

Astikè, Kristina; Skvarciany, Viktorija

## Article

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# MEASURING THE LEVEL OF PERFORMANCE OF COUNTRY'S CULTURAL ECONOMICS: THE CASE OF EU11

Kristina Astikė<sup>1\*</sup> and Viktorija Skvarciany<sup>2</sup>

<sup>1)2)</sup>Vilnius Gediminas Technical University, Vilnius, Lithuania

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## Abstract

Culture itself forms society's identity, social values, and formal and informal social relations. This strengthens social capital, which is based on community, citizenship, volunteerism, and social values. These aspects promote effective democratic governance, and thereby ensure economic growth and, at the same time, the expansion of cultural economics. The main purpose of this article is to identify which of the selected cultural performance factors are more important in relation to each other and to create an index of cultural economics for the post-communist Central and Eastern European countries of the European Union according to these factors. The methods used in the article are as follows: analysis of scientific literature, qualitative expert interviews process with FAHP, and multi-criteria decision-making method TOPSIS. Two types of data were collected and analysed in the article: data received from the expert survey and existing statistical data. The results revealed that after creating an index of the post-communist Central and Eastern Europe countries of the European Union according to selected cultural performance factors, the first five places are occupied by Romania, Bulgaria, Slovakia, Latvia, and Lithuania. The practical implications of the research are that cultural economics is related to both the private and public sectors and, as a result, to their revenue; hence, the products it produces may be stated to contribute to the country's economy and development. The limitations of this study are statistics that have been used; the data is for 2020 as this is the most recent available.

**Keywords:** cultural economics, heritage, cultural institutions, EU11

**JEL Classification:** C83, D1, H1, Z1

\* Corresponding author, **Kristina Astikė** – e-mail: [kristina.astike@vilniustech.lt](mailto:kristina.astike@vilniustech.lt)



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## **Introduction**

Culture is decisive in national progress, individual and community self-worth, and various forms of creativity and innovation. Without culture, modern development of political democracy, economic growth, society's ability to think critically, social harmony, and the overall well-being of every citizen are impossible. This view is supported by the cultural theories. Considering these theories, it is essential to mention Geert Hofstede's research, in which he established a conceptual framework to comprehend variations in culture among diverse nations and societies. Initially focused on identifying and measuring cultural disparities in the workplace, the findings of this research have since been extrapolated to encompass broader contexts (Hofstede et al., 2004). Hofstede's cultural theories are closely related to this research because they explore cultural institutions, cultural employment, and professional training in the culture sector. All of this provides a framework for understanding cultural differences and these dimensions are closely related to cultural institutions. Cultural institutions are the structures and mechanisms within a society that shape the behaviour, values, and norms of its members. The dimensions identified by Hofstede help to highlight how certain aspects of cultural institutions vary across different societies. In various aspects, culture occupies an important place in the modern world. Culture fosters the increase in the value and competitiveness of products (Goffi et al., 2019; Azeem et al., 2021), and promotes social inclusion and social development (Meir and Fletcher, 2019; Valverde-Moreno et al., 2021). Culture is essential for spatial planning and urban expansion (Grenni et al., 2020; Purkarthofer et al., 2021), and it also serves for the development of collective awareness and thinking (Caron et al., 2020; Chabay, 2020). Culture is also influential from an economic approach. The World Economic Forum announces that culture is seen as an essential sector that develops human capital, promotes the creation of new innovative products, develops infrastructure and tourism, and contributes to the digitisation of processes (World Economic Forum, 2020). Hence, it could be stated that culture is a part of different systems, and economics is not an exception. In order to include culture in the economics dimension, the conception of cultural economics has been developed. The importance of cultural economics is justified in official reports, such as United Nations documents. In 2019, the United Nations Educational, Scientific and Cultural Organisation (UNESCO) organised a debate on Culture and Sustainable Development. The debate highlights the connection between culture, sustainable development, innovation, diversification, and economic expansion. These documents illustrate how artistic education, cultural performance and culture itself, and creative industries contribute to achieving development goals in providing up-to-date and innovative solutions in urban and rural, national, and local contexts. In addition, they provide opportunities for decent work, poverty reduction, social resilience, and gender equality. United Nations argue that culture is the key to sustainable development and a powerful contributor to economic and social stability interacting with technology, intellectual property, and tourism objectives: it is a set of knowledge-based, and thus more localised, economic activities with a development dimension and cross-cutting linkages at macro and micro levels to the overall economy. All this shows the relevance of cultural economics. Based on that, it could be argued that in order to reach the highest level of cultural economics, the present situation should be assessed. Because of that, it is crucial to set the factors that could be used for cultural economics measurement, which will help to understand where the countries are now. It is especially important for post-communistic countries to facilitate smoother integration into the European cultural space in the field of economics.

