counting culture

Produced as part of *Counting Culture: What Do We Need to Know About How the Creative Industries Can Deliver Equitable, Just and Sustainable Development in Brazil and the UK?* British Academy Newton Advanced Fellowship to Dr. Leandro Valiati, 2018-2020.

BULLETIN THREE

A PROJECT BY PEOPLE´S PALACE PROJECTS - QUEEN MARY UNIVERSITY OF LONDON

Managed and produced by

people's palace projects

Queen Mary University of London

Funded by

BRITISH ACADEMY for the humanities and social sciences

Newton Fund

Suported by

ARTS COUNCIL ENGLAND

Supported using public funding by ARTS COUNCIL ENGLAND

Research and editorial team: Dr. Leandro Valiati, Dr. Meghan Peterson, Gustavo Möller, Joana Búrigo Vaccarezza, Bruno Palombini Gastal, Larissa Couto, Mariana Steffen, Bruna Cataldo, Luisa Lachan.

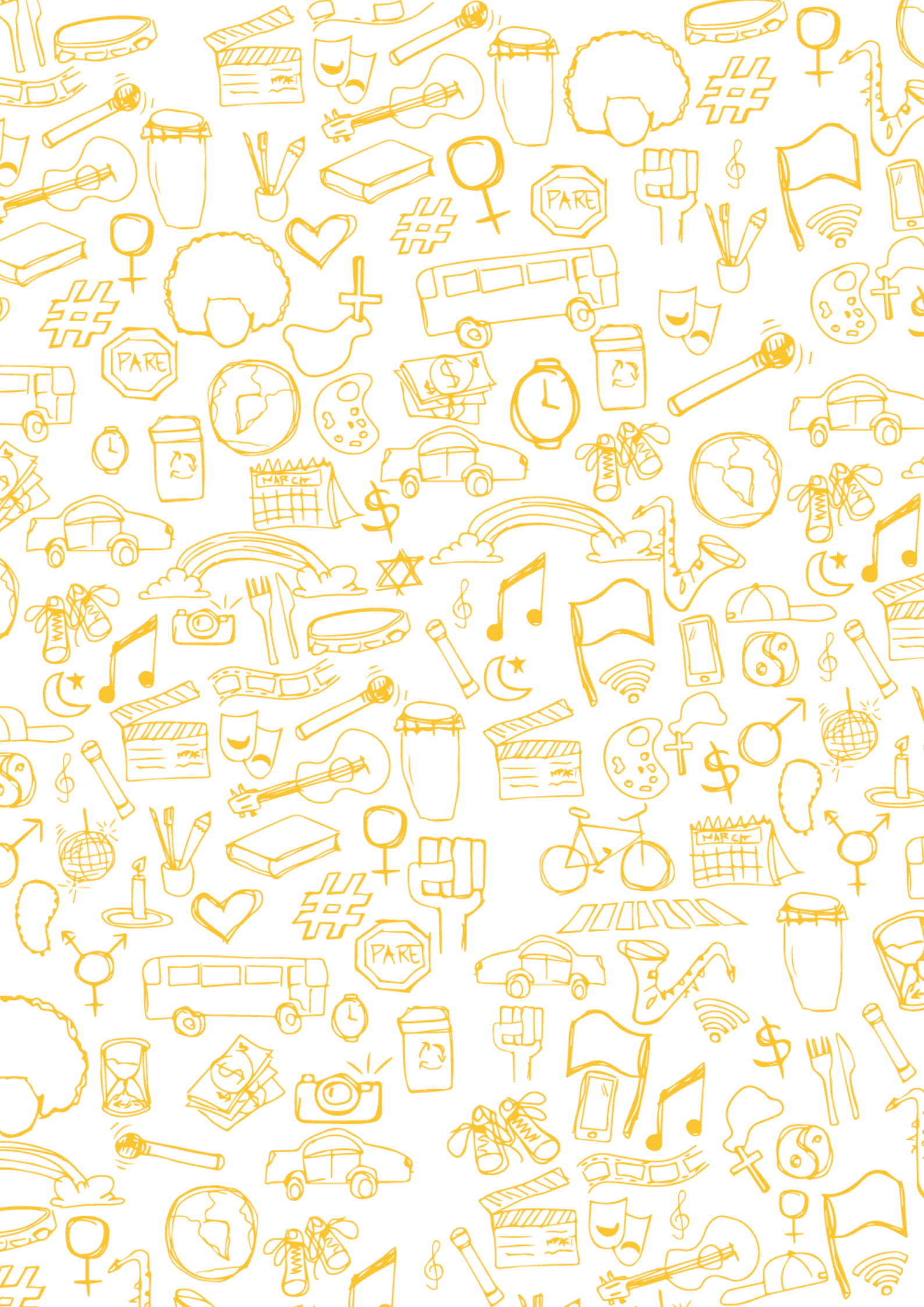
General editor: Gustavo Möller

Illustrations: Ellen Rose

Design project: Gris Estúdio

December 2020

A project by People's Palace Projects
Queen Mary University of London


PARE
PARE
MARCH
MARCH
PARE

The **Pandemic** and the **Creative** and **Cultural Sectors** in the **United Kingdom** and in **Brazil**: Impacts and Relief Measures

1. Introduction

As the Covid-19 pandemic and containment measures wreaked havoc on the world economy, the most directly impacted sectors were obviously those that depended on the circulation of people, be it as customers or as workers. Among them were many creative and cultural sectors, especially those that are 'live' by characteristic, such as performing arts (theatre, live music, circus, etc.), cinema, art galleries, and museums. From the beginning of the pandemic, it was known that these activities would be some of the first to stop and some of the last to resume working.

Even if sub-sectors within the creative and cultural realm varied significantly in the extent to which they were affected, there is no doubt that they represent as a whole one of the most severely impacted segments of the economy, alongside tourism, sport, nightlife, and others – many of which are connected to creative economy value chains. With social distancing measures, most sectors needed either to adapt to virtual modalities or to stop activities completely. In any case, the overall result was an abrupt loss of revenue in the sector, to which the economic crisis in general also contributed, as it diminished the budgets of families and individuals to attend cultural and creative activities and products.

