia, 2020). There is not officially and representative data that can map and analyse the impacts of COVID-19 on cultural and creative industries from the economic point of view. The experts from the Institutes of Cultural Policy expect a return to normal to be no earlier than in two years. The Institute of Financial Policy (Pažický and Žúdel, 2020) expect pandemic ridden 2020 to result in a recession of 6.7%. Employment pressures have resulted in an estimated decrease of 38,000 workplaces. Inflation has slowed to 1.7%. Estimating the overall impact of Covid-19 is currently very difficult, as the situation is evolving every day and the length of the restrictive measures is not possible to predict (Muchová, 2020).

The research "We stand by culture" with 470 representatives of cultural and creative industries from the first wave of COVID-19 pandemic (approx. 2 – 2.5 months of closure) showed that the damages in these industries varies by legal form. The mean values of the quantified damages incurred per persons ranged from 1,400 to 2,400 EUR and in the case of legal persons in the range of 3,100 to 27,000 EUR. The average damage on fixed costs per person was 560 EUR and in case of private entities 2,140 EUR. To help in their recovery, respondents preferred a lump sum provision of financial compensation through minimum state aid; compensation for part of the fixed costs of maintaining the operation (e.g., leases, deferral of payments to the Social Insurance Agency); a claimable change of the subsidy contracts and the possibility of postponing the grant (Bieščad et al., 2020).

The impact of COVID-19 on the cultural and creative organizations from the public sector was also harmful. On the other hand, compensation came very fast. The additional financial sources provided from the state budget substituted mainly incomes of these institutions, which means in case of theatres, museums and galleries, music and dance ensembles, 17.4% of their expenses and in case of the organization of the policy of cultural-educational activities and traditional culture, 10.7% of their expenses (Ministry of Culture, Ministry of Finance of the Slovak Republic, 2020).

Data from the Institute of Cultural Policy as well as the aforementioned research confirms that the most affected were those who are independent from state and public resources. They generate most of their income only from small and irregular subsidies and from the implementation of their own activities, or small business activities. This includes mainly private and non-profit actors (Trexima, 2020).

The first group of measures to help the cultural and creative industries was a part of the First Aid Kit guaranteed by the Ministry of Labour, Social Affairs and Family based on the amended Act no. 5/2004 Coll. on employment services. The support was aimed at the maintenance of employment in order to support the preservation of jobs and self-employment of entrepreneurs during the pandemic. However, the rules were so strict that they excluded the entities with the concurrence of wage-earning revenues and revenues from other gainful activities. This rule significantly eliminated the possibility of workers from cultural and creative industries to gain financial aid. Strong criticism of this rule by representatives of cultural and creative industries resulted in a few new initiatives by the Ministry of Culture of the Slovak Republic to prepare their own supporting scheme as well as a change of this rule for the elimination of consequences from the second wave of the pandemic.

In the second wave, the first step of Ministry of Culture of the Slovak Republic was to present more precise measures. Therefore, the Ministry conducted a survey in order to obtain real data on financial losses in individual areas of independent culture and on the number of people working in culture and the creative industry. This step confirmed the lack of data with regards to employment, output and their contribution to GDP. We pointed to this fact in our research a few times (see, e. g., Petriková et al., 2015; Vaňová et al., 2016; Vitálišová et al., 2020). Besides, Slovakia lacks consistent methodology, measurement and mapping of the cultural and creative industries as availability of secondary data for lower territorial level (NUTS3 or NUTS4) is rather poor. Very often, data are not collected, or they are not updated (Borseková et al., 2021; Vitálišová et al., 2020). The survey of Ministry was conducted over a very short period, approximately 2 weeks in October 2020 and covered the response of workers in the cultural and creative industries – 1,891 companies, 4,378 natural persons and 709 non-profit organisations. A survey by the Institute of Cultural Policy (2020) found 79% companies operating in

these industries reported a decrease in revenues of 50% or more (March-September 2020 to March-September 2019). Almost half (46%) of companies lost 80% or more of their income. The estimated total loss of income of all companies - entrepreneurs in the cultural and creative industries was 630 mil. EUR, i.e., more than 100 mil. EUR per month. More than a 50% decrease in income and more in the year-on-year comparison (March-September 2020 to March-September 2019) was reported by 71% of all-natural persons, 43% stated that they lost 80% or more of their income. 74% of non-profit entities recorded a year-on-year comparison (March - September 2020 to March - September 2019) with a decrease in revenues of 50% or more. Almost half (45%) lost 80% or more of their income.