After the early 1990s, the post-communist countries of Central and Eastern Europe achieved similar development goals. The main ones were democratisation, integration into the EU, development of relations with other European countries, the economic and political transformation of financial systems, and also getting involved in the cultural space of the European Union. Thus, this research aims to identify the factors for measuring the country's cultural economics and evaluating its state in EU11. EU11 is the abbreviation for all post-communist countries that are members of the European Union. These are 11 countries in Central and Eastern Europe (Croatia, Estonia, Slovenia, Bulgaria, Romania, Latvia, Lithuania, Slovakia, Hungary, the Czech Republic, Poland) that had a communist regime and, after the collapse of the Soviet Union, joined the European Union. These countries have not only common political, cultural, geographical, and economic features but also faced similar challenges: prohibitions of religion, and native language, which suppressed their cultural identity. The main cultural similarity of all EU11 is the communist intangible and material heritage. This heritage does not reflect the countries' historical past or national identity; that is, it shows the countries' communist ideology, which was similar in all countries. Therefore, it is not surprising that after the collapse of the Soviet Union, all these countries tried to free themselves from their communist heritage, and this liberation is still ongoing today. Thus, it is relevant to analyse the factors of the cultural economics of these countries and compare them with each other in this aspect.

The article has the following structure: the theoretical part presents the analysis of the factors for measuring the country's cultural economics. The research part of the article describes the research methodology and methods: AHP and TOPSIS methods. The article ends with a discussion and conclusions.

## **1. Theoretical background**

Different studies have shown that cultural activities bring both direct and indirect benefits. For example, they actively participate in civic life and thereby increase social capital. It also contributes to faster economic development, as it encourages the improvement of the environment around us through the strengthening of public security, which creates an attractive investment environment. And, of course, it protects the cultural heritage and educates about the importance of passing on and preserving cultural values and the country's history, which forms group memory and identity (Attanasi et al., 2013; Orlando et al., 2022). Culture itself forms society's identity, social values, and formal and informal social relations. All of this strengthens social capital, which is based on community, citizenship, volunteerism, and social values. These aspects promote effective democratic governance and, therefore, ensure economic growth. In other words, all of the mentioned aspects are part of the country's cultural economics.

At the global level, UNESCO has been assessing culture in different reports and studies. For example, its 2013 Creative Economy Report proposes a system of factors that are divided into three groups: resources, capacity, and outcomes. The group of resource factors consists of the following: creative workforce, creative businesses, cultural institutions, cultural heritage, cultural activities, and cultural infrastructures (UNESCO Culture Development Indicators, 2014). Capacity factors include data about government and private sector participation, social capital, civil society, education in arts and culture, communication, and media. The group of outcome factors is divided into economic, social, cultural, and

environmental parts. The group of economic factors included data on the output of cultural goods and services, employment, exports, business development, tourism, and equity in economic outcomes. Social outcomes are measured using data about social cohesion, cultural diversity, human rights and non-discrimination, and education. Cultural outcomes include cultural consumption and engagement data, cultural participation and creative activity, art-form development, and culture in external relations. Finally, environmental outcomes are measured using data on educational strategies, arts as an example of green practice, and traditional knowledge (UNESCO, 2013). This shows how broad the field of cultural economics research is and that cultural economics factors can be divided into four groups to better understand them. Another example showing the importance of cultural economics on a global scale is the Creative Economy Outlook 2022, prepared by the United Nations (Creative Economy Outlook, 2022). This report highlights the unique importance of culture for the creative industries, the fastest-growing sector in the world. In this way, culture acquires even greater economic importance, contributing to creating jobs and promoting innovation and international trade. By strengthening the development of the creative sector, culture contributes to the growth of the countries' social, political, and economic sectors (Creative Economy Outlook, 2022). These groups show the economic importance of culture and define how culture contributes to the economic growth of countries: through the promotion of the growth of social capital, the expansion of innovation, creative industries, and international trade. In addition, the economic value of culture can be measured as cultural capital, which can be tangible: monuments (architecture, works of art, structures or findings of an archaeological nature), ensembles (isolated or connected groups of structures whose architecture is related to the landscape), famous places (works of people and nature) or intangible: long-established activities, images, forms of expression, knowledge, skills, i.e. related tools, objects, products of human activity, and cultural spaces related to them, recognised by certain communities as part of cultural heritage. All the mentioned factors are a part of cultural economics; hence, it is important to identify elements of cultural economics carefully and describe them in order to create a system for measuring the current level of cultural economics.

