Panel on Culture and Development
Inauguration of Enrique V. Iglesias Conference Center

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The IDB Cultural Center was created in 1992 and has two primary objectives: 1) to contribute to social development by administering a grants program that sponsors and co-finances small-scale cultural projects that will have a positive social impact in the region, and 2) to promote a better image of the IDB member countries, with emphasis on Latin America and the Caribbean, through culture and increased understanding between the region and the rest of the world, particularly the United States.

Cultural programs at headquarters feature new as well as established talent from the region. Recognition granted by Washington, D.C. audiences and press often helps propel the careers of new artists. The Center also sponsors lectures on Latin American and Caribbean history and culture, and supports cultural undertakings in the Washington, D.C. area for the local Latin American and Caribbean communities, such as Spanish-language theater, film festivals, and other events.

The IDB Cultural Center Exhibitions and the Concerts and Lectures Series stimulate dialogue and a greater knowledge of the culture of the Americas. The Cultural Development Program funds projects in the fields of youth cultural development, institutional support, restoration and conservation of cultural patrimony, and the preservation of cultural traditions. The IDB Art Collection, gathered over several decades, is managed by the Cultural Center and reflects the relevance and importance the Bank has achieved after four decades as the leading financial institution concerned with the development of Latin America and the Caribbean.

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The inauguration of the new Inter-American Development Bank (IDB) auditorium could have no better topic for discussion than this one of culture and development, which we will take up today with the participation of our distinguished panelists.

For those of us who work at the IDB, the issue of culture and development makes especially evident our understanding of the importance that the cultural dimension has for the progress of our societies. I do not think it necessary to expand on it too much, but all our studies, theories, and paradigms about how to tackle development issues always lead us to conclude that mere economistic explanations or reductionistic approaches have their limit. At some point we run up against other fundamental elements inherent in the nature of persons and in their way of living and of relating to one another that lead to considering culture, or “way of living” —according to UNESCO terminology—to be a truly central issue.

Behind the issue of culture are attitudes, motivations, impulses, the ability to engage in activities with others, trust; that is, everything that one way or another is grounded in particular values and is rooted in a set of elements that are often hard to identify but that are essential. That is why certain economic paradigms may work well in some cases but not in others. This is commonly maintained in the institutional setting, because institutions respond to a cultural structure; they are part of a culture; they reflect the way people express themselves and live in society. Hence, culture is, first of all, a very important frame of reference for how we understand development models. Secondly, it is increasingly evident that culture is no longer simply a spiritual expression, an aesthetic expression, or a fundamental value on which to lay the divisions of economic and social development, but also an extremely valuable tool for creating material wealth as well as spiritual wealth. That was to some extent what led us to investigate the issue of the cultural industries. We contacted UNESCO—whose Director of the Cultural Industries Programs was unfortunately unable to be with us today—to learn their view on the issue, and we soon began...
to see in a concrete and measurable way that today culture is an important means for generating employment, wealth, and outside resources. Thanks to the assistance provided to certain key sectors, such as that of tourism, it became evident that the economic dimension has become combined in some fashion with the spiritual and social dimension. In order to subsequently identify how these different elements could be utilized, we met in Mexico with the ministers of culture and examined a study done by Mexican economists showing that 6.7% of Mexico’s national product came from the cultural industries sector, which in turn contributed considerably to exports and job creation in the country, where hundreds of thousands of people work in this sector.

Over the course of the process, we realized that in some cases, besides being an important instrument for understanding concepts and exploring development in depth, culture is also fundamental for generating economic and social activities. This was certainly what enabled us to take a step forward and create a foundation for culture and development with the primary purpose of fostering—with the help of the Bank, but also beyond it—activities in the realms of music, literature, film, fine arts, crafts, design, etc.

How can we now revisit Latin America and carry out policies of support along these lines? I would not want to suggest that we are starting from zero. The Bank in fact has already been working toward this goal in a number of ways for a long time. It has helped rebuild the historic, architectural, and cultural heritage of different countries in order to foster, for example, the development of tourism, as in the case of Brazil and other countries of Latin America. Culture offers numerous alternatives for incorporating children into specific activities that require discipline, and educate them into life and to be better citizens. One example of that is the youth orchestras that are being set up in many countries. Through this initiative and others that are being carried out, we not only get children involved in an endeavor that is useful and educational, but we are also generating democracy, for these children will know how to speak up and act in a group. Much remains to be done, however.

In this seminar that we are holding today to inaugurate the IDB Conference Center, we intend precisely to take up the issue in depth. We will begin by giving the floor to Dr. Néstor García Canclini, distinguished professor and Director of the Urban Culture Studies Program at the Metropolitan Autonomous University in Mexico City. Dr. García Canclini has prepared a talk titled: “We all have culture: Who can develop it?” Then Gilberto Gil, the Minister of Culture of Brazil, will speak to us based on his experience in government and on the inescapable responsibility of the state for promoting and supporting culture.

Néstor García Canclini

I have two starting points for talking today about culture and development. The first starting point is the more usual one in recent studies on the issue. It consists of pointing out that today culture is not seen as a
luxury good, an activity for Friday nights or rainy Sundays, on which governments are obliged to spend money, but rather as a means for attracting investment and generating economic growth and employment. We social scientists are trying to make governments aware of this situation by showing them that in the United States the audiovisual industry leads export revenues, at over sixty billion dollars, or that in various Latin American countries it encompasses from 4% to 7% of GDP, more than coffee growing in Colombia, more than the construction, automobile, and agricultural sectors in Mexico. We can stop thinking of ministers of culture as ministers of expenditures, and start seeing them as royalty factories, image exporters, promoters of employment and national dignity.

