

The concept of the Creative or Orange Economy is relatively new in the world, but there is great hope in its positive effects. Colombia is no stranger to this trend, which is why it has been studied in the country. Universidad del Rosario contributes to this research study.



Colombia seeks how to 'get the most out of' the Orange Economy

By Mauricio Veloza Posada
Pictures 123RF, Milagro Castro, Alberto Sierra

Four universities in the country, in conjunction with the Organization of Ibero-American States OEI, for its acronym in Spanish, have an important mission: To show Colombia what the model of management of the Creative or Orange Economy should be. The essence of such an economy is constituted by culture, new media, and content software, among other fields, and which is expected to make a great contribution to the nation's economic growth as contemplated in the Plan Nacional de Desarrollo, PND (National Development Plan).

Universidad del Rosario is part of this important group. Since 2019, it has worked with the OEI, the Vice Ministry for the Orange Economy, the Ministry of Culture, Escuela de Administración de Negocios (EAN), the Cultural Economy group of Universidad Nacional de Manizales, and the School of Arts of Universidad de Antioquia in a project called Creative Economy.

"The OEI invited us to help them define the management model for these types of industries, outline how we are going to start them up, and chalk out a plan on how to mobilize small- and medium-sized entrepreneurs to put their proposal into practice. Universidad Nacional and Universidad de Antioquia are identifying the cultural contribution of cities and regions, and as for the EAN and us, we work on the functional, more business element," says Professor Hugo Rivera, School of Business Administration, Universidad del Rosario.

This task has to be conducted in an articulated manner with what the National Government has been doing since 2018, such that the 5 percent growth goal can be achieved in 2022 for these types of industries.

"The theme of creativity and the creation of business models associated with cultural industries, understood as the construction of a new thought and based on ideas and work, is a winning bet. If our economies are to grow, they must do with support from these types of creative industries," assures Professor Rivera.



Activities of the Orange Economy

These are divided into three categories:

1.

Visual arts (painting, sculpture, operations, and video art); movement art, photography, scenic arts, and shows (theater, dance and puppets); music (orchestras, operas, and concerts); tourism and ecotourism, traditional crafts and products, gastronomy, historical centers, and archaeological sites, and cultural expressions and traditions (for example, carnivals and festivals); and education in arts, culture, and the creative economy, among others.



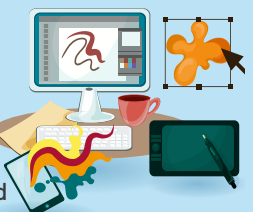
2.

The cultural industries that provide goods and services that can be reproduced and spread in bulk. This includes the publishing industry (books, newspapers, and magazines), recorded music, literature, radio, and the audiovisual industry (film and television). News agencies and other information services are also part of this category.



3.

The products and services that go by the appellation "new media and content software": Video games, digital platform and software creation, and applications; animation, graphic arts, and illustration; and jewelry, interactive audiovisual content, architecture, fashion, and advertising.



First steps

To provide all the elements that the country requires in this matter, one of the first goals of this research study was to establish the different aspects that have given rise to, as well as making it possible to include within the Colombian economy, the Orange Economy, which, today, is set forth under Law No. 1834 of 2017, known as the Orange Law.

In that sense, it included an inquiry to know what implies the concept of Orange Economy and its relationship with the "Seven Is" (Information, Inspiration, Inclusion, Industry, Integration, Infrastructure, and Institutions), which are the strategies that will allow adequate implementation of the Law.

Likewise, the 'Seven Is' were related to the topics that can adapt more to what is sought in the Orange Economy as codified by researchers: Culture, resources, innovation, and creativity, skills, and education (see chart).

With all this practice, this research study will propose a management model that allows entrepreneurs to have better vision of their business as well as awareness of the different steps they have to take to be successful.

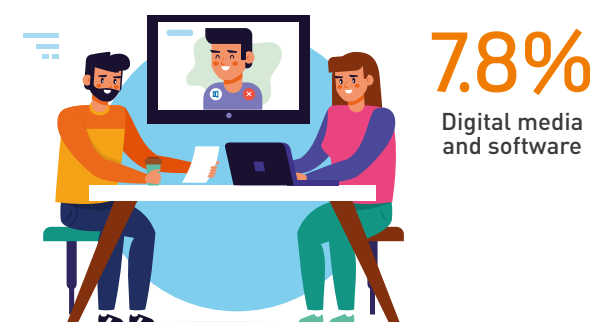
"A management model is like a roadmap, a precise guide that tells the entrepreneur how the planning phase, start-up, and follow-up will be like so that the industry creates value. An investigation of what was done in other countries has already been made to identify which elements of those models can be applied in the Colombian case; if we adopt a management model more focused on the cultural or functional aspect. We are in the phase of prior identification," explains Professor Rivera.

With "the entrepreneur path," as the researcher calls it, entrepreneurs will also be able to identify to which orange activity they belong, according to their classification and the ecosystem of value to which they will contribute. The man-

Colombia's Figures

At the end of last year, the Dane introduced the second Report of the Orange Economy, in which the sectors related to the activities of this economy contributed 3.2% of GDP in 2018.