Another aspect why it is crucial to determine these factors is because they affect the country's competitiveness and social policies and increase the country's investment attractiveness. The control of cultural economics lies within the hands of countries, making it crucial to identify the pertinent factors that serve as determinants. This identification is essential for crafting relevant policy formulations. Policy-makers could use the obtained results for the targeted development of cultural economics, which would further contribute to the growth of the country's economy and its competitiveness. Identifying these factors is the primary purpose of the literature review of the current article. After discussing the importance of the cultural economy, the following ten factors were identified that could be used to measure cultural economics.

Cultural heritage is considered the main element in the identity and uniqueness of cities and regions. During the Soviet era, this national identity was suppressed by the construction of new objects reflecting the communist ideology. Such objects reflecting the regime of communism are being dismantled today. Currently, cultural heritage is understood as heritage with artistic value. It contributes to people's well-being, creates jobs, increases people's social employment and promotes tourism, which, in turn, promotes the economic development of a country. Many authors emphasise that it is through the development of tourism that heritage affects the country's economy, so it is vital to properly protect and

manage it (Bosone et al., 2021; Chhabra, 2021; Zhenrao et al., 2021). Therefore, cultural heritage can be singled out as a measurement factor in cultural economics.

Another important factor specified in the scientific literature as allowing the measurement of cultural economics is cultural institutions: museums, cultural centres and institutes, theatres and concert institutions, and libraries (Grenersen, 2012; Scott, 2019). These cultural institutions are one of the main tools for promoting regional development and reducing disparities among them by creating new jobs and participating in social cohesion. Cultural institutions create conditions for the country's residents to use cultural services and participate in cultural life. The development of the infrastructure of cultural institutions contributes to the development of cultural products and facilities and the formation of cultural policy in the region (Baculáková and Grešš, 2021). Cultural institutions need a suitable marketing strategy that is focused on solid and long-lasting terms between institutions, audiences, and sponsors. For this, it is crucial to have a good image, products of high quality, or products that have a reasonable proportion between price and quality (Buljubašić et al., 2016). These relationships can stimulate the interest of the audience and, in the end, successful marketing in cultural economics.

Today, the effect of cultural activities on GDP, economic growth, social welfare and development of international exchanges is very noticeable as it has changed cultural activities to one of the basic foundations of the economic system of the world (Alta and Taghva, 2017). It is a common belief that cultural products are not crucial to a country's economy, but they have received increasing attention in recent years. Authors agree that this contributed to the growing need for culture and art, the development of technology and the growing independence of culture (Barandiaran-Irastorza et al., 2020). Culture also influences entrepreneurship and creative projects, which create new businesses or expand existing ones. All this justifies the contribution of cultural activities to GDP and can be used as an indicator to measure the cultural economy.

The factors of cultural employment and professional training in the culture sector are directed at the role of culture as an "employer" in order to understand better its influence on the national economic and social increase (UNESCO, 2014). Participation in cultural action is an integral part of development, which monitors the employment of people, the income generation from job creation, and the higher standard of living of those who work (Baluku et al., 2019; Boyd, 2021). The development of culture in the country also requires competitiveness from the cultural segment staff. In order to develop the economic potential of culture, professionals in the cultural sector must have the opportunity to acquire and develop artistic, creative, technical, technological and managerial skills and competencies (UNESCO, 2014). Employees will not only be able to successfully use the acquired competencies in practice, working in cultural institutions but also in representing the country at international events (Gautam and Basnet, 2020).

Household expenditures on culture are related to economic development and show how society values culture through financial flows. Household costs on culture also directly contribute to the expansion of the cultural segment and encourage the development of new cultural products (Cellini and Cuccia, 2021). Spending on culture promotes the development of the infrastructure of cultural objects, such as theatres, museums, and galleries. It also contributes to increasing the number of cafes, restaurants, and bars. Zhang et al. (2022) carried out research showing that during the COVID-19 pandemic, when households'

spending on culture decreased significantly, many cultural objectives were closed. This shows how vital household spending is to cultural economics.

