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Tourism as a creative economy system: **CRAFTING A SUDANESE MODEL**





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Abstract

After suffering decades of weak economic performance, Sudan has been looking for a new concept, examining old paradigms, and seeking optimum utilisation for resources; tourism stands as a neglected sector in this mechanism.

The creative industries play a major role in generating, transforming knowledge, and developing faster than the global economy as a whole in recent years.

This paper presents tourism's creative economy potentialities, assessing the proposed impact on economic indicators: employment, investment, balance of payments, government revenues, etc. The paper re-evaluates tourism as a creative economy based on the characteristics of this brand. These encompass an enriching value chain, building human capacity, wide-base inclusive growth, and investing in cultural diversity.

The following model contributes to Sudanese SDGs: suggested framework, policies, indicators and branding.



Keywords

Creative economy, cultural diversity, economics of tourism, inclusive growth, Sustainable Development Goals.

Introduction

Quite recently, considerable attention has been paid to the creative economy as a development strategy, especially in developing countries. The term “Creative Economy” achieved global consensus when adopted by international organisations such as UNESCO and UNCTAD. This remarkable milestone shifted the paradigm from post-capitalist activity to a new trend in development. The creative economy is based on the synergy of economy, culture, and technology (Vesela and Klimova, 2014) seeking optimum utilisation of resources whereby creativity stands as a renewable resource (Reis, 2008).

After suffering decades of weak economic performance, Sudan has been looking for a

new concept while examining the old paradigm. Tourism stands as a neglected sector in this mechanism.

This paper presents tourism’s creative economy potentialities, assessing the proposed impact on economic indicators: employment, investment, the balance of payment, government revenues, etc.

Tourism has been re-evaluated as a creative economy based on characteristics of this branding. These include an enriching value chain, building human capacity, wide-based inclusive growth, and investing in cultural diversity. The following model contributes to Sudanese SDGs, suggesting the framework, policies, indicators, and branding.

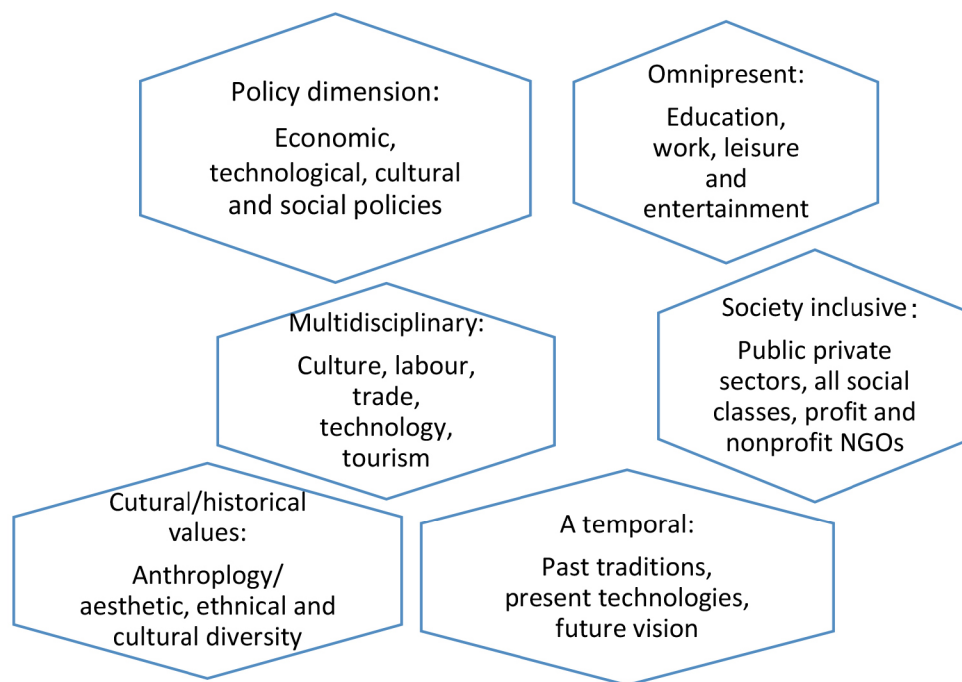


Figure 1: Development dimensions of creative economy

Source: UNCTAD, 2008

From Chain to Network

For several years great efforts have been made in the study of the creative economy and industry. These efforts date back to 1930-1945 when Frankfurt School members criticised the economisation of culture: non-stop debate has followed.

In its creative economy report 2013, the United Nations elaborated the wide scope of the creative economy as:

“affirming the destructive identity of the places where it flourishes and clusters, improving the quality of life where it exists, enhancing local image and prestige and strengthens the resources for imagining diverse new future” (UNESCO and UNDP, 2103).