The other starting point from which the links between culture and development can be examined is that of inequality and poverty. We read that of the 230,000 people who were killed by the tsunami in Southeast Asia, tens of thousands of them could have been saved if they had had more information in time, either education, better weather alert communications, or through educational programs like one on the Discovery Channel that enabled a fisherman to give a timely warning to 1,500 people living along the coast. Statistics on technology use indicate that these inequalities have different effects on a daily basis: the Internet simultaneously brings together and links us to individuals thousands of miles away, but since 20% of the world population corners over 90% of access to technological advances, the gap between rich and poor continues to widen. The mass media and computers fuel the illusion that we live in the knowledge society; however, at the summit held in Geneva in December 2003 to deal with these issues, it was revealed that 97% of Africans do not have access to the new information and communications technologies, while 67% of Internet users are concentrated in Europe and the United States. Latin America, which has 8% of the world population and contributes 7% to global GDP, shares only 4% of cyberspace. The low percentage of hosts, computers, and Internet access—explains an ECLAC report—is both a cause and evidence of our backwardness and of the scarce visibility of culture in global media dialogues and international public spaces: “being outside the web means being symbolically deaf or shut out”. (Hopenhayn, 2003:13-14).

On the one hand, culture is seen as a powerful engine of development; on the other, cultures are used as a pretext for marking differences, and often for discriminating as well. Cultural goods give continuity to what we are, but sometimes they have the effect of making us be seen as a set of stigmatized stereotypes. In certain cases, literature, music, and television serve for telling and singing our woes, and in others, they help dilute collective expectant fantasies that are wiped out by the frustrations of development. It is not just that culture must be praised, and even less so in an age when it builds reputations and fortunes with the same frenzy with which it knocks them down, as happens in the new economy; I want to talk about culture modestly, as a fascinating and risky treasure. I am go-
ing to do so by presenting three hypotheses that attempt to describe strategic dilemmas of the present and to propose more productive relationships between culture and development.

*Developing culture in contemporary, multicultural, and highly interconnected societies cannot consist of privileging one tradition, or even of preserving a set of traditions unified by a state as “national culture.” The most productive development is that whichprizes the wealth of differences, promotes communication and exchange—at home and with the world—and helps to offset inequalities.*

The second half of the 20th century showed that homogenizing policies are often unproductive and end up in ungovernability. Fundamentalist unification of states has been making less and less sense: those in power are discovering that if they are to perform stably and fruitfully they must work with majorities and minorities. At the same time, simple standardization of consumption, sought through the massification of markets in the first stage of industrialization of communications, is being left behind. In their eagerness to expand, many multinational corporations from those in Hollywood to MTV, rather than multiplying the same product, are seeking to serve the varied tastes of ethnic groups and nations, the different ways in which adults and young people conceive of the family and deal with their crises, and the different conceptions of memory and of the body.

The greatest risk today is not the imposition of a single homogeneous culture, but that there will be room only for differences that can be marketed, and that the increasingly concentrated management of markets will impoverish the options of consumers and their dialogue with the creators. We are familiar with the musical, literary, and audiovisual repertoires of more cultures than in earlier ages, but we are losing the protection of intellectual property, or distribution rights are being concentrated in a few large corporations, especially in the music and audiovisual industries.

Since the 1990s, six large multinational corporations have taken over 96% of the world market for music (the “majors”: EMI, Time Warner, BMG, Sony, Universal Polygram, and Philips), and they have bought small recording companies and publishers in many Latin American, African, and Asian countries. The worldwide broadcasting power of these companies makes it possible for different forms of music from one nation to become known in many others, but in selection, merchandising prevails over cultural considerations, and the creators tend to be deprived of their own intellectual rights. The anthropologist José Jorge de Carvalho reports on the well-known works of folk music and dozens of recordings—the product of a broad field research and ethnographic sound recording of traditional Brazilian genres—made by Discos Marcus Pereira were sold with the entire collection of this publisher to Copacabana Discos, which was later bought by EMI, subsequently sold to Time Warner and finally acquired by AOL. Even Hermeto Pascoal and Milton Nascimento must, in order to play their
own works at concerts, first obtain permission from the majors that own their rights, if they do not want to run afoul of the law and be accused of pirating their own work (De Carvalho, 2002).

Rather than homogenization, the new risks are a result of widespread abundance and suffocating concentration. Faced with the spread and dispersion of cultural references, the megacorporations are trying to control the circulation of cultural goods through preferential rates, subsidies, dumping, and regional agreements that are not at all fair. Multiculturalism, recognized in the programs of many museums and publishing, recording, and television companies, is administered through a funneling system that ends up in a few centers in the North. The new strategies for the division of artistic and intellectual labor, of accumulation of symbolic and economic capital through culture and communication, concentrate the profits from almost the entire planet in the United States, Europe, and Japan along with the ability to capture and redistribute diversity.

What kinds of cultural practices can help make development sustainable? What kind of socioeconomic and political development can give culture more sustainability? The key is for policies to guarantee cultural diversity and more equal exchanges between the metropolitan centers with strict control over markets, and countries whose cultural production is high but that are economically and technologically weak.

It is true that today government funding and subsidies are generally not directed at culture. It generates huge earnings, but producing shows and programs for mass audiovisual media requires enormous investments. This is one of the reasons why states focus on administering their historic heritage and promoting low-cost arts (individual scholarships for writers and artists, theater works, magazines) and leave television, film, and management of electronic networks to private companies. Museums and local shows with international artists, as well as mass-distribution publishing and musical production, likewise require investments that can only be met by multinationalized business people. Thus the operational logic of traditional cultural goods (books, concerts, art exhibits) is becoming more like that governing the production of DVDs, multimedia games, and software packages: mass publics must be reached, marketing must be fast, catalogues have to be changed constantly, linguistic and formal innovation has to be subordinated to reruns of images assured of success. As we know, only a small portion of artists and cultural producers have access to these gigantic production, distribution, and exhibition structures that can sustain the pace of immediate recovery of investment and constant obsolescence imposed by the financial capital driving these cultural markets.

Which cultures can produce and which manage to get an audience using this logic? At the end of the 20th century, the United States, Germany, Great Britain, and Japan encompassed almost 60% of world exports of cultural goods; 50% of imports was also concentrated in these countries. The recent appearance of China is modifying, still
only slightly, this imbalance between the producing cultures in the world, and those that sell, buy, and enjoy them.

The most unequal situation is in film. Italy meets 17.5% of the needs of its national market; Spain only 10%; Germany, 12.5%, and France, 28.2%. The United States, by contrast covers 92.5% of the national market; in other words, it receives very few films from other countries, while it makes its own film production prevail in almost all foreign markets (Tolila, 2004).