The distribution of cultural infrastructures plays a key role in promoting greater access to culture. This is important in reducing disparities between the different regions of countries and, herewith, improving the quality of life of the citizens. However, the authors Li et al. (2020) and Elwell et al. (2020) emphasise that a good cultural infrastructure alone is not enough, and it is necessary to ensure that all groups of society can participate in the management of cultural processes and participate in cultural activities.

Another vital factor is civil society's participation in cultural governance and participation in going-out activities, which consists of attending live performances, going to the cinema, visiting cultural sites, and practising artistic activities (UNESCO). Public participation in various cultural events should be a part of everyday life; such cultural commitment would contribute to the design of better-paid labour in the cultural segment and become an incentive for increasing cultural content (Warburton and McLaughlin, 2007), which, in turn, will promote the development of cultural economics.

Furthermore, the last one is participation in identity-building cultural activities, which consists of participation in identity-building cultural creative activities and developing cultural and social competencies. According to Capello (2018), participation in such activities contributes to the design of cultural processes, the strengthening of the country's identity, as well as national security. According to the author, the importance of the European Union as a mechanism for preserving European values is perceived through identity formation (Capello, 2018).

As can be seen from the literature analysis, the factors are comprehensive, covering both the private and public sectors. The presented factors reflect economic indicators such as GDP, household expenditures, and social indicators: employment and identity-building. This shows the importance of culture in the economic sectors of the country's governance.

## **2. Methodology**

In order to measure the level of cultural economics of the EU11, two types of data were collected and analysed in the article: expert survey and statistical data in order to assess which of the selected cultural economic factors are more important in relation to each other, and to create an index of the cultural economics of the post-communist countries that are members of the European Union according to these factors.

The post-communist countries of the European Union, after the collapse of the Soviet Union, developed extremely rapidly in all areas in order to restore statehood and provide better living conditions for the country's inhabitants, who were invited to a new economic and political community (Fihel and Okólski, 2019). Despite all being in the European Union community, these post-communist member countries have a number of differences, which arose not only due to different geographical conditions, economic levels, and other structural circumstances, but also due to the different beginnings of the creation of these nation-states (Papava, 2018). Some of these EU11 countries lost their statehood during the Soviet period and had limited opportunities to maintain their national and cultural identity. For the latter reason, it is relevant to analyse how, according to selected cultural economics factors, these EU11 countries differ and what is the level of each country's cultural economics.

The first step of the study was the expert quantitative survey. The experts for the study were selected based on the publications prepared on the topic of cultural economics, which were published in the Web of Science and/or Scopus databases. All experts were sent identical questionnaires in which they had to complete the pairwise comparison of the selected factors distinguished from the literature. The number of respondents was selected based on the recommendations of Libby and Blashfield (1978). The authors found out that the optimal number of experts is between five and nine. Therefore, in the current research, the number of experts selected is five (Table no. 1). All the experts are from different EU11 countries (the countries are not provided due to the anonymity of the survey).

**Table no. 1. General information about the experts**

No.	Education degree and field	The period when exploring the topic of cultural economics	Present work position
E <sub>1</sub>	PhD in economics	3 years	Associate professor
E <sub>2</sub>	PhD in economics	2 years	Professor
E <sub>3</sub>	PhD in humanities	16 years	Associate professor
E <sub>4</sub>	PhD in economics	4 years	Associate professor
E <sub>5</sub>	PhD in economics	5 years	Associate professor

As can be seen from Table no. 1, all the experts interviewed in the study have doctorate degrees and pedagogical positions, and all the experts have experience in researching cultural economics. Such a high competence of experts shows the reliability of the obtained results.

The experts were asked to complete the pairwise comparison matrices in order to compare the distinguished cultural economics factors (Table no. 2). The Fuzzy Analytic Hierarchy Process (FAHP) was selected to process the data and calculate the weight of the selected factors. FAHP was chosen for the research, as sometimes the expert evaluation is connected to uncertainty, which could be covered by using fuzzy numbers.

