

EIBF Contribution: Funding for Culture in the 2028-34 MFF

The **European and International Booksellers Federation (EIBF)** is the voice of booksellers in the European Union and globally. EIBF's members are national Booksellers Associations, who represent all kinds of book retailers, a majority of those being small and medium-sized independent and family-owned bookshops. Since 2009, EIBF proudly co-organises the European Union Prize for Literature (EUPL), one of the 4 Creative Europe co-funded Prizes. In 2022, thanks to Creative Europe's invaluable support, we were able to launch RISE Bookselling, a co-funded network project designed to boost the sector's overall competitiveness, innovation and resilience through increased cross-border knowledge exchange, further access to cutting-edge information and know-how, and reinforcement of adequate tools and skillsets.

As the European Commission prepares to submit its draft proposal for the 2028-2034 MFF, and considering the current geopolitical context, EIBF welcomes this opportunity to raise awareness on the paramount importance of funding for culture, and its spillover effects, specifically for the European Union's **democracy, competitiveness, and security.**

Culture as a pillar of democracy

The cultural and creative industries (CCIs), including the book sector, create irrefutable intangible value for communities across Europe. Books touch our societies and communities at every level, from education to employment opportunities to politics. It's no coincidence that throughout history, during times of political oppression and turmoil, books have been banned and restricted, while authors, publishers and bookshops have been targeted, censored, silenced, and even vandalised. In a time when the free exchange of ideas is more under threat than ever, bookshops play a vital role in upholding democracy. They are spaces where diverse voices are heard, difficult conversations are encouraged, and the principles of free speech are promoted – sometimes, despite unfavourable political circumstances.

Reading brings a multitude of benefits – not only to individual readers but to society as a whole. Books provide knowledge and education, of course, but they also instil empathy and understanding for other people. Bookshops and libraries both strive for the same goals of literacy, reading promotion and access to books. They have a long history of working together to get people reading. This is particularly valuable because supporting a literate population also entails supporting all citizens' well-informed democratic participation.

The importance of culture as a bridge over division and polarisation has been widely recognised across the political spectrum. Therefore, if the whole CCI sector is to keep playing its part in underpinning our democratic societies, it is essential that funding for culture becomes a strong and key asset of the next MFF.

Culture as a pillar of competitiveness

In the European landscape, CCIs are a major driver for economic growth and competitiveness, and bookshops are no exception. They are in fact quite remarkable in the transversal way they do so. Being intrinsically tied to their immediate environment and their local communities, bookshops not only generate profits that feed into the local ecosystem, pay local taxes, and create new and skilled jobs - but they also help build the robust community bonds that are needed in a competitive economy. Overall, the



bookselling sector is one of remarkable resilience and strength – despite operating with very low margins, booksellers give a lot more than they take when it comes to the economy.

- In Ireland, it is estimated that in 2021 bookshops generated €189 million for the economy, paid €43.7 million in wages, and around €9.6 million in taxes. Additionally, it is estimated that for every €1 paid in wages by Ireland's bookshops, an additional €2.20 was generated in the wider economy¹.
- In the Netherlands, in 2024, **43 million books** were sold, amounting to **€690 million** in gross turnover, recording a 1% increase from the year prior despite surmounting economic challenges such as inflation and the cost of living.²
- The Italian economy receives a substantial benefit from Italians' book purchases, amounting to €1.7 billion nationally, with a multiplying effect that generates an impact of more than double the original spending at the GDP level (€3.7 billion), not counting the significant added value of the cultural, educational and civic effects of the book sector.³

In addition to this, and when looking at the wider CCI context, according to the European Parliamentary Research Service, **each euro** invested in common EU actions supporting or complementing existing funding for the creative and cultural sector could potentially generate a return of **up to €11.**⁴

Investing in culture through dedicated funding strands, policies and other collective actions is investing in thriving local economies, a resilient ecosystem with tangible and intangible added value, as well as a competitive sector with a high return on investment in the long term.

Culture as a pillar of security

With the announcement of the €800 billion *ReArm Europe* plan, defence and security were cemented as EU priorities for the coming years. Given the wide array of emergencies the EU is currently facing, a multi-faceted approach to security and defence must be taken. As an essential pillar of resilience, culture should be embedded as an integral part of Europe's preparedness agenda.