UNCTAD announced that from 2000 to 2005 the world’s creative products and services increased by an average annual rate of 8.7%. Reis (2008) identified four approaches to the creative economy:

1. **Creative industry:** specific sectors varying from country to country regarding their competitive advantages, cultural resources and potentialities. In the United Kingdom, for example, the creative industries are composed of advertising, architecture, arts and antique markets, arts and crafts, design, fashion, cinema and video, leisure software, music, performing arts, publishing, computer and software services, radio and TV. In some countries the list includes tourism, gastronomy, folklore and jewellery. Bearing in mind their cultural diversity, African countries intentionally add traditional knowledge, folklore and intangible heritage.
2. **Creative economy:** this includes creative industries and their impact on other economic sectors. They catalyse and add intangible values to other types of process organisation, economic relationships and dynamics of different sectors.
3. **Cities and creative spaces:** this focuses on transforming cities to creativity biased hubs, the inclusion of workers and restructuring of urban planning policies. This approach targets tourism as an economic activity in a creative hub.
4. **The creative economy as a development strategy:** this focuses on how economic changes, and especially how new technologies alter the links between culture and the economy, opening up a range of economic opportunities based on creative undertakings. Once it relies on individual creativity, this allows the establishment of small businesses; the creative economy would promote the generation of revenue and employment.

The creative economy is structured as a network that promotes a more democratic form of production, distribution, and access to goods and services (Reis, 2008). UNCTAD explored the impacts of the creative economy that has the potential to foster economic growth, job creation, and earnings from exports. Moreover, it promotes social inclusion, cultural diversity, and human development.

Reconsidering creativity as the main driver, developing countries must benefit from

potentialities as cross-cutting linkages at both the macro and micro level. Figure 1 illustrates the development dimensions of the creative economy.

The comprehensiveness of the creative economy enables it to be a network, providing opportunities for a wide range of sectors, actors, producers, and consumers. This advantage makes the creative economy a development strategy, especially for job creation, governmental revenues, and exports.



In its publication, *Tourism and Creative Economy*, 2014, the OECD highlighted nine benefits of a creative economy:

1. generating economic growth, exports and employment;
2. stimulating innovation;
3. developing intellectual property;
4. supporting education and training;
5. diversifying national and regional economies;
6. developing linkages to tourism, urban and regional development;
7. strengthens cultural identity and diversity;
8. generating beneficial externalities;
9. addressing market failure by stimulating the production of public goods, addressing imperfect competitions, and promoting research and development (R&D).

These wide-ranging benefits provide a creative economy as a development strategy, especially in developing countries in their long journey to prosperity and modernisation.



The impact of a creative economy is not limited to restructuring the economy; it overwhelmingly enhances tourism characteristics by shifting it from cultural tourism to creative tourism, as shown in Table 1.

Table 1: From Cultural Tourism to Creative Tourism

	Cultural Tourism	Creative Tourism
Orientation	Past	Future
Externalities	Conservation	Innovation
Structure	Products	Performance and content
Value creation	Value chains	Value networks
Value focus	Upstream	Downstream
Funding	Public	Commercial
Process	Interpretation	Co-creation

Source: OECD, 2014

Obviously, the link between tourism and a creative economy offers opportunities to:

- develop and diversify tourism products and experiences;
- revitalise existing tourism products;
- use creative technology to develop and enhance the tourism experience;
- add atmosphere and “buzz” to places;
- overcome the limitations of traditional cultural tourism models.

Sudan from Traditional to Creative Economy

Despite its tremendous resources, Sudan suffers from a bad record in all economic indicators. With a 46% poverty rate and negative economic growth rate, the traditional economy stands as the main cause.

Depending on raw materials, namely agriculture, oil, and gold, made the economy sensitive to global markets, affecting the balance of payments with the continuing deficit. Sudan's global rank in SDGs is merely frustrated, 147 out of 162.

Sudan fares worse in the non-income dimensions of the Human Development Indicators (HDI) than

on the income dimensions (UNDP, 2014). Despite a decline in poverty from 46% to 36%, inequality in the Gini index has risen from 0.354 in 2009 to 0.292 in 2014 (AfDB, 2018).

On the other hand, the multi-diversified tourism resources do not automatically lead towards building tourism destinations. Compared with neighbouring East African countries, Sudan's records very low, as shown in Table 2. Bearing in mind its characteristics, this paper suggests that tourism could be a creative approach to the Sudanese economy.