The results of the survey were helpful in preparing new forms of support for these subjects. Because of the great number of influenced subjects, the Ministry of Culture initiated a program to encompass all subjects by Act no. 299/2020 Coll. to the provision of subsidies under their influence and Act no. 284 / 2014 Coll. on Fund for the Support of the Arts and amendments to Act no. 434/2010 Coll. provided subsidies to the Ministry of Culture and was amended with Act no. 79/2013 Coll. It resulted in new call of Funds to Support the Arts oriented towards providing scholarship for the development project opened in November 2020. Subsequently, the call for technical workers in cultural and creative industries was launched. All supported measures were oriented at individual representatives of cultural and creative industries. From 29th December 2020, the support also provided subsidies to micro, small and medium-sized enterprises operating in the field of culture and creative industries for uncovered fixed costs during the pandemic, based on the interdepartmental cooperation with the Economic Ministry of the Slovak Republic. From November 2020, the rules of the First Aid Kit were changed, and support became more available for representatives of cultural and creative industries. All calls are co-funded by the structural funds of the European Union.

The Ministry of Culture during last months has also negotiated with non-profit representatives of cultural and creative industries to established suitable support for elimination of the consequences of COVID-19. There is preparation of a new call for subsidies in February 2021 from 2,500 to 50,000 EUR for all non-profit organisations with a drop in revenue in the range of 80% and the uncovered costs in the range of 20% for 2020. The subsidy will be granted to the entire required extent and there will be no contract concluded for the provision of the subsidy, just an acceptance protocol will be used.

The Ministry of Culture declares that there is great will for eliminating the impact of COVID-19 on the cultural and creative industries, but the relevance and effectiveness of these measures have not been possible to evaluate yet. In the next section, we present the opinions of people working in these industries concerning the quality of these measures and how they perceived the challenges and obstacles that COVID-19 has brought.

Research results based on original primary research

Respondents to our survey belong to various areas of creative and cultural industries (theatre 25 %; music 17.86%visual art 10.71%; film 7.14%, etc.) – see figure 3. The respondents realise their activities mostly in the regions Banská Bystrica (35,71%); Bratislava (28,57%); and the whole Slovakia (25 %). 53.57% of respondents were men and 46.43% women. 71.42% respondents live in a common household with partner/husband or wife and with children. 17.85% respondents live alone; 7.14% with parents and only 3.57% with children.