Promoting European culture is of essential strategic importance to fight against authoritarian regimes and protect European values. Investing in culture means, i.a., fostering literacy skills, critical thinking, and psychological autonomy and resilience. If we fail to invest sufficiently in culture and literate populations (both print and media), we are left vulnerable to external manipulation and hybrid threats from authoritarian regimes that recognise culture as a powerful tool and exploit it to advance their own interests. For instance, Russia allocated more than €1 billion to propaganda through culture and media in 2024, whereas the Creative Europe budget amounted to just €335 million the same year⁵. In the context of ever-decreasing literacy

¹ <u>Bringing Culture into the Heart of Communities - The Cultural Role and Value of Ireland's Bookshops.</u> Booksellers Association of the UK and Ireland.

² Verkoopcijfers 2024. https://kvbboekwerk.nl/monitor/markt/verkoopcijfers-2024.

³ Impatto del mercato del libro in Italia, OpenEconomics. https://www.openeconomics.eu/wp-content/uploads/2024/05/OE Impatto-Libri 130524.pdf

⁴ <u>Increasing European added value in an age of global challenges</u>. European Parliamentary Research Service.

⁵ EU Funding for Culture in the Multiannual Financial Framework 2028-2034. Culture Action Europe.



rates in Europe, bookshops are a focal point in the fight against manipulation and autocracy through their direct contact with young readers, for instance.

- Culture strengthens social cohesion, stability, and integration. According to the European Commission's study⁶, people who engage in cultural activities are more likely to democratically participate in societies and become involved in their communities through volunteering, for example. Bookshops often act as vanguards for deeper integration within communities through providing <u>safe havens where all are welcome</u>.
- Culture is a key tool to preserve the psychological resilience of societies, better preparing them for emergencies and security crises. Certain EU member states, such as Finland⁷, have already recognised the importance of maintaining and protecting cultural services and heritage sites as part of its psychological resilience and comprehensive security model. It is scientifically proven that books and literacy also boost an individual's health and resilience⁸.

As eloquently put by <u>Commissioner Micallef himself</u>, "If you want to destroy a nation, if you want to completely erase a country, you attack its culture." It is crucial that, in the context of security concerns, funding for culture does not become a casualty.

Our asks

- Despite the significantly increased Creative Europe budget for the period 2021-2027, which we greatly welcomed, the programme is still oversubscribed considering the demand for such funds⁹. Because of this, we strongly advocate for increasing the EU funding for the cultural and creative sectors and industries to 2% across all EU programmes. If the EU were to increase its expenditure on culture to 2% (approximately €24 billion) of the MFF budget, the measure would be expected to generate €266 billion of additional GDP or €38 billion annually¹⁰.
- Despite the aforementioned increase, the Creative Europe programme makes up only 0.198% of the overall current Multiannual Financial Framework (MFF). While being among the smallest financial envelopes of the EU's MFF, Creative Europe is the only EU programme specifically dedicated to transnational cultural cooperation, and an inestimable opportunity for cultural operators to act beyond borders and to make Europe's culture thrive. It is therefore essential that Creative Europe remains as a standalone programme. It is also crucial to ensure that no budget cuts affect the programme in the coming years. This has become even more pressing in recent years which have been tremendously challenging for the CCIs, with rampant inflation, skyrocketing energy costs, and the complexities of both digitisation and greening, which all affect the operational capacities of CCIs bookshops especially, given their low profit margins and relatively high operational costs.

⁶ <u>How citizens' participation in cultural activities enhances civic engagement, democracy and social cohesion : lessons from international research.</u> European Commission.

⁷ Security strategy for Society. Security Committee of the Finnish Government.

⁸ <u>Using Literacy to Boost Your Child's Health and Resilience.</u> Yale School of Medicine.

⁹ <u>European Parliament resolution of 16 January 2024 on the implementation of the Creative Europe Programme 2021-2027</u>. European Parliament.

¹⁰ EU Funding for Culture in the Multiannual Financial Framework 2028-2034. Culture Action Europe.