
COVID-19 Impact & Policy Bulletin 1

The Impact of the COVID-19
Pandemic on Culture in World Cities:
what we know so far

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Introduction and Overview

This Bulletin is the first in a series summarising discussions taking place within the World Cities Culture Forum about the impact of COVID-19 and policy responses to it.

It draws on information shared between member cities and additional research and analysis covering:

- How world cities are responding to COVID-19 – in support of the cultural sector and culture's role in recovery
- Key challenges & opportunities for culture
- City actions & innovations
- Emerging patterns & regional variations
- Questions for city leaders

It is designed for: WCCF member cities; to inform the broader global discussion on how best to respond to COVID-19; and plan for recovery and reinvention.

The pandemic amplifies an existing issue – the fragility of the cultural ecosystem. But it also reveals which areas are most resilient and raises questions about opportunities for recovery and reinvention.

The Impact of COVID-19 on Culture in World Cities

Disease and lockdown means people cannot congregate & travel:

Most production stops
Venues shut to the public

Some work, production & events can continue remotely using digital platforms

Economic downturn & restricted movement affects wider population

IMMEDIATE

Severe impact with limited mitigations. Digital only partial compensation. Existing inequities heightened.

Revenue is lost

Tickets

Commercial

Sponsorship

Employment falls

Core staff

Freelancers

Supply chains are disrupted

Creative & technical

Ancillary services

Use of digital channels accelerates

New formats

New audiences

New revenues

Inequities are amplified

Socioeconomic

Generational

Spatial

Racial

LONGER-TERM

Systemic change: significant permanent losses; ecosystem reconfigures; new organisations and cultural forms emerge.

Physical assets & infrastructure

Permanent losses

Repurposed venues

New organisational models?

Jobs & skills

Loss of jobs

Loss of skills

New jobs and skills emerge?

Supply chains & ecosystem

Lack of demand impacts small businesses

New collaboration models?

New funding models?

Digital platforms

New dimension to cultural offer

Wider citizen production & participation

Digital inequity?

Consumers & participants

Barriers to access

Local culture first?

Socialising through culture?

The immediate impact is severe...

Revenue drops significantly across the sector

- Potential losses are huge. Creative industries contribute \$2,250 billion to the global economy and account for 29.5 million jobs (UNESCO).
- London is set to lose £14.8 billion in Gross Value Added (GVA), and 1 in 6 creative jobs (Creative Industries Federation).
- Already across the US, over \$9.1 billion lost to date (Americans for the Arts).

Employment declines for core staff and freelancers

- In the US 62k staff have lost jobs, 50k have been furloughed, and there are 8k vacant positions due to a hiring freeze (Americans for the Arts).
- In early April, almost 50% of organisations surveyed in Montréal had carried out temporary layoffs (Culture Montréal).
- 60% of creative freelancers in the UK expect to lose half of their revenue in 2020, with over 33% losing all their income in first month (Creative Industries Federation).

The immediate impact is severe...

Cultural and creative output drops

- In Guangzhou 40% of cultural SMEs report a severe impact that threatens their survival.
- In Korea, 87% of artists surveyed in April had cancelled or postponed activities.
- 90% of artists surveyed by the Arts Council of Ireland are impacted with almost half applying for the government's emergency payment scheme.
- Freelancers, artists, technical and ancillary services don't usually interact directly with city government and are vulnerable to disruption across the supply chain.

Existing inequities are amplified

- Ethnic minority groups in the UK have had far higher death rates (Institute of Fiscal Studies). Black Americans in the US have a death rate 3 times higher than white people (APM Research Lab).
- In the UK 80% of people in bottom 10th of earnings are either in a shut-down sector or unlikely to be able to do their job from home.

Cities adapting digitally...