If 85% of the films distributed to movie theatres around the world come from Hollywood, then the terms of trade are always favorable to the United States. In Latin America, the screen time devoted to European film in recent decades fell considerably (it is less than 10%), and every year, U.S. control over production, distribution, and screening is leaving less space for Latin American film. Studies of cultural consumption show that filmgoers like action genres (thrillers, adventure, spy movies), the ones that Hollywood does best, but that explanation cannot account for their overwhelming predominance.

We are not aware of any other global restructuring, not in the publishing industry, nor the music or television industries, nor in the visual arts, that has taken huge sectors of cultural production out of circulation and reduced them to minority expressions, as has happened to historically important bodies of film such as the French, German, and Russian. This transformation of large nations with a high artistic production into minor cultural exporters is nowhere more blatantly obvious than in the United States.

While that country demands absolute opening of markets, with no screen quota or protection policy of any kind for domestic films, the US distribution and screening system combines various factors to favor films from its own country, such as tax exemptions and other incentives, in addition to the semi-monopolistic organization of distribution and screening (Miller, 2002; Sánchez Ruiz, 2002).

How to render sustainable the cultural production of each society in an age of extraordinary competitiveness, unceasing technological innovation, and strong multinational economic concentration? Some insist that, just as in order to protect the environment, development based solely on economic profitability should be controlled, likewise the expansion of communications megacorporations should be controlled and the domestic cultural production of each nation should be protected. Some go so far as to speak of a “cultural ecology of development”: the historic heritage, the arts, and IT means and resources are inherent in maintaining identity, instruments for citizen participation, the exercise of differences, and of the rights of expression and communication. In support of considering not only the economics of cultural progress, culture and communications are said to contribute to community development, education for health and welfare, the defense of human rights, and understanding other societies. Culture has a crosscutting aspect that interconnects it with the other areas of social life (Yúdice, 2002). The explanation of many current conflicts partly lies in the fact that it has been forgotten.
that economic progress means not simply growth, low inflation, and a balance of trade, but that social development includes this dimension of culture which consists in finding meaning in what we do.

This crosscutting aspect of culture with other aspects of social life is a requirement for its sustainable development. In order for it to be consolidated, other structures, other logics of production and distribution, besides those promoted by the megacorporations, must be fostered. The various functions of culture cannot be fulfilled if the publishing industry puts out only easy-to-read best-sellers, or if the film industry devotes 95% of screen time to the film of a single country. In other words, the point is to create economic spaces and circuits of communication for independent publishers, bodies of film from different cultures, and local disc and video producers.

Just as in other spheres of production, the old customs posts or border controls are ineffective in an age of multinational communications and multimedia mergers between the publishing, audiovisual, and telecommunications industries. The issue rather is that of generating favorable conditions so that, for example, Latin America’s huge independent musical production is not limited to local concerts and shows. Government financial development policies and programs can provide specific subsidies and soft loans, train producers in globalized marketing, connect them in alternative circuits of medium and small companies, and promote their tours and participation across a range of international socioeconomic activities (festivals and shows, megashows, tourism, and foundation and NGO programs). International cooperation is critical in rebuilding and renewing the state institutional bodies that practically disappeared or were weakened by economic liberalization (Ocampo, 2005), in order to understand which are the strategic areas of culture and communications in which Latin American countries can improve their international competitiveness (some, in the publishing industry; others in the production of televised content; others in cultural tourism). In passing, I mention another recently proposed initiative: could we swap debt for international investment in educational and cultural programs?

A key aspect of these revitalization actions likewise consists in the cultural tutoring of the public and of users of the new communications technologies; in other words, putting the learning of interculturalism, innovation, and critical thinking at the center of education programs. Cultural democratization requires extending the formative and facilitating action of states; for example, providing schools with computers, and also fostering what George Yúdice calls “a kind of globalization from below,” aided by international cooperation. By way of example, he mentions the Sustainable Development Communications Network (SDCN), which brings together seventeen organizations from thirteen countries (including Argentina, Costa Rica, and Ecuador). This is a body devoted to providing information about communicating sustainable development, including the experience of developing and in-transition countries; undertaking joint communications activi-
ties for the participation of ever broader audiences; and fostering among its members the ability to communicate sustainable development through new communications technologies, and to fully share knowledge on efficient and effective Internet use.

In the last two decades the almost complete deregulation of cultural markets did not serve to make books more available nor to increase the quantity and diversity of offerings in film and video. The relationships between business, industry, and service in culture must therefore be rethought.

After the experiences of economic opening and intensification of international communications, it is not apparent that the market “organizes” interculturalism by expanding recognition of differences.

Here we must admit that the insufficiency of studies on the economics of culture do not yet allow us to draw up comprehensive explanations of how the cultural industries in Latin America are becoming part of the world economy. Available data in the publishing and film industries, for example, show disappointing performance as deregulation and free trade gained ground. Basic resources for production and distribution of cultural goods were sold; for example, publishing houses were closed or transferred to European companies, and movie theaters disappeared, or the new chains of multiplex theaters came under the control of U.S., Canadian, and Australian distributors. We also know that this process lessened production capacity in the main publishing countries (Argentina and Mexico) and pushed down sales figures throughout the region. In film, the decline in production and in the numbers of moviegoers—which is not due solely to the change in ownership of the means of production, but to competition from video and other at-home entertainment—was particularly noteworthy in the 1980s and in the first half of the 1990s. While there has been a certain recovery in the number of films produced and of moviegoers in the past ten years, the figures do not come close to those of earlier periods. Nevertheless, studies are not available on the process as a whole—taking into account technological innovations, economic transformations, and changes in consumer habits—so as to have an overall vision of what has been happening.

Some data on the decline of Mexican film since the signing of the North American Free Trade Agreement show that the opening of markets did not meet the expectations for energizing the economy either in this area or in others. Víctor Ugalde compares the different effects of cultural policies adopted in Canada and Mexico in terms of the film industry since 1994 in relation to the treaty. The Canadians, who kept their film industry out of the treaty and allocated over $400,000,000 in the previous decade, produced an average of sixty feature films each year. The United States increased its production of 459 films in the early 1990s to 680, thanks to the tax incentives granted to its companies and oligopoly control over the domestic and many foreign markets. By contrast, Mexico, which in the previous decade had produced 747 films, reduced its production in the ten
years after 1994 to 212 feature films. “The non-production of 535 films created sharp unemployment, with the consequent shutdown of businesses, drop in tax payments, underutilization of our installed industrial capacity, a decline in our exports, and increased imports of foreign films” (Ugalde, 2004).