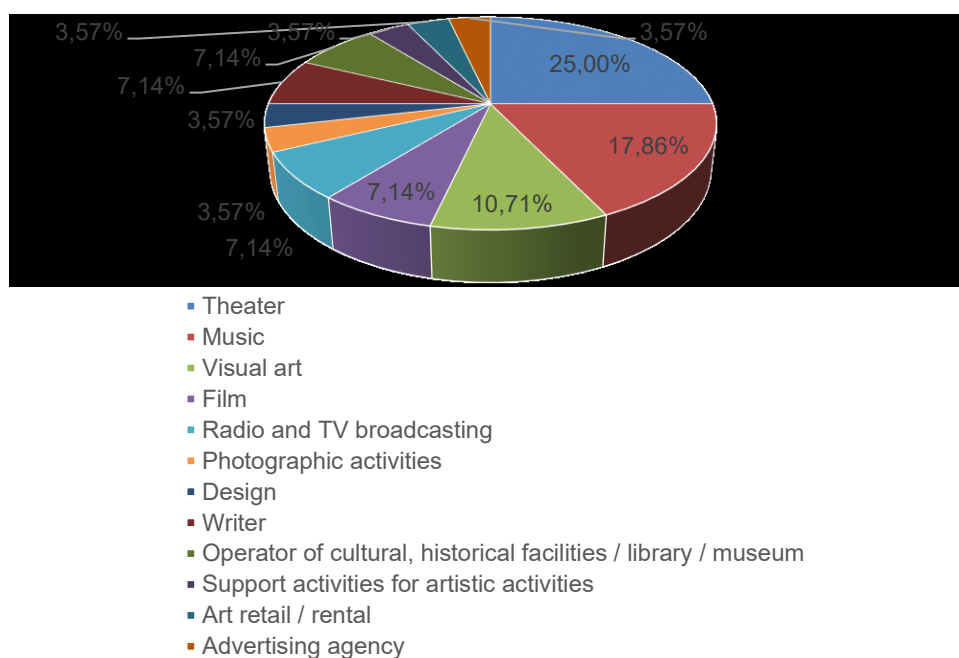


Fig. 3. The structure of respondents by areas of creative and cultural industries.

The first area of the research was the economic and social impacts of COVID-19 on the representatives of cultural and creative industries. The financial damage of subjects differs by the area of activity and legal form. The lowest financial damage – 1,000 EUR was confirmed by writers and the highest by film companies 1000,000 EUR. The respondents from theatre, music and visual arts confirmed the financial damage of 90% in comparison with the revenues in 2019. The average financial damage of respondents was 57% (215,000 EUR).

We asked respondents to write in their own words the main obstacles that COVID-19 brought to their activities. By answer clustering we identify as the key problems were loss of income, loss of employment, debts to social and health insurance companies. These problems resulted mainly from closure of cultural and creative institutions and related entities. The next group of indicated problems can be associated with the reaction of the Ministry of Culture of the Slovak Republic to the crisis. They include ignorance and little knowledge about the cultural and creative industries; chaotic decision making; unpredictability and constantly changing condition as well as time-delayed assistance, highly bureaucratic and unprofessional behaviour.

Based on previous research (Bieščad et al., 2020; Institute of Ethnology and Social Anthropology of the Slovak Academy of Sciences, 2020), we focused our survey on the social impacts of COVID-19. Respondents evaluated them on a word scale, that was converted to a numerical evaluation – fully disagree (5), disagree (4), neither agree nor disagree (3), agree (2), fully agree (1). The figures 4 and 5 illustrates the average evaluation of the impacts – figure 4 negative impacts and figure 5 – neutral and positive impacts.

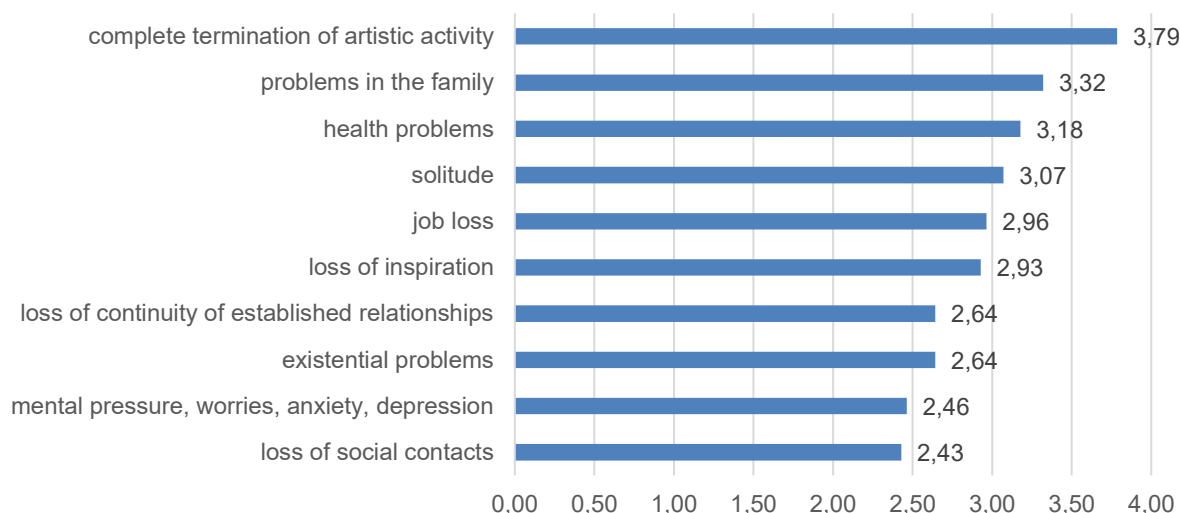


Fig. 4. The negative impacts of the COVID-19 pandemic on respondents.