**Table no. 2. Description of statistical data of factors of cultural performance**

Primary factors of cultural economics	Criterion through which cultural economics factor is measured	Unit of measure	Explanation of relationship between the primary factors of cultural economics and the criterion through which cultural economics factors is measured	Narrative explanation of factors data	Source
Cultural heritage	Properties inscribed on the UNESCO World Heritage List.	Number for 100000 population	The UNESCO organisation is directly related to cultural heritage, as one of the main functions of this organisation is the preservation and restoration of cultural heritage.	Factor data: properties inscribed on the UNESCO World Heritage List include a number of each country's material heritage.	UNESCO database (2020)



Primary factors of cultural economics	Criterion through which cultural economics factor is measured	Unit of measure	Explanation of relationship between the primary factors of cultural economics and the criterion through which cultural economics factors is measured	Narrative explanation of factors data	Source
			This shows the importance of this criterion and its direct connection with cultural heritage.		
Cultural institutions	Number of enterprises in the cultural sector.	Number for 100000 population	Number of enterprises in the cultural sector directly reflects how many cultural institutions there are in a particular country.	Factor data: number of enterprises in the cultural sector include a number of each country's cultural institutions/ enterprises.	Eurostat database (2020)
Contribution of cultural activities to GDP	Contribution of cultural activities to GDP.	Percentage of GDP	Criterion – contribution of cultural activities to GDP directly reflects primary factor.	Factor data: contribution of cultural activities to GDP. Shows each country's percentage expression of how much the cultural sector contributes to the country's GDP.	Eurostat database (2020)
Cultural employment	Cultural employment by total age.	Number for 100000 population	Criterion – cultural employment by total age directly reflects the primary factor.	Factor data: cultural employment by total age. Shows how many thousands of people work in the cultural sector in each country.	Eurostat database (2020)
Household expenditures on culture	Household expenditures on cultural goods.	Annual average index	This is a direct criterion that reflects household spending on	Factor data: household expenditures on cultural goods.	Eurostat database (2020)

<b>Primary factors of cultural economics</b>	<b>Criterion through which cultural economics factor is measured</b>	<b>Unit of measure</b>	<b>Explanation of relationship between the primary factors of cultural economics and the criterion through which cultural economics factors is measured</b>	<b>Narrative explanation of factors data</b>	<b>Source</b>
			culture, expressed through an average annual index.	Is rendered by the annual average index of how much a household spend on cultural services per year	
Distribution of cultural infrastructures	General government expenditure by function: recreation and culture.	Percentage of GDP	Government sector expenditures by functions: recreation and culture are directly related to the development of cultural infrastructure.	Factor data: general government expenditure by function: recreation and culture. Shows how much percentage of GDP governments spend on the cultural sector.	Eurostat database (2020)
Civil society participation in cultural governance	Participation in cultural activities by types: cinema, live performances, or cultural sites.	Percentage	Civil society participation in cultural activities by types: cinema, live performances, or cultural sites is a direct criterion that reflects society's interest in cultural activities and their management.	Factor data: participation in cultural activities by types: cinema, live performances, or cultural sites. The percentage expression reflects how much society participates in cultural activities.	Eurostat database (2020)
Participation in going-out cultural activities	Final consumption expenditure of a household by going-out recreational.	Price index (implicit deflator), 2015=100, euro	Final consumption expenditure of a household by going-out recreational is a direct criterion that reflects how households	Factor data: final consumption expenditure of households by going-out recreational. Represented by price index how	Eurostat database (2020)

Primary factors of cultural economics	Criterion through which cultural economics factor is measured	Unit of measure	Explanation of relationship between the primary factors of cultural economics and the criterion through which cultural economics factors is measured	Narrative explanation of factors data	Source
			participate in going-out cultural activities.	many households participate in outbound cultural activities.	
Participation in identity-building cultural activities	Students participating in identity-building cultural activities by education level, programme orientation, sex, and field of education.	Number for 100000 population	The chosen criterion directly reflects the participation in identity-building activities of a specific target group – students.	Factor data: students participating in identity-building cultural activities by education level, programme orientation, sex and field of education. It shows the number of students who are participate in identity-building activities.	Eurostat database (2020)
Professional training in the culture sector	Cultural employment by education.	Thousand persons	Cultural employment, according to employees' education, reflects the professionalism of employees in the cultural sector.	Factor data: cultural employment by education. Shows how many thousands of people work in the field of culture in each country by the international standard classification of education levels.	Eurostat database (2020)

The second step was the usage of multi-criteria decision-making method TOPSIS, which was selected in order to assess the present situation in the field of cultural economics and to create an index of the EU11 countries. Statistics have been used for 2020 as this is the most recent data available, which is the limitation of this study. The data was collected from Eurostat and UNESCO World Heritage List databases (Table no. 2).