This comparison makes it clear that the opening of cultural trade fosters or hinders development depending on whether or not it is combined with policies to protect national content. But we should relate these two variables with changing habits of cultural consumption and with other analyses of supply, on which few studies are available.

International policies appropriate for today’s times must also be implemented, with laws protecting intellectual property, the distribution of cultural creations, and exchange of goods and messages, and keeping oligopoly tendencies in check. A knowledge society that includes everyone needs national and international regulatory frameworks and technical solutions that meet the needs of each society, standing up to the mere profit-oriented trade in differences or subordination to mass international tastes. Hence cultural industries must be organized not only as a business but also as a service.

The lack of up-to-date legislation on the utilization of the heritage and the expansion of cultural industries is currently favoring multinational actors who are better prepared to take advantage of digital convergence with low production costs (mass publications, satellite management, dubbing or simultaneous translation). Slowness in establishing clear regulatory policies in these sectors exposes all countries to the risk that decisions of the World Trade Organization or regional trade agreements, by putting domestic and foreign investments on the same footing, will leave horizontal exchanges and preferential co-productions between weak nations outside of the legal framework. It does us little good to exalt the creativity of peoples and artists or the wealth of cultural diversity, if we permit the authorship rights of individuals and communities to be subjected to copyright rules, allowing the profits generated by creativity to be taken over by megacompanies that manage copyrights.

What can we expect from an increase in computer connections? Neither the disappearance of sociocultural differences, nor the radical decline of the inequities of cultural development. Reducing the digital divide can soften certain inequalities resulting from unequal access to the goods and messages offered in cyberspace. In this sense one encouraging fact about Latin America is that while it is one of the regions with a smaller number of connections to digital networks, it is showing the fastest pace in the growth of hosts and Internet users. But in addition to quantitative data, keep in mind that a less unequal distribution of media and digital wealth would entail greater multilingualism and polycentrism, and possibilities of access for broad sectors that do not have the economic means or whose languages and knowledge are little appreciated. All this requires—as I have pointed out—becoming aware of the fact
that the cultural industries are not merely a business but also a service.

The simultaneous appreciation of the media as an industry, a business, and a service already has a long history. Jürgen Habermas, Nicholas Garnham, and John Keane have described the important role of newspapers and radio as services enabling a public sphere of citizens to be established in European countries. Starting in the early 20th century, the public realm was considered to be a space from which the battle could be waged against despotic states, and against the abuses and caprices of dictators who subjected social and economic life to private interests. Later, the public sphere was set up as a defense of the social realm from the monopolistic greed of large companies and their threats against free communication between citizens. In Latin America, studies by Jesús Martín Barbero and Rafael Roncagliolo, among others, show that the press and radio contributed to modern development by setting up a citizen sphere deliberating independently of state power and business profits.

The defense of the public realm produced emancipatory spaces where independent information grew, the demands of ordinary people were legitimized, and the power of ruling groups in politics and business was constrained. How can the public sense of social life be revitalized now? Insofar as this depends on cultural and communications policies it is obvious that we will not achieve it solely on the basis of states. The creation of multidirectional diversified sites of open communication, promoted and managed from heterogeneous areas of social life, as exemplified in the Internet, suggests other types of spaces or public spheres. Governments, businesses, and independent sociocultural movements are participating in them.

Thus, the industrialization of culture makes it possible to expand the communications map, including in the international conversation more voices and stories, music and images than at any other time. The benefits of culture go beyond the dance of numbers and of the millions in the target audience and royalties. The relationships between culture and development are not reduced to the balance sheets of producers, distributors, and presenters. Another story makes its way into the debate: that of those poor in information, of those who can only go to free shows, of those who create but are not part of ratings statistics. Sometimes they communicate with each other over long distances thanks to the Internet or a huge tragedy puts their pleas for solidarity in the media for a few days. The world is organized so that the impact of these more concealed stories will be short-lived but their secret continuity continues to be part of the relations between culture and development.

Finally the link between culture and development can be appreciated in terms of the way it builds citizenship. The cultural rights of citizens must also be considered, not just the economic rights of businesses. In a time of industrialization of culture, cultural rights are not limited to the protection of territory, language, and education. The right to culture includes what we may call connection rights, i.e., access to
the cultural industries and communications. A study done by ECLAC and the Inter-American Human Rights Institute analyzes the rights to difference along with the rights to integration and equity, with “relative participation in different networks of exchange” (CEPAL-IIDH, 1997:38). These rights move away from the minimum definition of survival rights or registry of poverty indicators, which isolate these phenomena from the processes of inequality that explain them. Consequently they relocate these concepts—built as Amartya Sen showed, on the issue of “absolute deprivation”—onto the area of citizenship. The “citizenship threshold” is gained not only by making the respect for differences real, but also by having those “minimum competitive elements in relation to each of the capacitating resources” for participating in society: work, health, purchasing power, and the other socioeconomic rights along with the “basket” of education, information, knowledge; in other words, the capacities that can be used to obtain a better job and higher income (ibid., 43-44). Fragmented and unequal access to the cultural industries, especially to interactive goods that provide up-to-date information, widens “distances in access to timely information and in the development of the adaptive faculties allowing for greater possibilities of real socioeconomic integration” (ibid., 38).

Citizenship, or its opposite: exclusion—according to this ECLAC and IIDH study—are the result of the correlation between “the indices of concentration of opportunities of access to other empowering resources” (ibid., 46). The study concludes that the overlapping nature of economic, social, and cultural rights, that is, their complementary fulfillment under the expanded notion of citizenship, places on the state the primary responsibility for their fulfillment.