The context was particularly challenging for freelancers and workers on short, fixed term, casual or other precarious types of contracts. Many without such resources as unemployment insurance saw their income completely disappear, with no clear prospect of going back to work. Uncertainty also prevailed in the formal employment sector: many jobs were lost, and many institutions and enterprises closed their doors indefinitely, especially the smaller, independent ones that could not survive more than a few months with a negative balance of payments.

Many countries actively addressed this dire situation through relief measures to alleviate the crisis of the creative and cultural sectors. Among these were the United Kingdom and Brazil, two countries in which the pandemic has hit the hardest. This bulletin aims to analyse and compare the crisis faced by the creative and cultural sectors in these two countries, as well as the measures adopted by each government. As the situation is still ongoing, and bearing in mind that economic effects will probably outlast the pandemic (even if vaccination has already started in the UK), it is beyond our reach to offer a definitive appraisal. Our goal is, rather, to provide a partial and exploratory assessment of the measures adopted in relation to the crisis in each country.

It should be noted that the references and statistical sources on which this work draws have, in some cases, different methodologies for classifying the creative or cultural sectors, and that the scope of surveys also vary. For example, FGV (2020) used the FIRJAN methodology, whereas Itaú Cultural (2020) and Oxford Economics (2020) used the DCMS model. Also, the OBEC-BA survey (Canedo et Paiva Neto, 2020) is biased towards some Brazilian states, whereas Itaú Cultural (2020) and Lira et al. (2020) were more widely distributed. That being so, the data presented is not perfectly comparable, but we have tried to overcome this limitation by using different sources to provide as comprehensive an overview as possible. Also, 'cultural' and 'creative' sectors are not perfectly interchangeable, even if, to a large extent, conclusions apply to both of these categories. In most cases, our use of each of these terms follows the reference used.

2. The crisis and relief measures in the United Kingdom

In the most recent period for which consolidated data is available, the third quarter of 2019, the UK's Department for Digital, Culture, Media and Sport (DCMS) sectors employed over 4.2 million people, a 24% increase since 2010, whereas employment as a whole grew 11% in the same period. This number accounts for around 12.4% of the total workforce, a proportion only slightly higher than that registered in 2010 (DCMS, 2020a). As can be seen in the following table, the sectors that employed most people were, in decreasing order: creative industries, digital, civil society, cultural, sport, telecommunications, and gambling.[1]

sector	Creative industries	Digital	Civil society	Cultural	Sport	Telecoms	Gambling
Number of jobs filled (thou-sands)	2248	1656	992	761	572	164	79
% of jobs filled DCMS total jobs filled	53%	39%	24%	18%	14%	4%	2%

Source: Author with data from Estimates of Employment in DCMS Sectors 2010 to 2019 (DCMS 2020a)

Zooming in on the creative industries, which are the focus of this bulletin, they had grown by 34.5% between 2011 and 2019, reaching a total of around 2.1 million jobs (DCMS, 2020a). This category includes advertising and marketing; architecture; crafts; design and designer fashion; film, TV, radio and photography; IT, software and computer services; publishing; museums, galleries and libraries; and music, performing and visual arts. In total, they accounted for 5.8% of the UK's gross value added (GVA) in 2018 (Oxford Economics, 2020).

The pandemic abruptly reversed this positive trend, which would otherwise probably have continued this year. An April 2020 survey of creative sector employees (not including the self-employed) conducted by the Office of National Statistics (ONS), showed that even though since 2019 average weekly earnings in DCMS sectors had increased more than in the rest of the economy, earnings were still 7.6% below the national average (DCMS, 2020b). The creative industries had the third highest weekly earnings of any DCMS sector, but on the reference date of 22nd April 2020 ,during the first UK lockdown, growth was already negative (-1.5%). The release notes 'The ONS Business Impact of Covid-19 Survey (BICS) covering the period including 22 April 2020 estimated that roughly 65% of jobs in businesses that had not permanently closed in the Arts, Entertainment and Recreation industry were furloughed'.

Research published in July by Oxford Economics (2020) projected a -26% GVA decrease for the creative industries sector this year, particularly acute in the second quarter, and the loss of around 409,000 jobs – 122,000 employees and 287,000 self-employed workers. A March survey by a-n (The Artists Information Company) (2020) found that 93% of more than 4000 respondents were affected by the pandemic, and 82% had to cancel upcoming work. Around 60% expected their income to be reduced by 50% or more, and 35% expected it to be reduced to a quarter of what it was before. Fisher (2020), who provides a very useful summary of the crisis and of the measures adopted in the UK, reports numerous job losses among some of the UK's main cultural institutions, especially in theatre, but noting that smaller institutions are in a much more fragile situation.

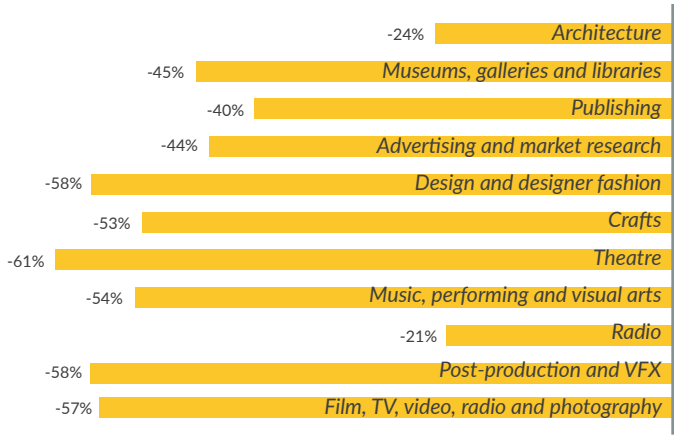
Interestingly, a December report published by the Creative Industries Policy & Evidence Centre showed that, even though the creative sectors lost 110,000 workers in the first quarter of 2020, there was a partial recovery in the following months in most sectors. Therefore, considering the first three quarters of 2020, the number of workers in the creative sectors did not change significantly, apparently contradicting the forecast by Oxford Economics (2020, Owen

[1] The DCMS statistical release notes 'The total for all DCMS sectors does not equal the sum of each sector due to overlap between sectors'. (For instance, jobs in creative organisations with charity status may be shown under 'Civil Society' and also 'Cultura Sectorl', 'Creative Industries' and/or 'Digital Sector'.)

et al., 2020). Nevertheless, the same source did find a very significant reduction in the average number of hours worked by creative workers, with a very notable increase in the number of professionals who worked no hours at all. Thus, the relative stability in the number of workers does not mean that their income was not significantly reduced.