The negative impacts of COVID-19 pandemic are mostly associated with social isolation, i.e., loss of social contacts, the psychological problems associated with this status, as well as with worries about job loss and the future.

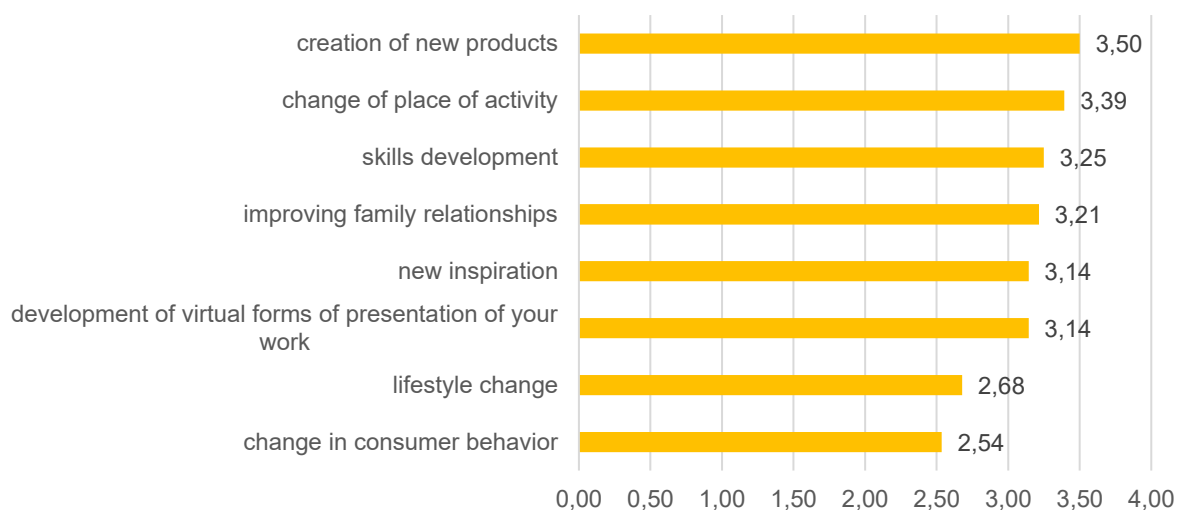


Fig. 5. The neutral and positive impacts of the COVID-19 pandemic on respondents.

On the other hand, for some representatives COVID-19 brought challenges associated with the change in

consumer behaviour and lifestyle; development of virtual forms of presentation; as well as an inspiration for new works and products.

The next table 1 presents basic descriptive statistics of the impact of COVID-19 on different groups of respondents from cultural and creative industries.

Table 1. COVID-19 impact on different groups of respondents from cultural and creative industries.

	Mean					Median				
	Man	Woman	In marriage with family	In couple	Alone	Man	Woman	In marriage with family	In couple	Alone
Pros										
development of virtual forms of presentation of your work	3,2	3,1	3,4	3,1	2,0	3,1	3,0	4,0	3,1	2,0
creation of new products	3,2	3,8	3,2	3,6	3,4	3,1	4,0	3,0	3,6	4,0
new inspiration	2,9	3,4	3,1	3,0	2,8	3,0	3,0	3,0	3,0	3,0
improvement of relationships with family	3,1	3,4	3,1	2,8	3,2	3,0	3,0	3,0	2,8	3,0
skills development	3,3	3,2	3,0	3,3	2,6	3,2	3,0	3,0	3,3	2,0
change in consumer behaviour	2,7	2,3	2,9	2,6	2,2	2,0	2,0	2,0	2,6	2,0
lifestyle change	2,9	2,4	2,8	2,4	2,8	2,5	2,0	2,0	2,4	2,0
changing the place of activity	3,5	3,2	3,4	3,3	3,6	3,8	3,8	3,0	3,3	4,0
Cons										
loss of inspiration	3,6	2,2	3,5	2,4	2,8	4,0	3,0	4,0	2,4	3,0
problems in family	3,6	3,0	3,3	3,6	3,6	3,8	3,0	3,0	3,6	4,0
loss of continuity of established relationships	2,9	2,4	2,9	2,4	2,8	2,9	2,0	3,0	2,4	2,0
health problems	3,8	2,5	3,6	2,8	3,2	3,9	3,0	3,0	2,8	3,0
complete termination of artistic activity	4,0	3,5	4,0	3,4	4,2	4,0	4,0	4,0	3,4	4,0
loss of job	3,4	2,5	3,5	2,6	3,4	3,7	3,0	4,0	2,6	4,0
existential problems	3,1	2,1	3,0	2,2	3,0	3,1	3,0	3,0	2,2	3,0
mental pressure, worries, anxiety, depression	3,1	1,7	2,9	2,1	2,2	3,0	2,0	2,0	2,1	2,0
loneliness	3,7	2,4	3,6	2,4	3,4	4,0	3,7	4,0	2,4	4,0
loss of social contacts	3,0	1,8	3,1	2,0	2,0	3,0	2,0	3,0	2,0	1,0