Forming publics and forming citizens: in times of industrialization of culture and of video politics, both tasks are combined. There is no justification for separating entertainment from information, or industrialized business from services to society. The new skills needed for getting a good job are interwoven with the cultural consumptions in digital format, and both of them with the use of advanced technological networks for communicating social demands on a wide scale. Today having culture and having development are complementary aspirations. They likewise entail living in difference; not only believing but doing it together and with greater equity. But these two objectives of the initial modernity become complex in a world organized to interconnect and exclude. We are all involved: economists, cultural promoters, and educators; business people, states and citizen consumers; communicators, computer experts, and politicians. The way in which we articulate our rights and our commitments will be crucial for whether in terms of culture, differences become privileges for some and stigmas for others, and the competition capable of driving development does not exclude solidarity.

Gilberto Gil

One of the most difficult aspects of our task
at the Brazilian Ministry of Culture has been trying to convince the government of the strategic importance of culture and that the ministry should be strengthened institutionally, politically, financially, and economically so that it can fully carry out its function as a tool of the government. A little over two years ago, I assumed my post as Minister of Culture, and one of my greatest efforts during this period has been aimed at persuading the government that we should have a higher budget. In Brazil the current budget for cultural purposes is approximately 0.50% to 0.60% of the overall budget of the nation. When I entered the government, the budget for 2003, my first year in office, it was approximately 0.20% to 0.25% of that overall budget.

In support of the initiatives that I put in practice there at the beginning, I appealed, in this regard, to the work done by Jack Lang, Minister of Culture in France, who got the government to provide his ministry at least 1.0% of the national budget. One of the first campaigns that we started in Brazil was aimed at convincing the public that it had the sufficient strength and ability to put pressure and persuade our government of the need to give the Ministry of Culture at least 1.0% of the general budget. The idea became a kind of *leitmotiv* among agents and producers in the area of culture.

Actually this is a pressure movement that has to be sustained over time. It had to be kept going during the first year of this administration and also the second, and now society has to come back and pressure the government to increase our budget for cultural activities. We hope to receive 1.0% of the total budget in the final year of the current administration, which will be 2006. Dialogue with the authorities is complicated. All studies and analyses on the relationship between development and culture agree that the latter constitutes a strategic strength not only because of its symbolic dimension, which is extremely important for people, but also because of its citizenship dimension. Becoming fully aware of the economic dimension of culture is still something that is very difficult for government.

All government leaders, whether presidents, ministers of the economy, provincial governors or mayors, automatically, immediately, and even impulsively favor the proper economic and social responsibilities of their respective governments. They find it very hard to understand the strategic and linkage role which, as Dr. García Canclini said with utter clarity, represents the cross-cutting nature of the cultural dimension, the fact that all government management, all administration is necessarily affected by the ultimate issue of culture. Hence, all government policies, broadly understood, have to properly take into account the huge importance of the cultural dimension. But this is by no means simple: conversations with the Ministry of the Treasury and with the Ministry of Planning are very complex, at least in Brazil, and one may assume that this is also the case in Argentina, Bolivia, Chile, Mexico, Peru, or anywhere else.

Certainly in recent decades Mexico has attained a much broader and deeper understanding of the cultural dimension, perhaps because in Mexican society mem-
ory and the historic heritage, which are essential for shaping culture, were rescued and are kept prominent in national life. It is no accident that the economy of culture in Mexico is currently extraordinarily well developed: measured statistically it is over 6.0% of gross domestic product. This country may be the clearest and most striking example of the importance of culture, and of cultural policies as a whole, within government policies. Nevertheless in other states, especially in the rest of Iberoamerica, there are still many difficulties to be overcome in this area.

With regard to these issues, I think more emphasis should be placed on parliamentary amendments, that is, that it be the legislature of each country that completes the budget of the Ministry of Culture. This year in Brazil we had many parliamentary amendments: at least three or four times more than in previous years. These amendments represent a significant means for complementing the task of ministers of culture, because it enables them to go to presidents, party groups, diplomats, senators, and other political and social agents in order to raise awareness in the parliaments of the respective countries so that the budget for culture can be expanded. This work is unquestionably extremely important.

Tax incentive laws are another important tool in Brazil and could certainly be used in other countries as well. Governments can give up a portion of their tax revenues and reallocate them to the cultural sector. In Brazil there is now a budget with funds, including those obtained thanks to parliamentary amendments, totaling between 400 and 500 million reals. In the past year alone, the “fiscal waiver” provided different kinds of companies with 450 million reals, which was invested for cultural purposes. Therefore these are resources deriving from tax “waivers” of the government, which are reallocated to programs, projects, and other initiatives carried out by businesses, and that is certainly interesting. It should likewise be noted that since 2002 the UNESCO initiative of creating a program for cultural industries has been prominent in discussions dealing with these issues around the world. At the Eleventh United Nations Conference on Trade and Development (UNCTAD-11), held in Brazil in June 2004, a new proposal was presented: that the cultural industries, the economy of culture, be firmly institutionalized worldwide.

In order to move forward in Brazil with the initiative of creating our National Institute of Culture, at the Meeting of Ibero-American States held in Mexico we proposed the matter very clearly. We received a great deal of support and hence we are working very enthusiastically within the United Nations system—not only with UNCTAD but with UNESCO itself, the International Labor Organization, the World Trade Organization, and various other organizations—in order to set up an institution for the creative industries that can work in the various countries to set up specific observatories, satellite accounts, and more complete and more appropriate databanks for supporting the creation and design of public policies by our governments. It would be very useful, in fact, to
invite the IDB to join in our work, because the cultural industries and the creative economy are areas in which the Bank is now very interested.

**Question from the audience:** My name is William and I live in Canada. Countries in Latin America do not want to accept multiculturalism. In Canada we do accept it, and on that basis we can create and spread a cultural policy. Moreover, cultural values are being protected as part of Canada’s heritage, but countries in Latin America have not been willing to accept that they are multicultural. Brazil has done so, and Colombia also began to do so with the 1991 Constitution. In other words, to carry out what is being proposed here, we have to recognize that these countries are multicultural.