Research published in November by Inc Arts (2020) forecast a 30% drop in revenues for the creative sector in 2020. However, the strength of this blow varied significantly among sub-sectors, as the following graph shows:

Graph 1: Projected turnover reduction, selected creative industries and sub-sectors



Source: Authors with data from Oxford Economics (2020)

The projections were based on a survey conducted by the Creative Industries Federation (CIF) between 27 March and 6 April 2020 that received around 2000 responses from organisations and freelancers. That being so, the consolidated numbers will probably change significantly, but the outlook presented corroborates the obvious forecast that sectors such as radio and architecture would suffer much less than, for example, theatres and museums, art galleries, and libraries ¬– the latter's services would be interrupted almost completely while the former's offerings could feasibly continue. According to the research, respondents from the video game industry, for example, did not report heavy reductions in turnover as they could adapt more smoothly to a working-from-home environment (Oxford Economics, 2020). A June report by a sectoral association warned, on the other hand, that 90% of all grassroots music venues were in danger of closing before September: there is no data yet available that can establish to what extent this forecast has been fulfilled (Fisher, 2020).

These stark sectoral discrepancies were also present in more recent research by Owen et al. (2020). Considered as occupations, music and performing and visual arts endured by far the largest reduction in number of workers, which fell by almost 30% from January to September. This contrasts with other sectors in which the number remained stable or even increased (such as film, TV, radio, photography and – unsurprisingly – IT, and software and computer services). Workers in crafts, film, TV and radio, photography, music, performing and visual arts, and design also suffered more acute reductions in the hours they worked.

The British government's action to relieve the crisis of the creative sector can be divided into two categories: measures aimed at the economy as a whole, which also benefited the creative sector, and programmes specific to the creative economy and to specific sectors.

The two most important programmes in the first category are the Coronavirus Job Retention Scheme (CJRS) – also known as the furlough scheme – and the Self-Employment Income Support Scheme (SEISS), both launched during the first months of the pandemic.

The CJRS, which at the time of writing this report would be in force until the end of April 2021, covers up to 80% of wages (to a maximum of £2500 per month) of registered employees in all sectors (GOV.UK, 2020a). A third of all respondents to the CIF survey (Oxford Economics, 2020) needed to furlough employees, ranging from some to all staff. Data shows that lesser-paid jobs were much more likely to be furloughed, a difference that was more acute among DCMS sectors. For these, the difference between furloughed wages and non-furloughed was 58%, compared with 34% for the national average (DCMS, 2020b). If, on the one hand, this suggests that lesser-paid positions were those that suffered from reductions more frequently, one can also interpret that the scheme was especially important to preserve these jobs.

However, this measure did not include freelancers, who account for around 46% of the workforce in the artistic and cultural sector (Inc Arts, 2020). This gap was supposedly to be filled by the SEISS, which had a similar approach to the CJRS but adapted to the situation of self-employed workers: in theory they could receive government grants of up to 80% of their proven average profits before the pandemic (GOV.UK, 2020b).

Moving on to culture-specific measures, in July the government announced the Culture Recovery Fund (CRF), an additional £1.57 billion package for the cultural sector, combining grants and loans. As of October, £333 million had already been awarded to artistic organisations throughout the country (excluding DCMS-sponsored institutions), including £103 million to heritage organisations, £650,000 to independent cinemas and £75 million to iconic venues (GOV.UK, 2020c). The Music Venue Trust (2020) also reported that grassroots music venues – one of the sectors worst hit by the crisis – had received over £41 million in funding.

Part of the CRF was administered by Arts Council England (ACE) to invest in four programmes: grants, repayable finance, capital kickstart, and emergency grassroots music venues. The grants totalled up to £500 million in funds to be delivered in two rounds from August to September, and was directed at cultural organisations facing financial difficulties. Totalling £270 million, the repayable finance programme offered loans at a minimum of £3 million and was aimed at 'culturally significant organisations that were financially sustainable before Covid-19, but are now at clear risk of no longer trading viably by 31 March 2021 and have exhausted all other options for increasing their resilience'. The capital kickstart programme, totalling £55 million, sought to assist recipients of ACE capital grants, whereas the emergency grassroots music venue funds totalled £2.25 million and were to be directed to enterprises of this kind. Additionally, ACE launched the Thriving Communities Fund to help socially-oriented enterprises in different fields (including arts and culture) and re-opened their National Lottery Project Grants, with a budget of £75 million (ACE, 2020, online).

Historic England also benefitted from the CRF, distributing around £88 million in Culture Recovery Funds for Heritage in partnership with National Lottery Heritage Fund. Through the £50 million Heritage Stimulus Fund, Historic England additionally expected to offer £34 million to capital works, around £14 million to a few hundred organisations from its Heritage At Risk fund, to be used for repairs or investments to facilitate re-opening, and top-up grants for existing capital grantees. The £2 million Covid-19 Emergency Response Fund sought to offer safety net grants of up to £25,000 each to alleviate cashflow difficulties or up to £50,000 for research to reduce risk to heritage (Historic England, 2020).

Outside of the scope of direct governmental support, film director Sam Mendes led the creation of the Theatre Artists Fund to help workers and freelancers in the sector, as reported by Fisher (2020). With Netflix being the main donor, and with the support of ACE, the initiative has raised £4.8 million and had distributed 4631 grants as of December 2020 (Theatre Artists Fund, 2020).