The results are based on the same word scale, that was converted to a numerical evaluation – fully disagree (5), disagree (4), neither agree nor disagree (3), agree (2), fully agree (1). The research results have shown that the most vulnerable group affected by the negative impacts of COVID-19 are women. It might be caused by the increased burden of care for family and children. Loss of social contacts not surprisingly affected most people who live alone. On the other hand, this group consists mainly of the ones that perceive positive impacts of COVID-19. The presented results might be a good starting point for specific measures and a kind of support to different group of creatives, to reflect better their needs in the cultural and creative industries, in our case especially women and single member households.

Because we prepared the research in November and December 2020, respondents of our survey have the possibility to evaluate the implemented measures of the Slovak government for elimination of the COVID-19 pandemic consequences – First Aid Kit, scholarship call within the Fund for the Support of the Arts and the call for technical workers in cultural and creative industries. The respondents evaluated them on the scale from 1 – very good to 5 – very bad. The best evaluated was a call of the Fund for the Support of the Arts (average evaluation – 3,46 point), followed by a call for technical workers (3,61 points) and First Aid Kit (3,79 points). These measurements indicate a mostly negative evaluation.

To understand the reasons for the negative evaluation, respondents were allowed an open question about how support should be changed. The first recommendation is to map the cultural and creative industries and their needs, what corresponds with our previous findings as well as research realised by Bieščad et al. (2020). The aforementioned mapping would help to solve the next defined problem - low levels of competence and expertise of the Ministry of Culture of the Slovak Republic. The respondents also recommended the elimination of the bureaucracy, to improve the information campaign about restriction measures, and to support specific measures for the cultural and creative industries.

Discussion

The crisis caused by COVID-19 has brought an unusual situation to our life with fast changing restrictions and subsequently, measures that should help in recovery. In Slovakia, the research confirms the financial damages of subjects in cultural and creative industries. They vary by the field of activity and legal form. The most affected are areas based on direct contact with an audience (especially cultural ones). The situation is similar in all countries. Data from Confindustria Italian Culture (In Anderson, 2020) found book sales have fallen 70% since the outbreak of COVID-19, cinemas and film have lost 75% of sales, museums and exhibitions have lost 90% of visitors, and the loss of music promoters at cancelled events is tens of millions of EUR. The French National Centre of Music (CNM) estimates the losses on live performances to be between 1.7 and 2 billion EUR. The financial damage of cultural operators will generate an average drop in turnover of at least 25% in 2020, representing a decline of 22.3 billion EUR (Ministère de la Culture, 2020). In Germany, the cultural industries are more affected than the creative industries. It is expected that more than 70 percent of the overall turnover losses of the cultural and creative industries will be attributable to the cultural industries (Kometenzentrum Kultur und Kreativwirtschaft des Bundes, 2020). In Ukraine, the survey among workers of cultural and creative industries showed a revenue loss between 50% and 75% (PPV Knowledge Networks, 2020). Because of the relatively short period of the COVID-19 pandemic there is still a lack of official statistical data and all expectations are based on the surveys or expert estimations.