**Gil’s answer:** I consider what is being done now in Chile very important. They have thought very deeply about their original cultures. The same is true in Paraguay, which is the only country in the Americas that has an original indigenous language as an official language, along with the language of the colonizer. All this shows what a people, civil society, and government, can do to provide protection for their culture and the different elements comprising it. Argentina has to advance a little more, although it is already moving in this direction. Venezuela is also starting to pay attention to the question of diversity, of European and local Amerindian influence and that of blacks from Africa, who have contributed decisively to shaping the framework and the cultural dimension of these countries. In Brazil we are beginning to do so: appreciation of the African dimension of our culture is a palpable fact throughout Brazilian society. The indigenous component is also manifested as something assumed by everyone in Brazil—the government, society, the business world, etc.—so we can no doubt be expected to soon reach what Canada has achieved.
Néstor García Canclini


Piedras, Ernesto. 2004. ¿Cuánto vale la cultura? Contribución económica de las industrias protegidas por el derecho de autor en México. Mexico, CONACULTA, SACM, SOGEM, CANIEM.


Envelope V. Iglesias, President of the Inter-American Development Bank (IDB), was re-elected on November 8, 2002, to his fourth five-year term, which began April 1, 2003. Mr. Iglesias is the third president of the IDB, following Felipe Herrera (Chile, 1960-1971) and Antonio Ortiz Mena (Mexico, 1971-1988). Although he was born in the Spanish province of Asturias in 1931, Mr. Iglesias became a naturalized Uruguayan citizen. In 1953 he graduated from the Universidad de la República, in Uruguay, as an expert in Economics and Business Administration, and then did advanced studies in the United States and France. During his presidency, the governors of the IDB member countries in 1989 completed negotiations on the Seventh General Replenishment of Funds, which increased IDB ordinary capital by $26.5 billion, and the Fund for Special Operations (FSO), which is the institutional framework for financing under favorable conditions, was raised by $200 million.

In 1995, the governors approved the Eighth General Replenishment of Funds, which added US$40 billion to the ordinary capital, raising it to a total of US$101 billion, while adding $1 billion to the FSO so that its funds rose to over $10 billion.

Mr. Iglesias was president of the IDB when the Inter-American Investment Corporation began to operate. It is a source of loans and investments for small and medium-size businesses in Latin America and the Caribbean. The Multilateral Investment Fund was also set up in 1993 under IDB management in order to support private sector development through grants, technical assistance, and capital investments.

Before assuming the IDB presidency, Mr. Iglesias held a series of important posts: Minister of Foreign Relations of Uruguay between 1985 and 1988; Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC) from 1972 to 1985; General Secretary of the United Nations Conference on New and Renewable Energy Sources, held in Nairobi, Kenya, in 1981, and president of the ministerial conference that started the Uruguay Round of Multilateral Trade Negotiations held in 1986 in Punta del Este, Uruguay. These negotiations led to the creation of the World Trade Organization, successor to the General Agreement on Tariffs and Trade (GATT). From 1966 to 1968 he also served as President of the Central Bank of Uruguay.

Mr. Iglesias was a Professor of Economic Development at the Universidad de la República in Uruguay, where he also directed the Institute of Economics. He has also written many articles and textbooks on economic matters in that country and more broadly on Latin America, on capital markets, external financing, and multilateralism. He has received many honorary academic degrees and professional honors.

On May 28, 2005, a Special Meeting of Ministers of Foreign Relations of the Ibero-American States was held in Guimarães, Portugal. By decision of the heads of state and government, the foreign ministers appointed Enrique V. Iglesias to the position of Secretary General of the Secretariat for Ibero-American Cooperation (SECIB). He assumed this post on October 1, 2005, after having served for 17 years as President of the Inter-
American Development Bank (IDB), headquartered in Washington, D.C. At that time, the new IDB Conference Center, which was inaugurated with a donated concert by Gilberto Gil on February 23, 2005, was renamed the Enrique V. Iglesias Conference Center.
**Dr. Néstor García Canclini.** He has been working intensively in researching urban culture and cultural policies, and directs the Urban Culture Studies Program at the Metropolitan Autonomous University of Mexico City. He has taught at Stanford University, the University of Texas (Austin), the University of Barcelona, the University of Buenos Aires, and the University of São Paulo.


He has been a consultant to UNESCO, SELA (*Sistema Económico Latinoamericano*—Latin American Economic System), and the OEI (*Organización de Estados Iberoamericanos*—Organization of Ibero-American States). The magazine *Le Nouvel Observateur* included him in its special fortieth anniversary issue in January 2005, as one of the “25 grands penseurs du monde entier,” along with Jon Elster, Toni Negri, Charles Taylor, Richard Rorty, Amartya Sen, and Michael Walzer.
Gilberto Gil. Minister of Culture of Brazil. “Unique composer with great talent and curiosity”; “singular musical ambassador, with firm cultural convictions”: such are words of admiration and recognition toward Gilberto Gil expressed by the Swedish Royal Academy of Music when it awarded him the Polar Prize for Music in 2005. The acclaimed musical genius and pioneer of Tropicalia is a living legend who continues to leave his mark around the world.

He was born Gilberto Passos Gil Moreira in Salvador, Province of Bahía, Brazil in 1942, and soon showed his enormous talent for music. He spent his early years in the rural area of Bahia, where at age three he was already playing the drums. Inspired by the samba music he heard on the radio, he learned to play the trumpet on his own. In 1950 the Gil family returned to the City of Salvador, where at age eight, Gilberto began to study accordion. He was first part of a band called Os Desafinados, which played at high school dances. Shortly afterward, upon hearing the inspiring music of João Gilberto on the radio, he bought a guitar and learned to play in the bossa nova style without any instruction.