The relief measures did not aim to prevent reductions in income completely - these were almost inevitable in many economic sectors – but to enable the survival of organisations which would have been economically viable had it not been for the exceptional circumstance of the COVID-19 shutdown. More research would be necessary to confirm this hypothesis but it is possible, for instance, that support measures such as the furlough scheme were successful in preventing the job losses forecast by Oxford Economics (2020), which the more recent research by Owen et al. (2020) indicates have not transpired. Even so, government action has been deemed insufficient by many. The a-n survey (2020), for example, found that only 2% of the respondents thought the government was doing enough to protect the sector.

The situation is worse among freelancers: even if the government expected to reach around 95% of all freelancers with the SEISS, a December survey in the museum sector reports that 52% of respondents had not received anything from the scheme, and that 67% have had to find alternative sources of income (Business Live, 2020, Museum Freelance, 2020). At the time of writing this report, Chancellor Rishi Sunak

is facing strong pressure to increase SEISS coverage, as there are reportedly up to 3 million self-employed workers who were not eligible to receive the benefit – which accounts for around two-thirds of all self-employed workers before the pandemic (Freelance UK, 2020). Research by the Labour Party has pointed out that 177,000 creative workers might be in this situation (The Guardian, 2020). In the newest round of the SEISS, the government initially planned to reduce by half the proportion of average income to be covered. However, after much criticism, it promised in November to increase the benefit and to speed up its delivery (GOV.UK, 2020d).

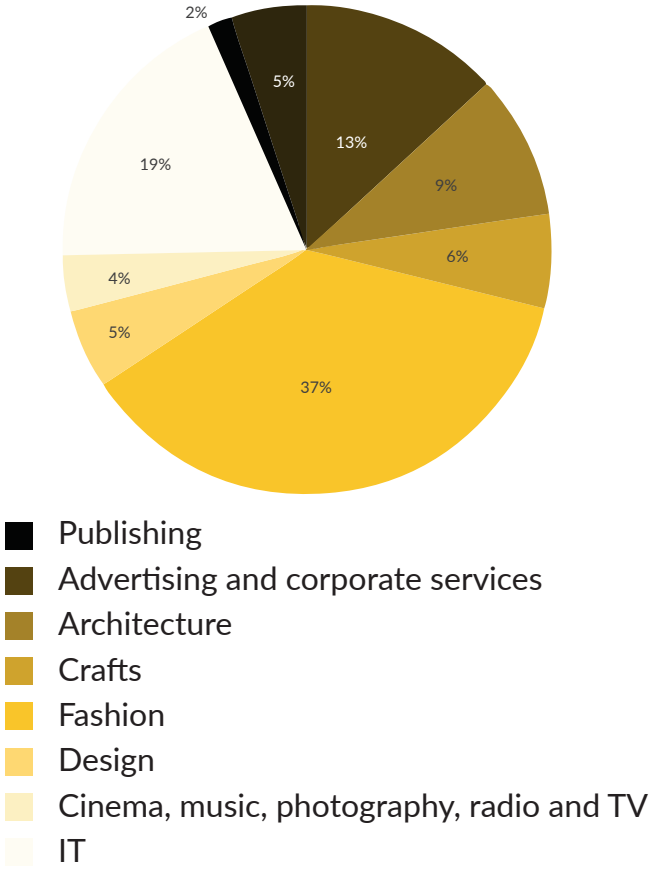
Most of the measures mentioned, however, will only cover the first months of 2021, which leaves many uneasy about the post-pandemic prospects for the creative and cultural sector. The great majority of the a-n survey respondents, for example, report that all aspects of their work will be affected in the long term, with extreme impacts anticipated on income, employment, exhibiting, and selling (a-n, 2020). The Museum Freelance (2020) survey also presents some gloomy data: more than a third of the respondents were already looking for work outside the cultural sector. That being so, it seems that we will only be able to grasp the real extent of the crisis in the British creative and cultural sector, and the effectiveness of relief measures, some months from now.

3. The crisis and relief measures in Brazil

When the pandemic hit Brazil, its economic outlook was already poor, as austerity reforms applied since 2015 had failed to deliver promised stability and economic growth. The job market was particularly fragile, with rates of unemployment persisting at over 10% since 2016. To a large extent, this was reflected in the creative and cultural sector, which also suffered from the dismantling of cultural programmes and policies during recent years. Nonetheless, 2020 was seen by the sector as a promising year (FGV, 2020).

As of 2017, the cultural sector accounted for 3.89% of the Brazilian GVA (Machado et al., 2020). According to recent and extensive research by Itaú Cultural (2020, p. 61), there were over seven million creative workers in Brazil in 2019, accounting for around 8% of the total workforce. This included both workers within the creative sector (70%) and creative workers in other sectors (30%). After reaching a peak in 2014, the number of creative workers first decreased significantly, and then started to recover, though never equalling the 2014 level. The most significant sectors, by number of workers, are represented in the following graph (Museums and Heritage, and Gastronomy do not appear as they collectively amounted to less than 0.5%):

Graph 2: Creative workforce by sector



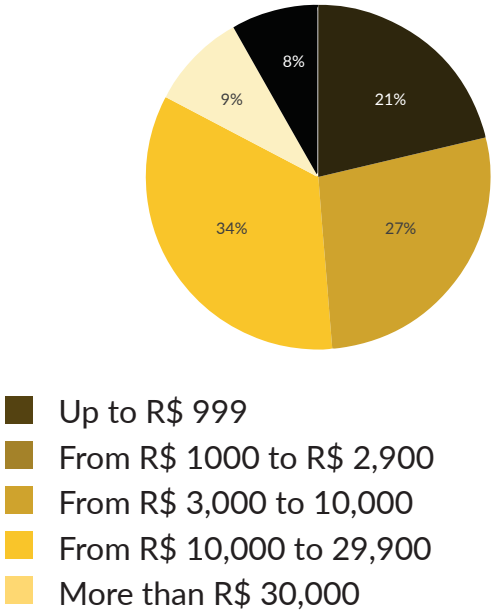
Source: Adapted from Itaú Cultural (2020, p. 68)