### 3. Empirical Findings

In the first part of the research, the answers of the selected experts were collected, and the weight of each factor was calculated based on the answers. The weights of cultural economics factors are presented in table no. 3.

**Table no. 3. Obtained weights of factors of cultural economics performance**

Factors of cultural economics performance	Weights of factors
Cultural heritage	0.1475
Cultural institutions	0.0931
Contribution of cultural activities to GDP	0.0555
Cultural employment	0.0803
Household expenditures on culture	0.0490
Distribution of cultural infrastructures	0.0647
Civil society participation in cultural governance	0.0915
Participation in going-out cultural activities	0.1172
Participation in identity-building cultural activities	0.1879
Professional training in the culture sector	0.1133

As can be seen from table no. 3, the maximum weights are assigned for participation in identity-building cultural activities, cultural heritage, participation in going-out cultural activities, and professional training in the culture sector. These four cultural economics factors stand out significantly with the highest weighted result compared to other factors. There may be several reasons for this, such as the influence of these factors in cultural policy, in strengthening civic activity, and in the development of social capital.

After determining the weights, the multi-criteria assessment method TOPSIS was used in the study in order to calculate the index of cultural economics of the EU11, and the results are presented in table no. 4.

**Table no. 4. Factors of cultural performance ranking of post-communist countries**

Country	Index	Rank
Romania	0.8866	1
Bulgaria	0.69411	2
Slovakia	0.67583	3
Latvia	0.65928	4
Lithuania	0.57618	5
Estonia	0.56568	6
Czech Republic	0.55922	7
Hungary	0.55274	8
Poland	0.55237	9
Croatia	0.48718	10
Slovenia	0.46794	11

As can be seen from Table no. 4, the first five places were arranged as follows: Romania, Bulgaria, Slovakia, Latvia, and Lithuania. At first glance, the outcomes pertaining to

Romania and Bulgaria might appear unexpected, yet scientific studies reveal a different perspective. The studies developed by Parra and Ferraz (2021) show that the majority of Romanian society perceives communism as a dark period in the country's history and culture. Dobre (2021) states in a research paper that Romania is currently applying new communication strategies to promote its culture to avoid the communist heritage of the country. A similar situation exists in Bulgaria (Ivanova, 2017; Dobre, 2021). According to the authors, since joining the European Union, Bulgaria has been rapidly moving towards a European one. The tourism image of the country is created through a peculiar culture, the restoration, and preservation of its objects. The other three countries in the top five are Slovakia, Latvia and Lithuania, which is a likely result because these countries are similar in terms of both economic and social growth, and in the same year, 2004, they were one of the first post-Soviet countries to join the European Union.

#### 4. Discussion

This study singles out the factors of cultural economics and presents the weights of each factor. The factor with the highest weight – participation in identity-building cultural activities – is not an unexpected result. Participation in identity-building cultural activities is included in the cultural policy-making strategies of the countries as one of the goals; this already shows the importance of this factor. In order to form the critical thinking and citizenship of a society that is creating its own identity and to create a sustainable socio-economic value of culture for national progress, the criterion is a priority for the formation of the countries' cultural policy. The second factor with the highest weighted result is cultural heritage. Heritage is the ethnically, historically, aesthetically, or scientifically critical cultural values that have been inherited over several generations. It is essential in terms of community or group identity and continuity and shows the diversity of cultures. More than one study reveals the importance of cultural heritage in cultural economics. The importance of cultural heritage is analysed through the development of tourism (Swensen and Nomeikaite, 2019; Ciurea and Filip, 2019), the culture of historical memory formation (Bräuchler, 2019; Esposito and Ricci, 2020), and the implementation of innovations in order to restore and preserve heritage (Li, 2020). The importance of heritage is also revealed in various strategic documents. The primary mission of UNESCO is "to encourage countries to sign the World Heritage Convention and to ensure the protection of their natural and cultural heritage". Also, to encourage States Parties to the Convention to nominate sites within their national territory for inclusion on the World Heritage List and help States Parties safeguard World Heritage properties by providing technical assistance and professional training (UNESCO, 2014). According to the Convention, cultural heritage and the primary cultural value of the countries form the country's identity and communality and contribute to the general well-being of the population (UNESCO World Heritage Centre, 1972). The third factor is participation in going-out cultural activities, which is also emphasised in the strategy of the countries' cultural policy formation. Participation in such activities develops a person's identity, increases self-confidence, which also affects the improvement of the quality of life. Such persons usually belong to various public organisations that contribute to the creation of civil society (Caron et al., 2020).

