



CALL FOR RESEARCH PROPOSALS

CREATIVE ECONOMY, INNOVATION AND ECONOMIC DEVELOPMENT

1. Justification and background

The creative economy – defined as the group of activities through which ideas are transformed into cultural and creative goods and services, whose value is or could be protected by intellectual property rights (Benavente and Grazzi, 2017) – has been progressively recognized as an important component of the economy in terms of value added, exports, employment, investments, and productivity growth. Previous studies (e.g. Gemser and Leenders, 2001; Haskel et al., 2005; Sentence and Clarke, 1997) have shown that creative industries are characterized by high innovation and productivity rate, constituting an important driver of economic development. The importance of the creative industries in the economy is more and more closely related to the diffusion of digital technologies. Many creative activities use state-of-the-art technologies as inputs in their productive processes (Benavente and Grazzi, 2017). For example, the industry of videogames and animation rely on new, more and more complex, software to create new products. Moreover, digital technologies have provided creative industries a space to develop and test their new products with high quality levels and lower costs. Digital technologies are also increasingly offering the creative firms important platforms and tools (e.g. online stores, digital marketing, etc.) to promote and distribute their products broadly and quickly. The use of cutting-edge ICTs by creative firms could also influence the overall market, promoting the diffusion of new technologies in other sectors of the economy. Despite the relevance of the creative sector,

evidence available in LAC is still insufficient to estimate the real contribution of creative industries to the economy, as well as to understand its degrees of innovation and the main obstacles which creative firms are facing. This limits the capacity of policymakers to design and implement an effective evidence-based policy-mix to promote the sector.

With the aim of enhancing the capacity of LAC policy-makers to design, implement, monitor and evaluate policies promoting the development of the creative economy in the region, the IDB has launched the Technical Cooperation RG-T2959 “Promoting creativity and innovation in LAC”. One main objective of this project is to produce analytical research to allow policy makers to better formulate evidence-based public policies in this sector. Among other activities, the Technical Cooperation finances the development of three research papers which use econometric analysis to explore the relation between creative activities, innovation, and productivity in LAC firms, with a particular attention to the role played by digital technologies.

2. Objectives

The general objective of this call for proposals is to better understand the relation between the creative economy, innovation and economic development in LAC. In recent years, scholars and practitioners have argued that cultural and creative activities can boost productivity both at macro and at micro level, but the evidence base underpinning these claims is still rather scarce, and mostly confined to the developed economies.

This call aims to contribute filling this gap for LAC countries. More specifically, it aims at:

- (1) Identifying what economic outcomes appear to be impacted by the creative economy in LAC;
- (2) Measuring the magnitude of the positive effects that creative activities have on the overall economy;
- (3) Understanding and characterizing the main drivers or obstacles that creative firms face in the region.

Research proposals are solicited on a wide range of topics including, but not limited to:

- The drivers and determinants of creative clusters (e.g. Boix et al., 2015; Lazzaretti et al., 2009)
- The impact of creative clusters on the wider economy of cities and regions (e.g. Bakhshi et al., 2014; Boix-Domenech, & Soler-Marco, 2017; De Miguel-Molina et al., 2012);
- The innovation activities in the creative industries and their determinants (e.g., Bakhshi and McVittie, 2009; De Miguel-Molina et al., 2019; Gkypali and Roper, 2018; Lee and Rodriguez-Pose, 2014; Protogerou et al., 2017);
- The impact of creative activities and/or creative workers on the innovative and economic performances of firms (e.g., Gemser and Leenders, 2001; Haskel et al., 2005; Müller et

al., 2009; Sentence and Clarke, 1997; Stojcic et al., 2018);

- The relationship between workforce with, respectively, creative, STEM or digital skills and innovation activities (e.g. Brunow et al., 2018; Comunian et al., 2016).

Researchers are expected to study the above-mentioned topics by applying a different set of econometrics and other quantitative techniques, depending on the approach and type of research question to be addressed.

3. .Content of the proposals

In order to participate in this project, interested researchers and consultants should submit a technical proposal, in English or Spanish, no longer than 5 pages, including:

1. A descriptive section that includes: (i) the specific research question/s to be answered; (ii) a general conceptual framework related to the research question/s; and (iii) how the proposed study is relevant to this call for proposals.
2. A background section that includes: i) the proposed econometric approach which will be used to conduct the analysis; and ii) description of the data to be used.
If the data to be used involves data collection, describe what type of data will be collected, a draft of the questionnaire and how this will be accomplished within the time frame of the current project.
If the data to be used relies on survey data, administrative register data or any other source of secondary data, proposals should include a detailed description of the dataset, access status to it and any other relevant information, like feasibility of linking it with other datasets, among others. Demonstrating prompt access to data is a necessary condition for proposals relying on secondary data.
3. A final section providing a preliminary view to the nature of the findings that the study will yield and potential policy applications.
4. CV of the research team (in a separate annex) indicating a team leader, showing current affiliation and publication record and highlighting any publications that are relevant to the topic at hand (2 pages maximum per researcher).
5. A budget and timeframe (in a separate annex) indicating the resources that will be used within the context of the research work plan. The proposed budget should distinguish between items financed by the IDB (the Bank) and those financed by the research team. The proposed timeframe should take into account that a first draft of the paper, containing preliminary results, should be ready by October 2019.

Final papers will be disseminated as IDB technical notes or working papers and are expected by March 2020. Researchers can and are encouraged to submit their final papers to peer-reviewed journals, after receiving previous formal authorization from the IDB.

4. Products and Schedule of activities

The tentative schedule of activities is as follows:

April 29th, 2019: Call for research proposals issued.

June 17th, 2019: Due date for receiving proposals. Proponents should ensure that complete documentation is submitted. Complete documentation includes: the research proposal (up to five pages), CVs (up to two pages per researcher involved), budget and timeframe. Send proposals electronically to creative.economy@iadb.org. Any inquiries relative to this call can also be sent to the same e-mail address.

June 24th, 2019: Announcement of selected research proposals.

October 15th, 2019: Due date for receiving a 1st draft of the research paper.

November/December 2019: Workshop in a venue and day to be determined to present and discuss the preliminary findings.

March 15th, 2020: Due date for receiving the second draft of the research paper.

5. Evaluation of the proposals

The evaluation team will be coordinated by Matteo Grazzi (IFD/CTI) and Simone Sasso (IFD/CTI), with the collaboration of an external principal scientific advisor.

6. IDB Contribution

The IDB will contribute **up to US\$10,000** for each selected study proposal. The payment schedule will be structured as follows:

10% at the signature of the formal agreement between the IDB and the researcher/s.

50% upon approval by the Bank of the first draft of the research paper and participation (of at least one researcher per team) in the interim workshop.

40% upon approval by the Bank of the final research paper.

Besides the above-mentioned lump-sum contribution, the IDB will cover travel and accommodation expenses (for one researcher per research team) to participate in the interim one-day workshop.

7. References

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