The orange subsectors that grew the most in 2018 were as follows:



agement model will depend on whether it is an entrepreneurship or whether the company is already consolidated.

The previous model proposed by the research groups in this first phase of the project allows identification of the concepts and the most relevant indicators of the Orange Economy in a matrix of 13 items, which considers the three main activities: Art and heritage; cultural industries; and functional creations, new media, and content software.

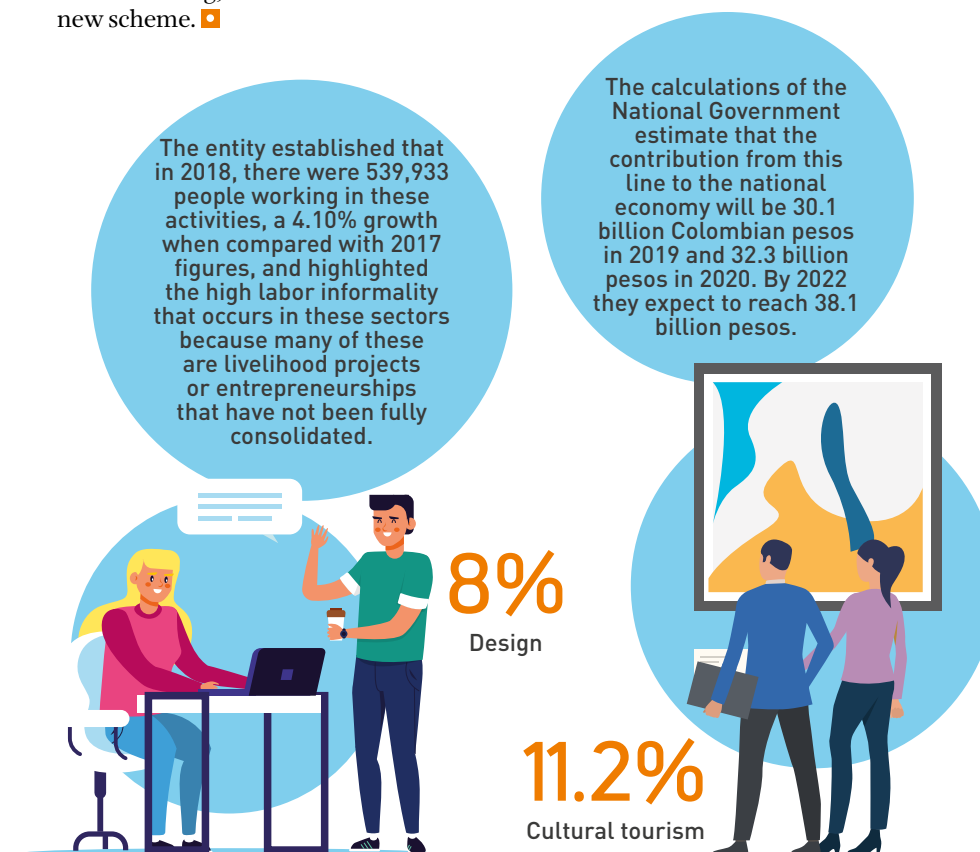
Each entrepreneurship will establish its business model, which is its value proposal. Whether it has consumers and available resources; whether it generates monetary value, in such a way as to generate an impact on GDP, employment, or in the balance of trade; or whether, on the contrary, it generates a non-monetary value that contributes to the development of skills, creativity, or innovation.

The model will also determine whether entrepreneurship generates a use-value, which allows bestowing an educational value; or a non-use-value, which can provide historical value, a contribution to internationalization, or an option value.

For all of this to be consolidated, it has to be identified whether it will be created or whether there exists an entrepreneurship or a more formal organization; that is to say, whether it is or will be an informal, non-profit, community emerging business, or a company.

Likewise, the offer programs and instruments that facilitate access to resources have to be determined so that entrepreneurs can increase the value added by their proposals.

With all this, it is expected that the country will have a better idea on how to get the most out of the Orange Economy because, as Professor Rivera says, Colombia is just in an incipient phase of understanding, to determine the industries that would be in this new scheme. ■



"The theme of creativity, the creation of business models associated with cultural industries, understood as the construction of a new thought, based on ideas and help, it is a winning bet. If our economies are to grow, they must do so supported in this type of creative industries," says Professor Hugo Rivera, School of Business Administration, Universidad del Rosario.



The "Seven Is" to understand the Orange Economy

The "Seven Is" will allow adequate implementation of Law 1834 of 2017, also known as the Orange Law.

- **Information:** Information and knowledge of the cultural and creative sectors. Figures, measurements, mappings, studies, diagnostics, and knowledge.
- **Inspiration:** Innovative creation, audiences, mindset and culture, and intellectual property.
- **Inclusion:** Training and human talent for the arts, the heritage, and trades of the creative sector.
- **Industry:** Technical assistance for creative entrepreneurship.
- **Integration:** Internationalization, local markets and positioning, and clusters and productive chains.
- **Infrastructure:** Public goods, infrastructure, and productive chains and clusters.
- **Institutions:** Intersectoral articulation, tax incentives, governance and financing.