A survey of 1677 cultural enterprises and workers of all states, organised by UNESCO in Brazil and local partners, gives an informative overview of the sector. As the graph below shows, only a small proportion had a monthly turnover that could be considered high (more than R$10,000[2]), and around a fifth of all of

[2]At the time of writing, BRL R$10,000 equated to USD $1,910.05 or GBP £1,413.90. (ww1.oanda.com).

them had a monthly turnover of up to R$999.9, which corresponds to just below the national minimum wage (R$1045.00). Similarly, 58% of the respondents had earnings of up to two times the national minimum wage. This data is directly related to the high proportion of individual enterprises (42.6%) and of self-employed or informally employed workers in the sector, 56.3% – to which one might add the 16% of people who worked as temporary contractors (Lira et al., 2020). The sum of these two figures is consistent with those found by Machado et al. (2020) in the last quarter of 2019 for self-employed workers in the cultural sector: 73%, which is higher than the proportion of informal workers in the total workforce for the same year: 41.6% (Agência Brasil, 2020). Bearing in mind this predominance of medium-to-low turnover firms and of self-employed workers, also recognised in the Itaú Cultural (2020) report, it can be said that the sector was very vulnerable to the limitations imposed by the pandemic.

Graph 3: Turnover of creative and cultural enterprises



Source: Adapted from Lira et al. (2020, p.5)

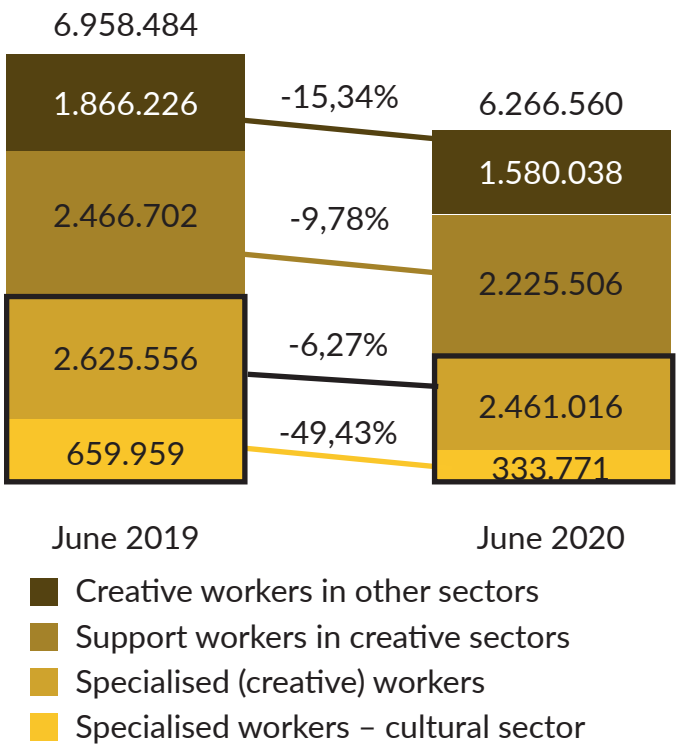
Unsurprisingly, a June survey by FGV (2020) registered some very pessimistic perspectives from creative enterprises regarding this year. More than 90% had projects suspended or cancelled, and 63% were not able to maintain their activities with social distancing measures, so that 88% had already had a loss of turnover and expected this reduction to persist (or worsen) throughout the year. To face this situation, 35% had sought external financing, but only 4.6% were successful, while 45% thought they would need to do the same later in the year.

The report by Machado et al. (2020), published in April, estimated that a three-month interruption of all artistic and cultural activities, except those consumed domestically, would cause a drop of 11% in the gross value of the sector. Nonetheless, it quickly became clear that activities would be affected for a much longer time, as registered by a survey by OBEC-BA (Canedo & Paiva Neto, 2020) conducted from March to July. During the first month of the survey, 72% of the organisations interviewed believed the problem would not last for more than four months, whereas 87% of them thought in July that restrictions would last until the end of 2020, and one-third thought some restrictions would still be in force in 2021[3].

FGV (2020) estimates that the creative sector's productivity dropped to a low of just 44% of its average volume in 2019, and will fall by 32% overall in 2020. The accumulated drop in the level of employment of creative workers registered in the first half of 2020 stood at 12.2%, which accounts for around 870,000 jobs lost (Itaú Cultural, 2020). As can be seen in the diagram below, extracted from the Itaú Cultural report (2020), the loss was much more severe in the case of culture sector workers and, to a lesser extent, of creative workers in non-creative sectors (embedded), taking June 2019 as a comparative reference. It was caused mainly by the loss of informal jobs, which formed around 20% of the creative sector workforce and the economy as a whole, whereas only 3.1% of formal creative jobs had been lost between late 2019 and mid2020.

[3]It should be noted that Brazil's federal government disagreed with social distancing measures, so that decisions were largely carried out on a local (state or city) basis.

Figure 1: Workers in the creative sectors, June 2020 vs June 2019



Source: Itaú Cultural (2020, p. 67)

At first, the Brazilian government was reluctant to take an active stance to counter the economic disruption caused by the pandemic, but it was forced to change its mind as the situation worsened, and after much pressure from both citizens and the opposition party. Just as in the UK, there have been both general measures that also benefitted the creative economy and specific measures to the sector.

The main measures in the first category are the Emergency Programme for Sustaining Employment and Income (EPSEI) and the Emergency Relief Support (ERS), aside from the less important relaxation of some taxes and contributions. The first was proposed by the government and aimed at mitigating job losses among the formally employed by allowing enterprises to suspend contracts or reduce wages and working hours, with partial compensation offered for the income loss suffered by workers. As of November, 19 million contracts joined the programme, with slightly less than half of these suspended (Poder360, 2020). Among the enterprises surveyed by FGV (2020), 18.7% of them suspended contracts, 16.6% reduced wages and working hours, 7.8% reduced wages and complemented them with unemployment insurance – another possibility offered by the programme – and a further 8% declared a formal suspension of activities.