While studying Business Administration, Gil began his career as a professional musician in the area of advertising, composing endless sales jingles. In 1964 he had the chance to play on a program of bossa nova and traditional Brazilian music which also included well-known artists like Caetano Veloso, Maria Bethania, Gal Costa, and Tom Zé, who accompanied Gil throughout his musical career in subsequent years. In 1965 he moved to São Paulo, where he recorded his first hit, Louvação. He also lived in Rio de Janeiro, a city that imparted special features to his musical style, which clearly reflects the influence of urban life. Through a new merging of sounds with elements of music and dancing he broke away from the traditional rules and created a hybrid innovative style. He is therefore considered the pioneer of the cultural movement known as Tropicalia, which draws on very diverse sources: bossa nova, rock and roll, Bahian folk music, and Portuguese fado. The lyrics of his songs are imbued with a critique of Brazilian consumer society and other aspects of contemporary culture. In the 1960s, Tropicalia gave rise to a cultural movement in film, music, poetry, and literature, whose main figures besides Gil were the musicians Caetano Veloso, Gal Costa, and Tom Zé, and the poets José Carlos Capinam and Torquato Neto. Forced to do so for political reasons, Gil and Veloso went into exile in 1969. After seeking asylum in London, Gil worked on perfecting his technique on acoustic and electric guitar. During those years he played and recorded with Pink Floyd, Yes, Sting, Rod Stewart and various other major musicians and musical groups in England.

Since returning to Brazil in 1972, Gil has recorded forty albums, including Quanta Live-Ao Vivo (1998), Ao Vivo Em Tóquio (1998), Me, You, Them (2000) and Kaya N’Gan Daya (2002). His international fame has led to appearances at the Copenhagen and Montreux jazz festivals, and at the MIDEM festival at Cannes many times. He received a Grammy Award and the Latin Grammy twice, and he was named the “Outstanding Personality of 2003” by the Latin American Academy of Recording Arts and Sciences (LARAS). In addition, for
many years, Gilberto Gil has fought actively for the restoration of democracy in Brazil, and has been a member and director of many organizations for protection of the environment. While working as Secretary of Culture in Salvador de Bahía—before being appointed to the cabinet of President Lula as Minister of Culture—he helped with the restoration of the city’s historical center (the famous Largo do Pelourinho).
Other publications in the *Encuentros* series:

- **Houses, Voices and Language in Latin America**  
  José Donoso (1924-1996), Chilean author of remarkable stories and novels including *Coronation*, contributor to the Latin American literary boom, and Magic Realism.  
  No. 1, March 1993.

- **How the History of America Began**  
  Germán Arciniegas (1900-1999), distinguished Colombian essayist and historian, author of over fifty books, and many columns in the Colombian newspaper *El Tiempo*.  
  No. 2, April 1993.

- **The International Year of Indigenous Peoples**  
  No. 3, October 1993.

- **Contemporary Paraguayan Narrative: Two Currents**  
  Renée Ferrer de Arréllaga (1944-), Paraguayan poet and novelist, Spain’s Pola de Lena Prize (1986), included in anthologies of Paraguayan poetry and narrative.  
  No. 4, March 1994.

- **Paraguay and Its Plastic Arts**  
  Annick Sanjurjo Casciero (1934-), Paraguayan art historian, writer and editor of OAS magazine and art exhibition catalogues, specialist in 20th century Latin American art.  
  No. 5, March 1994.

- **The Future of Drama**  
  Alfonso Sastre (1926-), Spanish existentialist playwright, essayist, and critic, member of the New Art literary movement, outspoken critic of censorship in Franco’s Spain.  
  No. 6, April 1994.

- **Dance: from Folk to Classical**  
  Edward Villella (1936-), North American Principal Dancer in George Balanchine’s New York City Ballet (1960), later founder and Artistic Director of the Miami City Ballet.  

- **Belize: A Literary Perspective**  
  Zee Edgell (1940-), Belizean journalist, activist and author of four novels including *Beka Lamb*, Associate Professor of English at Kent State University in Ohio.  
  No. 8, September 1994.

- **The Development of Sculpture in the Quito School**  
  No. 9, October 1994.

- **Art in Context: Aesthetics, Environment, and Function in the Arts of Japan**  
  Ann Yonemura (1947-), North American Senior Associate Curator of Japanese Art at the Freer and Sackler Galleries of the Smithsonian Institution in Washington, D.C.  

- **Approaching the End of the Millennium**  
  Homero Aridjis (1940-), Mexican poet, diplomat and author of over 25 books of poetry, founder of the environmental Group of 100, awarded by the United Nations.  
  No. 11, September 1995.
Haiti: A Bi-Cultural Experience
No. 12, December 1995.

The Meanings of the Millennium
Bernard McGinn, North American theologian from University of Chicago’s Divinity School, leading scholar in apocalyptic thought, editor of Classics of Western Spirituality.
No. 13, January 1996.

Andean Millenarian Movements: Origins and Achievements (16th-18th centuries)
Manuel Burga (1942-), Peruvian sociologist from the Universidad Nacional Mayor de San Marcos, expert in post-colonial Andean Studies, National History Prize (1988).
No. 14, February 1996.

Apocalypse in the Andes: Contact Zones and the Struggle for Interpretive Power
Mary Louise Pratt (1948-), Canadian linguist from Stanford University, leading scholar in feminism, post-colonial theory and culture in Latin America.
No. 15, March 1996.

When Strangers Come to Town: Millennial Discourse, Comparison, and the Return of Quetzalcoatl
David Carrasco (1944-), North American Professor of Religions at Princeton, later at Harvard Divinity School, editor of The Oxford Encyclopedia of Mesoamerican Cultures.
No. 16, June 1996.

Understanding Messianism in Brazil: Notes from a Social Anthropologist
Roberto Da Matta (1936-), Brazilian anthropologist from Notre Dame University, advisor to the Luso-Brazilian Review, expert on popular culture in Brazil.
No. 17, September 1996.

The People’s Millennium: The Legacy of Juan and Eva Perón
Juan E. Corradi (1943-), Argentine sociologist from New York University, advisor to the United Nations Development Program, VP of South/North Development Initiative.
No. 18, November 1996.

Brief Notes on Ecuadorian and U.S. Literature
Raúl Pérez Torres (1941-), Ecuadorian poet, Director of Abrapalabra Editors, National Short Story Award (1976), Casa de las Americas Award (1980), Juan Rulfo Award (1990).
No. 19, March 1997.

Society and Poetry: Those Who Come Wrapped in a Blanket
Roberto Sosa (1930-), Honduran poet, editor and journalist, Casa de las Americas Award (1971), National Rosa Literary Award (1972), National Itzamna Literary Award (1980).
No. 20, May 1997.