In the strategies for the formation of cultural policy, this factor is singled out as increasing the quality and efficiency of the activities of cultural and art institutions, promoting equal, high-value, and diverse forms of cultural access to various groups of society, and developing cultural competencies. This is important in the point of cultural economics view because the

expansion and accessibility of cultural activities depend on various cultural policy-making strategies, and all this promotes the development of cultural economics as such.

Professional training in the culture sector is the fourth cultural economics factor. It is important that suitable conditions for creativity, professional development, and internships abroad are created for those working in the cultural sector and those who create culture (Gautam and Basnet, 2020). This would positively influence the promotion of the internationality of culture and its quality, allow various areas of culture to constantly renew, contribute to the creation of the country's image, the growth of exports and strengthen intercultural dialogue. In the strategies for the formation of cultural policy, professional training in the cultural sector is singled out as one of the main factors that ensure the quality and proper dissemination of culture. It is emphasised that the development of cultural competencies promotes public citizenship, historical and national awareness, information literacy, and cultural accessibility for various groups of society. After discussing the results of the obtained weights, it is possible to move on to discussing the results of creating an index of the EU11 countries.

The results show that the first five places belong to Romania, Bulgaria, Slovakia, Latvia, and Lithuania. Such results are supported by scientific research conducted by other authors. For example, Dmytrów and Bieszk-Stolorz (2021) analysed economic growth in post-communist countries a few years after joining the European Union. According to the 2019 data of the conducted study, Bulgaria, Slovakia, Latvia, and Lithuania had one of the highest indicators of all post-communist countries. This shows how fast these countries developed. Another important aspect that shows the independence and rapid development of these countries is the Democracy Index. This index is prepared annually by "The Economist Group" in order to provide information about fair elections held in countries, citizens' trust in their political leaders, and access to civil rights. According to 2022 data, four of these countries are among the 61 countries in the world as having top ranking of democracy (Economist Intelligence, 2023). This is an important indicator because a strong democracy creates opportunities for the expansion of all sectors; for the cultural sector, it is extremely significant due to its specificity and uniqueness. Another indicator with which obtained results can be compared is the Global Happiness Index. This index is prepared by the United Nations to determine how happiness and well-being influence social and economic development. The 2022 World Happiness Index data shows that four of these ranked countries are among the 41 happiest countries in the world (Helliwell et al., 2021). It was chosen to compare the results of the study with these indices because, in the analysed strategies for the formation of the cultural policy of the countries, it is these indices that are specified as the criteria for evaluating the strategic goal.

Thus, the analysed different scientific studies confirm the results of this research, that after creating an index of the post-communist countries according to the selected cultural factors, the first five places are occupied by Romania, Bulgaria, Slovakia, Latvia, and Lithuania.

## **Conclusions**

In various aspects, culture occupies an important place in the modern world. Culture fosters the increase of value and competitiveness of products; it promotes social inclusion and social development; culture is very important for spatial planning and urban development, and culture also serves for the development of collective awareness and thinking. It forms the

concept of the cultural economy and contributes to the perception. The analysis of the scientific literature shows that factors in measuring the country's cultural economics are these: cultural heritage, cultural institutions, the contribution of cultural activities to GDP, cultural employment, household expenditures on culture, professional training in the culture sector, civil society participation in cultural governance, distribution of cultural infrastructures, participation in identity-building cultural activities, participation in going-out cultural activities.

The article collected and analysed two types of data: expert surveys and statistical data, in order to assess which of the selected cultural economics factors are more important in relation to each other. The obtained weights of factors of cultural economics show that the highest weights are assigned to: participation in identity-building cultural activities, cultural heritage, participation in going-out cultural activities, and professional training in the culture sector. These obtained results are important for policy-makers who develop national cultural policy strategies. Considering the obtained results, policy-makers can purposefully integrate these factors in order to create sustainable social and economic value of culture for national progress.

The results obtained from the post-communist countries that are members of the European Union were organised according to these factors. The results showed that the first five places are occupied by Romania, Bulgaria, Slovakia, Latvia, and Lithuania.

This is an expected result based on the analysis of different scientific studies, according to which these countries developed faster both economically and socially than other EU11 countries after the collapse of the Soviet Union, and also compared to others, EU11 have the highest democracy ratings.

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