As already mentioned, creative sectors tend to have high levels of informal workers, who were not covered by the EPSEI programme. The ERS, proposed by the opposition, partially addressed this issue by offering a monthly R$600 grant to low-income and informally employed workers, including sole trader entrepreneurs, the unemployed and stay at home parents or carers. OBEC-BA (Canedo & Paiva Neto, 2020) stated that the majority of its respondents were eligible for the benefit, and this conclusion may be extended to the whole sector, bearing in mind the predominance of informal and medium- to-low-income workers. The exception is the group of creative workers in non-creative sectors, whose average income exceeds the cap (Itaú Cultural, 2020). So far, no data is available on how many creative and cultural workers have been able to access the ERS.

The most important measure to assist the cultural sector was the Aldir Blanc Law (ABL), which was also proposed by the opposition and bears the name of one of Brazil's most important pop music composers, who died of Covid-19. Approved in June, the law released R$3 billion (around £440 million) in federal resources to help the cultural sector by offering monthly stipends of R$600 (around £88) to jobless and low-income cultural workers, subsidising cultural organisations, or proposing cultural projects (Brazil, 2020). With funds disbursed by states and city governments, decision-making regarding the allocation of these funds was essentially decentralised.

At the time of writing of this report, 4,244 cities (76% of the total number in Brazil), covering all the states, had successfully registered for the programme, including all capitals and all cities with more than 100,000 inhabitants. More than 3,000 of them had not received any federal funding for culture in the last twelve years (Secretaria Especial da Cultura, 2020). In more than a third of all states, resources released by the ABL would be greater than their entire culture budget for 2020 (Itaú Cultural, 2020). Furthermore, the programme included far more than the 2,713 cities that form part of the National Culture System (Sistema Nacional de Cultura, 2020), which was defined by the

Constitution and, prior to the ABL, was the most comprehensive cultural initiative of the Brazilian state. The regions receiving highest coverage, in decreasing order, were Northeast (87%), Southeast (74%), South (74%), North (69%), and Midwest (52%). Slightly more than half of the programme's funds had already been delivered, in all states.

The ABL exhibits further notable aspects, in addition to its size and scope. First, the national mobilisation by the cultural sector that led to its approval, even despite the very challenging situation the sector had faced since 2016, when the first (failed) attempt to disband the Ministry of Culture took place (Folha de S. Paulo, 2020a). Second, its focus on cultural workers, rather than on specific projects, sets the ABL apart from Brazil's main cultural policies. This could be a potential opportunity for cultural workers to be better recognised as a class and as the fundamental cornerstones of the cultural economy.

Even if the law could be extended, the government apparently does not intend to do so. In November, the Ministry of Tourism – the home ministry of what was, by then, the Secretariat of Culture – declared that there were no plans to extend the initiative nor to propose an analogous programme to replace it (Folha de S. Paulo, 2020b). Bearing in mind that the sector is not expected to recover until late 2021, and that the ERS is set to be discontinued in December 2020, it seems that the creative and cultural sectors – as well as the whole economy – have a very tough year ahead (FGV, 2020, Valor, 2020).

4. Discussion

Generally speaking, the severity of the crisis was similar in the UK and Brazil, radically disrupting creative and cultural activities and value chains. Most estimates so far put job and production losses in the two countries at roughly the same order of magnitude, and surveys of participants in the creative and cultural sectors seem to demonstrate that most of the problems and uncertainties have been experienced by both workforces.

Considering the most recent comprehensive reports on each country, that by Owen et al. (2020) for the UK, and by Itaú Cultural (2020) for Brazil, it seems that the former has been able to reverse or prevent a much higher proportion of job losses in the first quarter of this year. At least in part, this is likely to do with the fact that the UK had a months-long 'gap' between the first and second waves of the pandemic, whereas infections and deaths in Brazil have only briefly waned, and mostly in regional or localised pockets. Even if social distancing measures have been relaxed for certain periods, uncertainty has probably hampered a potential recovery.

To understand the severity of the crisis in Brazil, one should also bear in mind the low average income in Brazil (around £335 monthly, around one-sixth of the UK's), which has been virtually stagnant since 2014 (Itaú Cultural, 2020, ONS, 2020), as well as the very unequal income distribution in this country, where the gap between the top and bottom income tiers is huge – its Gini Index ranks as 9th highest in the world (World Bank, 2020). That being so, even if remuneration in Brazil's creative sector is around 50% higher than average, whereas in the UK it is 7.6% lower than average, workers in the former are in a more precarious situation overall than those in the latter.

In both countries the pandemic generated a complete reversal of expectations for the creative sectors, as both countries' creative sectors had grown in 2019 and were expected to maintain this positive trend in 2020. Considering the evidence presented above, it would not be a surprise if this segment of the economy underwent a two-digit recession in both countries.

Regarding the measures adopted, both countries share similarities and differences. Among similarities, the two subsidies offered to support the whole job market could be used by creative and cultural enterprises that had formally employed staff – although those provided by the British government covered the main share of wages, whereas the Brazilian government's aid was more limited. Both countries also introduced support schemes for self-employed workers. In the case of the UK, the benefits were proportional to average earnings (with a cap), whereas Brazil implemented the distribution of a fixed sum totalling just over half the minimum

wage. Nevertheless, in both cases, the crisis was felt most acutely by the self-employed.

The main difference lies in the way the governments of the two countries addressed the crisis of the creative and cultural sectors. The British adopted a more directed and centralised approach with the CRF, directed by the DCMS and ACE, selecting priority sectors to be assisted by specific programmes. In Brazil, ABL funds were to be distributed by local governments. Both programmes offered assistance to individuals and organisations, by means of grants and subsidies, but, while the UK's CRF had a greater focus on organisations, in Brazil individuals may be said to have been the main target.