Table 2: Tourism's Contribution in GDP and Exports in East African Countries

Country	Tourism's contribution in GDP	Tourism's contribution in exports
Ethiopia	10.7	33.7
Uganda	9	22
Kenya	11.4	21.4
Sudan	3.8	5

Source: World Bank, 2102; UNECA, 2013



Setting the stage of SWOT analysis explores obstacles, potentialities and promises.

SWOT Analysis for Sudan's Tourism

Strengths:

- a diversified wide-range of resources (archaeological sites, the Nile, desert, Red Sea, wildlife, folklore, etc.);
- a diversity in climate zones;
- welcoming, peaceful people;
- comparative advantages in some types of tourism (diving, safari, camping);
- safety.

Weaknesses:

- weak political will;
- lack of development vision;
- lack of tourism facilities;
- unattractive investment environment;
- economic instability;
- weakness of human capital;
- unclear laws;
- banking services limitation;
- deterioration of tourism resources by overgrazing, artisanal mining and informal settlement.

Opportunities:

- political instability in some regional destinations;
- increasing attention from global media;
- available financial support, especially from the European Union through the New Investment Plan.

Threats:

- emerging destinations in East Africa;
- increasing competitiveness in the region.



This simple analysis shows the potential of tourism that makes it a development strategy, therefore supporting economic growth and job creation.

Addressing the creative economy will synergise culture, economy and technology:

“They are a driving force for economic growth, are at the core of “Glocal” competitiveness in the knowledge society and shape territories and local economies in a way which is both innovative and creative” (OECD, 2014).

It is crucial to target not only the service sector, but also tourism as a creative economy component. This paradigm shift will engage tourism in a comprehensive development strategy and:

- enrich the value chain;
- build human capacity;
- establish a wide base of inclusive growth;
- invest in cultural diversity;
- develop productive sectors.

The proposed model focuses on the maximum utilisation of cultural heritage, tourism resources and country’s geopolitics, its coherent governance model. Figure 2 illustrates the model that introduces

tourism as a creative mix, based on wide-ranging resources, human capital, community-based tourism, innovation zones, creative cities, and strong linkages with productive sectors.

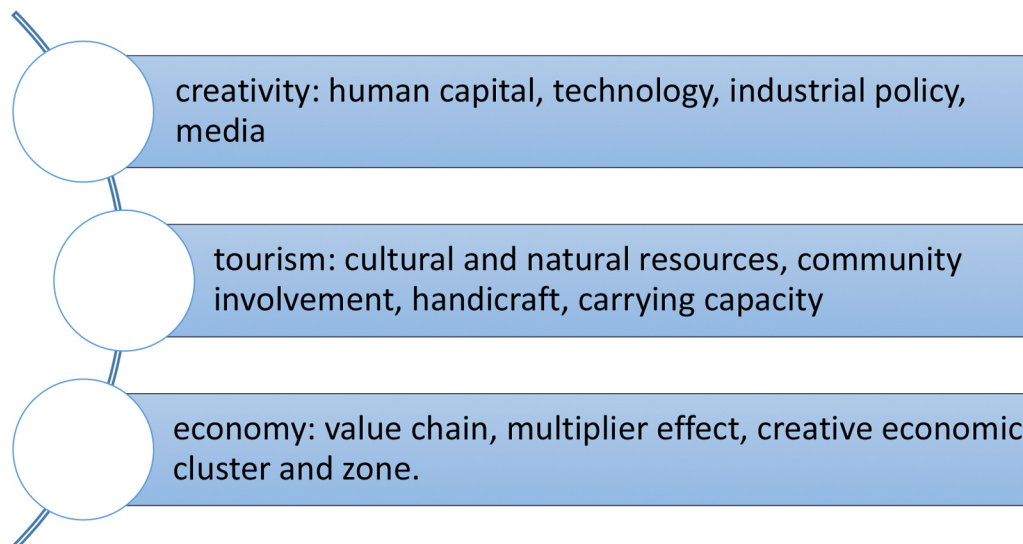


Figure 2: Model

Source: Devised by author

Conclusions

This paper has clearly shown the potential of the creative economy as a development option. Regarding Sudan's tourism resources, we have addressed the creative mix as a combination of economy, culture, tourism and technology.

This approach stimulates human capital, upgrading skills and overcoming unemployment.

The next stage of our research will be designing indicators and priorities for the creative mix.

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Biography

Ali Mohamed Aliraqi is an Associate Professor of Economics, at King Saud University, Saudi Arabia. His interests are in development, the creative

economy, poverty and tourism. He has published many books and articles in peer reviewed journals.