Architecture as a Living Process
Douglas Cardinal (1934-), Canadian architect, projects include Canadian Museum of Civilizations, and original proposal for U.S. National Museum of the American Indian.
No. 21, July 1997.
Composing Opera: A Backstage Visit to the Composer’s Workshop
No. 22, August 1997.

Welcoming Each Other: Cultural Transformation of the Caribbean in the 21st Century

Out of Silence
Albalucía Angel (1939-), Colombian experimental novelist and pioneer of Latin American postmodernism, Vivencias Award (1975), folksinger and journalist.
No. 24, April 1998.

How Latino Immigration Is Transforming America
No. 25, May 1998.

The Iconography of Painted Ceramics from the Northern Andes
Felipe Cárdenas-Arroyo, Colombian archaeologist from the University of Los Andes in Bogotá, CASVA scholar, specialist in pre-Hispanic mummification and human bone.

Celebrating the Extraordinary Life of Elisabeth Samson
Cynthia McLeod (1936-), decorated Surinamese author of the best-selling The High Price of Sugar and Farewell Merodia, specialist in 18th century Suriname.
No. 27, August 1998.

A Country, A Decade
No. 28, September 1998.

Aspects of Creation in the Central American Novel
Gloria Guardia (1940-), Panamanian writer, journalist and essayist, member of the Panamanian Academy of Language, National Short Story Prize (Bogotá, 1996).
No. 29, September 1998.

Made in Guyana
No. 30, November 1998.

True Lies on the Subject of Literary Creation
Sergio Ramírez (1942-), Nicaraguan author of 25 books, Dashiell Hammett Award (1988), Alfaguara Award (1998), and former Vice-President of his country.
No. 31, May 1999.

Myth, History and Fiction in Latin America
Tomás Eloy Martínez (1934-), Argentine writer and journalist, Rutgers University professor, author of Santa Evita (1995), Argentina’s most translated book (37 languages).
Cultural Foundations of Latin American Integration
Leopoldo Castedo (1915-1999), Spanish-Chilean art historian, scholar, and filmmaker who drove the length of South America twice, co-author of 20-volume Historia de Chile. No. 33, September 1999.

El Salvador and the Construction of Cultural Identity

The Female Memory in Narrative

Le Grand Tango: The Life and Music of Astor Piazzolla
Maria Susana Azzi (1952-), Argentine cultural anthropologist, Board Member of the Astor Piazzolla Foundation and the National Academy of Tango in Buenos Aires. No. 36, May 2000.

Columbus’s Ghost: Tourism, Art and National Identity in the Bahamas

Talkin’ Ol’ Story: A Brief Survey of the Oral Tradition of the Bahamas

Anonymous Sources: A Talk on Translators and Translation

Bringing the Rainbow into the House: Multiculturalism in Canada

The Light at the Edge of the World

Chestnut Women: French Caribbean Women Writers and Singers

Cultural Capital and its Impact on Development
Camilo Herrera (1975-), Colombian sociologist and economist, founding director of the Center for Cultural Studies for Political, Economic and Social Development in Bogotá. No. 43a, October 2001.
Modernization, Cultural Change and the Persistence of Traditional Values  
Ronald Inglehart (1934-), North American political scientist, Director of Institute for Social Research at University of Michigan; and Wayne E. Baker, Faculty Associate.  
No. 43b, February 2002.

Culture Industries and the Development Crisis in Latin America  
Néstor García Canclini (1939-), distinguished Argentine philosopher and anthropologist, Casa de las Americas Prize (1981), and Director of Urban Culture Studies at UNAM.  
No. 43c, April 2002.

Downtown Paradise: Reflections on Identity in Central America  

Art and New Media in Italy  
Maria Grazia Mattei (1950-), Italian expert in new communications technology, founder of MGM Digital Communication, with remarks by artist Fabrizio Plessi.  
No. 45, February 2002.

A Sense for Public Space: Architecture in a Time of Compulsive Consumption  
Rafael Viñoly (1944-), Uruguayan architect, finalist in the new World Trade Center design competition; designer of expansion of the Kennedy Center in Washington, D.C.  
No. 46, May 2003.

Crafts and Commodities: Oaxacan Wood Carvings  
Michael Chibnik (1946-), Professor of Anthropology at the University of Iowa, based on his 2003 book Crafting Tradition: The Making and Marketing of Oaxacan Wood Carvings.  
No. 47, May 2003.

Education and Citizenship in the Global Era  
Fernando Savater (1947-), distinguished Spanish philosopher and novelist, Professor of Philosophy at the Universidad Complutense de Madrid, Sakharov Prize (2002).  
No. 48, October 2003

Cultural Ecology in the Americas  
Cristián Samper (1967-), Costa Rican/Colombian biologist, Director of Smithsonian’s Natural History Museum, former chief science adviser to Colombian government.  
No. 49, December 2003.

The Essential Role of Ethics in the Development of Latin America  
No. 50a, April 2004.

Convictions That Sabotage Progress  
Marcos Aguinis (1935-), Argentine physician, former Minister of Culture in Argentina, Planeta Prize (Spain), Grand Prize of Honor by the Argentine Society of Writers.  
No. 50b, June 2004.

The Difficulty of Telling the Truth  
Darío Ruiz Gómez (1935-), Colombian art and literary critic, former Professor of Architecture in Medellin, published four books of poetry and five books of short stories.  
No. 50c, October 2004.
Hölderlin and the U’wa: A Reflection on Nature, Culture and Development
William Ospina (1954-), Colombian essayist, journalist, poet, and translator; National Literature Award (1992), Casa de las Americas Award (2002).
No. 51, July 2004.

Translating Cervantes
Edith Grossman (1936-), preeminent North American translator of Spanish language works, including García Marquez, Vargas Llosa, and her new version of Don Quixote.
No. 52, January 2005.

Panel on Culture and Development- Inauguration of Enrique V. Iglesias Conference Center
Enrique V. Iglesias (1930-), distinguished Uruguayan economist and statesman; third President of the IDB (1988-2005), founder of the IDB Cultural Center (1992); Néstor García Canclini (see Encuentros No. 43c); and Gilberto Gil (1942-), Minister of Culture of Brazil, acclaimed musical composer, performer, and pioneer of Tropicalia.
No. 53, February 2005.

Spanish and English versions available.

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