Perhaps this decision, in the case of Brazil, relates to the fact that cultural policies and government institutions had been largely defunded and abandoned since around 2014. This could have hindered any centralised action by the current government, whose relationship with the cultural sector is, to say the least, markedly conflictual. That being so, it is not a surprise that initiatives such as the ERS and the ABL came from the opposition, in contrast to the UK, whose government was relatively more proactive in proposing responsive measures. Regarding the level of expenditure, the CRF was greater than the ABL in both absolute and relative terms, representing 0.07% of the British GDP, whereas the latter represented 0.04% of the Brazilian GDP (Statista, 2020, IBGE, 2020).

In summary, the Covid-19 pandemic probably represents the most severe challenge ever imposed on the creative and cultural sectors throughout the world, including the UK and Brazil. Generally speaking, the data gathered so far has confirmed the early fears that a major disruption is underway. Nonetheless, the next months will be key to an assessment the real extent of the crisis and of the effectiveness of the measures adopted. Regarding the latter, data is so far insufficient to analyse any quantifiable impact of these measures, but it is likely they have been important, if not crucial, to mitigating job losses and to ensuring a minimum income to those workers who were forced to cease working. Lastly, it is commendable that, even if the crisis is still ongoing, there are already a significant number of studies about it in both countries. It is highly important that these sectors of the economy continue to be studied, as only then can their situation be closely monitored, and insights revealed into how they can finally start making some sort of recovery.

References

a-n (The Artists Information Company) (2020). *COVID-19 impact survey*. https://static.a-n.co.uk/wp-content/uploads/2020/04/Covid-19-impact-survey-2020.pdf?utm_source=Audience+Master+List&utm_campaign=f374ac44c4-EMAIL_CAMPAIGN_2020_04_23_03_09&utm_medium=email&utm_term=0_19cf5877d5-f374ac44c4-288439389. [Accessed 11 Dec 2020].

ACE (Arts Council England) (2020). *Covid-19 support*. https://www.artscouncil.org.uk/covid19. [Accessed 11 Dec 2020].

Agência Brasil (2020). *IBGE: informalidade atinge 41,6% dos trabalhadores no país em 2019*. https://agenciabrasil.ebc.com.br/economia/noticia/2020-11/ibge-informalidade-atinge-416-dos-trabalhadores-no-pais-em-2019. [Accessed 11 Dec 2020].

Brazil (2020). *Lei Nº14.017, de 29 de junho de 2020*. http://www.planalto.gov.br/ccivil_03/_Ato2019-2022/2020/Lei/L14017.htm. [Accessed 11 Dec 2020].

Business Live (2020). *Chancellor Rishi Sunak unveils UK Government support package for self employed*. https://www.business-live.co.uk/economic-development/chancellor-rishi-sunak-unveils-uk-17988773. [Accessed 11 Dec 2020].

Canedo, D. & Paiva Neto, C. (Coord.) (2020). *Pesquisa Impactos da Covid-19 na Economia Criativa:* relatório final de pesquisa. Salvador: OBEC-BA, Santo Amaro: UFRB. http://www.obec.ufba.br/wp-content/uploads/2020/09/RELAT%C3%93RIO-FINAL-Impactos-da-Covid-19-na-Economia-Criativa-OBEC-BA-compressed.pdf. [Accessed 11 Dec 2020].

DCMS (UK Department for Digital, Cultural, Media and Sport) (2020a). *Ad-hoc statistical analysis:* 2019/20 Quarter 4. https://www.gov.uk/government/statistical-data-sets/ad-hoc-statistical-analysis-201920-quarter-4. [Accessed 11 Dec 2020].

DCMS (UK Department for Digital, Cultural, Media and Sport) (2020b). *DCMS Economic Estimates 2020 (provisional):* Earnings. https://www.gov.uk/government/publications/dcms-sectors-economic-estimates-2020-earnings/dcms-economic-estimates-2020-provisional-earnings. [Accessed 11 Dec 2020].

FGV (Fundação Getúlio Vargas) (2020). *Relatório sobre os impactos econômicos da covid-19*. https://fgvprojetos.fgv.br/sites/fgvprojetos.fgv.br/files/economiacriativa_formatacaosite.pdf. [Accessed 11 Dec 2020].

Folha de S. Paulo (2020ª). *Teatro descobriu vida na internet, mas otimismo no setor cultural é incerto*. https://www1.folha.uol.com.br/ilustrada/2020/11/teatro-descobriu-vida-na-internet-mas-ha-motivo-para-otimismo-no-setor-cultural.shtml. [Accessed 11 Dec 2020].

Folha de S. Paulo (2020b). *Auxílio ao setor cultural não deve ter continuidade no pós-pandemia, diz ministro*. https://www1.folha.uol.com.br/ilustrada/2020/11/auxilio-ao-setor-cultural-nao-deve-ter-continuidade-no-pos-pandemia-diz-ministro.shtml. [Accessed 11 Dec 2020].

Fisher, R. (2020). Country report: United Kingdom. *Compendium: cultural policies & trends*. https://www.culturalpolicies.net/covid-19/country-reports/uk/. [Accessed 11 Dec 2020].

Freelance UK (2020). *Sunak under pressure to give freelance creatives something for Christmas*. https://www.freelanceuk.com/news/16800-sunak-under-pressure-give-freelance-creatives-something-christmas.shtml. [Accessed 11 Dec 2020].

GOV.UK (2020a). *Furlough Scheme Extended and Further Economic Support announced*. Government of the United Kingdom. https://www.gov.uk/government/news/furlough-scheme-extended-and-further-economic-support-announced. [Accessed 11 Dec 2020].

GOV.UK (2020b). *Policy paper: Self-Employment Income Support Scheme grant extension*. Government of the United Kingdom/HM Revenue & Customs. https://www.gov.uk/government/publications/self-employment-income-support-scheme-grant-extension/self-employment-income-support-scheme-grant-extension. [Accessed 11 Dec 2020].