In Slovakia, the measures to eliminate the consequences of the COVID-19 pandemic in the cultural and creative industries are based on the special calls of their workers or technical staff. In comparison with other European countries, the most common measures are income support measures for the self-employed and freelancers; state loans/guarantees for companies; income subsidies for employees; tax deferrals / tax credits / tax relief; subsidies for self-employed persons and grants for affected companies (Kometenzentrum Kultur und Kreativwirtschaft des Bundes, 2020). KEA (2020) cited the most often used measures in the 27 countries of European Union were structural/project grants (25); extension/referral of pre-existing grants and loan schemes (23); exemption/postponement or referral of obligations (23), allowance for freelancers (23) and unemployment schemes (22). The comparison showed there is a great space to develop already implemented measures in Slovakia and to make them more specifically oriented to the needs of creatives. But we must highlight the important limitation in Slovakia – the inadequate mapping of the cultural and creative industries. The first problem is a classification of the creative industry. The statistical classification does not correspond exactly with the definition of creative industries. The second problem is an availability of data. The lack of data, their structure, consistency and the methodology of their calculation is a very strong factor influencing the reliability and credibility of implemented measures. Although, from October 2020 the Ministry of Culture has realised a set of activities to map the cultural and creative industries, the situation being a result of unsystematic and non-strategical approach to development of cultural and creative industries.

It is worth mentioning the fact, that even though the cultural sector is one of the most affected by COVID-19 worldwide, the Slovak Recovery Plan as a part of the European Commission Recovery and Resilience Plan does not include any financial support for this sector (Ministry of Finance of the Slovak Republic, 2020). This just underline our research results oriented towards a lack of strategical approach to the development of creative and cultural industries.

Conclusion

The cultural and creative industries have been recognized from the beginning of 21st century as a new driver of economic development. They were permanently growing even during the financial crisis in 2009, but COVID-19 pandemic impacted their development in a very negative way. All countries reported a decline in revenues and financial damages in this field. A lot of subjects in cultural and creative industries were forced to terminate their activities and had to look for new source of income to survive. The consequences are not only economic ones, but also social ones, that are mirrored in psychological problems, loss of social contacts and a change of lifestyle and consumer behaviour. All are pertinent for the current situation in Slovakia.

The main aim of this paper was to identify and evaluate the impacts of the COVID-19 on the cultural and creative industries and to assess the measures applied by the Slovak government in order to eliminate the consequences of this pandemic.

Our research results have shown that the most vulnerable group in cultural and creative industries affected by negative impacts of COVID-19 are women and single member households. The presented results might be a good starting point for specific measures to protect the most vulnerable groups of workers in this area.

The Ministry of Culture in cooperation with other ministries prepared and implemented a set of measures to eliminate the consequences of COVID-19 pandemic, but their real help is still uncertain mainly because of the negative responses of actors in the cultural and creative industries, administrative burden, and a long waiting period.

The COVID-19 pandemic unleashed a few important problems in the policies of cultural and creative industries. Firstly, there is a general problem with mapping. We recommend defining clearly what belong to this area and to supplement the collection of relevant data by the Slovak Statistical Office and interconnection of already existed databases of these subjects. There should be an exact differentiation between the main actors in cultural and creative industries and the subjects responsible for service and support for them. The second problem is a missing strategical approach in development of cultural and creative industries. The actual strategy was valid only to 2020 and covered only cultural sectors, but the crisis showed that both industries influence each other (the theory confirms their independence) and should be developed together. The primary research results oriented towards the pandemic's impact on different groups of respondents from cultural and creative industries have shown that the most vulnerable group affected by negative impact of COVID-19 pandemic are women. The positive impacts of COVID-19 are mainly perceived by the group of creatives living alone. The presented results might be a good starting point for specific measures and a kind of support to different groups of creatives and to prepare tailor-made solutions respecting different social circumstances. There should also be established an appropriate legislation framework and supporting scheme not only oriented towards financial support, but also on training and development of managerial skills of cultural and creative workers to empower their competitiveness and to increase their chance for success in the market.

The third problem is a low general knowledge about the role and importance of cultural and creative industries, at least from an economic and social point, as well as their contribution to solvency (or insolvency) of other associated products and services. It is confirmed by the Slovak Recovery Plan which does not include any financial support for the cultural and creative industries, despite their growing significance worldwide. Our research findings showed that culture is not a priority of Slovak public policy. However, if we lost our cultural habits, we would have no space to develop creativity and imagination. As such, human potential starts to stagnate, and development loses a key driving force.

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