Use of digital channels is accelerating with new formats, audiences and revenues

- Cities have developed online platforms such as Buenos Aires' 'Cultura en casa' and Abu Dhabi's 'CulturAll'.
- The Met Opera in New York launched a Nightly Met Opera Stream. Viewership increased by 1,500% during lockdown with a 2,000% increase in new users (Bloomberg Associates).
- However, online revenue remains a challenge. In Australia although 3 in 4 survey respondents engaged with culture online during lockdown, only 1 in 3 paid for a digital experience (Audience Outlook Monitor).

Longer-term impacts will be systemic...

Physical assets and infrastructure will close or transform

- Many cultural resources have been quickly repurposed for the community in cities such as São Paulo. But there are longer-term threats of creative space being permanently repurposed.
- There are new opportunities for culture outside of institutions – in Brasilia even before the pandemic the National Theatre's Symphonic Orchestra performed in hospitals when its building was temporarily closed.

Jobs and skills will be lost, but new ones will emerge

- Tokyo Metropolitan Government launched a Support Programme for cultural practitioners to create video works.
- Los Angeles City are developing a programme to create murals and get public artists back to work.
- Many cities have given direct, emergency support to artists. In Seoul, artists can receive an emergency living allowance according to their income level.

Longer-term impacts will be systemic...

New funding and business models will emerge

- Small businesses will need to adapt most. In Germany, almost a third of SMEs expect more than 10% loss of turnover for 2020 (OECD).
- New funding models are emerging. In Tokyo several crowdfunding campaigns have raised over \$3 million for independent movie theatres.
- Philanthropy could step in. The New York COVID-19 Response and Impact Fund is a growing consortium of over 500 funders with over \$100 million raised.
- New models of collaborative programming are emerging. Vienna organised a 2 month umbrella summer event with new content commissioned alongside the city's existing festivals.

Longer-term impacts will be systemic...

Digital will offer long-term opportunities

- Cities such as Warsaw are developing online platforms which will provide new revenue streams beyond the pandemic.
- Continued digital provision presents a longer-term opportunity to widen participation and reach new audiences.
- However digital inequity is amplified. 46% of the global population remains offline (Broadband Commission).

New forms of cultural production and consumption could emerge

- Citizens have shown great creativity. From balcony art in Paris, to producing content for digital initiatives – this presents new opportunities for participatory cultural production and consumption.
- Local culture first? 44% of Londoners said they will not use public transport to travel to a cultural attraction after lockdown. Barcelona's summer Grec Festival will consist exclusively of local artists.
- Socialising through culture? People want to return to attractions that enable time with family as a first step (UK's Association of Leading Visitor Attractions).

Questions for city leaders...

- Not all venues and organisations will survive. **How do we limit permanent losses to our cultural offer?**
- Small businesses and freelancers are especially hard-hit. **How do we manage the impact on cultural ecosystems?**
- Change provides a chance for new things to emerge. **How do we use the crisis for cultural reinvention?**
- How people move around the city and use buildings will change. **How do we redesign our cultural infrastructure and work across City Hall to support the sector?**
- Similar crises may happen in the future. **How do we build in future resilience?**
- The pandemic has highlighted inequities. **How to build a more equitable sector and cultural offer?**
- The new normal will be different. **How do we redefine the role and purpose of culture in cities?**

About WCCF

The World Cities Culture Forum is the leading network of senior policy-makers from 40 world cities providing global leadership on culture.

We are a collaborative network of influential city leaders championing culture across urban policy.

The World Cities Culture Forum enables city members to share experiences, develop knowledge and grow leadership.

This bulletin is part of the WCCF programme for 2020-21:
Response, Recovery, Reinvention

1. **Response** – The first phase of the programme responds to the current crisis cities are facing through weekly briefings, webinars, virtual events and analysis bulletins
2. **Recovery** – The second phase adapts and extends our existing programme strands to answer key questions regarding recovery for culture in cities
3. **Reinvention** – The third phase looks to the future of culture in cities. What have we learnt? What are the new opportunities?