GOV.UK (2020c). *Culture Recovery Fund. Government of the United Kingdom*. https://www.gov.uk/government/groups/culture-recovery-board#latest-news. [Accessed 11 Dec 2020].

GOV.UK (2020d). *Government increases support for self-employed across the UK*. Government of the United Kingdom/HM Treasury. https://www.gov.uk/government/news/government-increases-support-for-self-employed-across-the-uk. [Accessed 11 Dec 2020].

The Guardian (2020). *'Left in lurch': Sunak under fire for lack of self-employed support*. https://www.theguardian.com/uk-news/2020/oct/23/left-in-lurch-sunak-under-fire-for-lack-of-self-employed-support. [Accessed 11 Dec 2020].

Historic England (2020). *Funding for Heritage Organisations Affected by Coronavirus*. https://historicengland.org.uk/coronavirus/funding/. [Accessed 11 Dec 2020].

IBGE (Brazilian Institute for Geography and Statistics) (2020). *Produto Interno Bruto* – PIB. https://www.ibge.gov.br/explica/pib.php. [Accessed 11 Dec 2020].

Inc Arts (2020). *Hold On. Diversity and Managing in the Arts*. Full Report: November 2020. Inc Arts, Bridge Group & Arts Council England. https://static1.squarespace.com/static/5c18e090b40b9d6b43b093d8/t/5fb6967ab3db4d4323bf1f77/1605801598364/Hold+on+Inc+Arts+V19+FINAL+FULL+REPORT.pdf. [Accessed 11 Dec 2020].

Itaú Cultural (2020). *Dez anos de Economia da Cultura no Brasil e os Impactos da Covid-19:* umrelatório a partir do painel de dados do observatório Itaú Cultural. São Paulo: Itaú Cultural. https://portal-assets.icnetworks.org/uploads/attachment/file/100687/

EconomiadaCulturanoBrasileosImpactosdaCOVID-19_PaineldeDados_nov.pdf. [Accessed 11 Dec 2020].

Lira, A. L. G., Franco, P. A. I., Amaral, R. C. (2020). *Pesquisa de percepção dos impactos da COVID-19 nos setores cultural e criativo do Brasil*. Paris/ Brasília: UNESCO. http://iccscovid19.com.br/. [Accessed 11 Dec 2020].

Machado, A.F. et al. (2020). *Nota Técnica:* Efeitos da Covid-19 na Economia da Cultura no Brasil. Belo Horizonte: CEDEPLAR/UFMG. https://www.cedeplar.ufmg.br/noticias/1235-nota-tecnica-efeitos-da-covid-19-na-economia-da-cultura-no-brasil. [Accessed 11 Dec 2020].

Museum Freelance (2020). *Impact of Covid-19 on freelancers:* Poll results, December 2020.

https://static1.squarespace.com/static/5b448e3b2487fd5fcddd3bbd/t/5fc7605a8f0796361579c25e/1606901851015/Impact+of+Covid-19+on+freelancers+-+Poll+results%2C+December+2020.pdf. [Accessed 11 Dec 2020].

Music Venue Trust (2020). *Music Venue Trust announce 89% success rate for grassroots music venues applying to culture recovery fund*. http://musicvenuetrust.com/2020/10/music-venue-trust-announce-89-success-rate-for-grassroots-music-venues-applying-to-culture-recovery-fund/. [Accessed 11 Dec 2020].

ONS (Office for National Statistics) (2020). *Average weekly earnings in Great Britain:* September 2020. United Kingdom. https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/averageweeklyearningsingreatbritain/september2020. Accessed 14 Dec 2020.

Owen, G., O'Brien, D., Taylor, M. (2020). A jobs crisis in the cultural and creative industries, 10 December 2020. *Creative Industries Policy & Evidence Centre*. https://pec.ac.uk/blog/how-covid-19-is-impacting-the-cultural-sector-with-the-loss-of-55-000-jobs-in-the-arts. [Accessed 15 Dec 2020].

Oxford Economics (2020). *The projected economic impact of Covid-19 on the UK creative industries*. https://www.creativeindustriesfederation.com/sites/default/files/inline-images/20200716_OE_Slides_new%20ACE%20data%20-%20Clean%20-%20with%20NEMO%20caveat.pdf. [Accessed 11 Dec 2020].

Poder360 (2020). *Programa de manutenção do emprego injetará R$ 2 bi na economia até fevereiro*. https://www.poder360.com.br/economia/programa-de-manutencao-do-emprego-injetara-r-2-bi-na-economia-ate-fevereiro/. [Accessed 11 Dec 2020].

Secretaria Especial da Cultura (2020). *Lei Aldir Blanc alcança mais de 4 mil municípios que nunca receberam recursos diretos para a cultura*. http://cultura.gov.br/lei-aldir-blanc-alcanca-mais-de-4-mil-municipios-que-nunca-receberam-recursos-diretos-para-a-cultura/. [Accessed 11 Dec 2020].

Sistema Nacional de Cultura (National Culture System) (2020). *Painel de Indicadores* – Lei Aldir Blanc. Ministério do Turismo do Brasil/Secretaria Especial de Cultura. http://portalsnc.cultura.gov.br/indicadorescultura/. [Accessed 11 Dec 2020].

Statista (2020). *Annual gross domestic product (GDP) of the United Kingdom from 1948 to 2019*. https://www.statista.com/statistics/281744/gdp-of-the-united-kingdom/. [Accessed 11 Dec 2020].

Theatre Artists Fund (2020). *Theatre Artists Fund*. https://theatreartists.fund/. [Accessed 11 Dec 2020].

Valor (2020). *Agenda fiscal terá sinal forte ainda neste ano, promete Guedes*. https://valor.globo.com/brasil/noticia/2020/12/10/agenda-fiscal-tera-sinal-forte-ainda-neste-ano-promete-guedes.ghtml. [Accessed 11 Dec 2020].

World Bank (2020). Gini Index (World Bank Estimate) – Brazil. *World Bank Data*. https://data.worldbank.org/indicator/SI.POV.GINI?locations=BR&most_recent_value_desc=true.

counting culture