

UDC 316.7; 330.1; 330.3

THEORETICAL FOUNDATIONS AND DEVELOPMENT TRAJECTORIES OF UKRAINE'S CREATIVE ECONOMY

Fomenko V.S*Postgraduate student of the Department of
Economic Theory and International Economic Relations.**ORCID: 0009-0008-4786-3184**Ukrainian State University of Science and Technology,
SEI «Prydniprovsk State Academy of Civil Engineering and Architecture»
Dnipro, Architect Oleh Petrov 24A6 49005*

Abstract: *The creative economy plays a pivotal role in shaping modern socio-economic progress, fostering innovation, increasing national competitiveness, and facilitating integration into the global economic space. In recent decades, this concept has undergone significant evolution, with scholars emphasizing different aspects such as intellectual property, human capital, and the commercialization of creative products. However, existing theoretical approaches often overlook the specific challenges Ukraine faces, including war, digitalization, and European integration.*

This research provides a comprehensive analysis of the theoretical and practical aspects of Ukraine's creative economy, assessing its key drivers, constraints, and strategic development directions. A terminological analysis of the concept of the "creative economy" was conducted based on international and domestic studies, highlighting various interpretations and sectoral focuses. A major contribution of this study is the formulation of a definition that considers Ukraine's national context, emphasizing the role of socio-cultural identity and innovation in economic development.

The findings indicate that Ukraine's creative economy has a strong potential, demonstrated by the success of key industries such as IT, fashion, media, and cinema. The study underscores the importance of digitalization and cultural heritage preservation during the ongoing war. Government initiatives, including the Ukrainian Cultural Fund and participation in the Creative Europe program, are identified as critical mechanisms for promoting the creative sector on global markets.

Further development of Ukraine's creative economy requires an integrated approach, combining financial accessibility, regulatory improvements, digital transformation, and international cooperation. The study highlights the necessity of enhancing educational programs to foster creative thinking and entrepreneurship. The proposed definition of the creative economy provides a framework for understanding its unique characteristics in Ukraine and serves as a foundation for future research and policy recommendations.

Key words: *creative economy, socio-cultural identity, innovation, globalization, digitalization, economic development, Ukraine, cultural integration.*

Introduction.

The development of the creative economy is a crucial factor in modern economic progress, significantly contributing to innovation, economic diversification, and global competitiveness. In the context of globalization, characterized by rapid technological advancements and evolving market demands, creative industries—including art, design, IT, film, fashion, and advertising—are becoming drivers of economic growth and cultural sustainability [1, p. 38].

Ukraine, with its rich cultural heritage and significant intellectual potential, has a unique opportunity to develop a robust creative economy. However, the sector remains in the early stages of formation and faces multiple challenges, including financial constraints, inadequate infrastructure, and a lack of comprehensive strategic policies. The ongoing war, economic instability, and European integration efforts further underscore the need for a scientific approach to fostering the creative sector in Ukraine.

The purpose of this research is to analyze theoretical approaches to defining the creative economy, evaluate its current state in Ukraine, and propose an updated definition that reflects the country's socio-economic and cultural realities. The study considers both global and national perspectives, taking into account recent challenges such as war, digital transformation, and European integration.

Main text

The concept of the creative economy has evolved over time, reflecting different economic, cultural, and technological transformations [2, p. 89]. Theoretical approaches to defining the creative economy can be classified into several key perspectives :

1. **Economic Approach:** Focuses on the creative economy as a sector of industries that generate revenue through intellectual property, cultural production, and innovative services (Hawkins, 2001; DCMS, 1998).

2. **Sociocultural Approach:** Emphasizes the role of human creativity, talent, and cultural identity in shaping economic growth (Florida, 2002; UNESCO, 2013)

3. **Innovation-Oriented Approach:** Highlights the integration of digital technologies, new business models, and creative entrepreneurship (Kreativwirtschaft Austria, 2021; McCollum & Eriksson, 2022).

4. **Regional and National Development Perspective:** Examines the creative economy as a tool for fostering regional economic sustainability and international cooperation (Chul, 2023; Kopyyka, 2020).

To synthesize these perspectives, we conducted a comparative analysis of definitions, presented in Table 1 [1-13].

Table 1. Evolution of Creative Economy Definitions

Author/Source	Definition	Key Focus
DCMS, UK (1998)	Creative industries include sectors where creativity, skills, and talent generate wealth and employment.	Sectoral classification based on creative value.
John Howkins (2001)	The creative economy is a domain where ideas, innovation, and intellectual property are key economic assets.	Intellectual property as a core economic driver.
Richard Florida (2002)	The creative economy is shaped by the "creative class"—individuals who drive innovation, focusing on technology, talent, and tolerance.	Human capital, innovation, and socio-cultural factors.
UNESCO (2013)	Creative industries use cultural resources to produce goods and services with cultural, economic, and social value.	Connection between cultural heritage and economic sustainability.
Kreativwirtschaft Austria (2021)	The creative economy involves activities based on innovation and unique product creation, emphasizing idea generation and commercialization.	Innovation and commercial viability.
Svydruk I.I. (2019)	The creative economy is fundamental to post-industrial development, where intellectual labor and innovation drive value creation.	Intellectual capital as an economic driver.
Chul O.M. (2015)	The regional creative economy fosters socio-economic activity by leveraging local cultural assets.	Regional development through creative industries.
Kopiika D.V. (2019)	The creative economy is a factor in global economic restructuring, promoting innovation-driven growth.	Links between creative industries and global economic trends.
Zhyvko M.A. (2018)	The creative economy integrates cultural and innovative processes to ensure economic sustainability.	Integration of cultural and economic dynamics.
Nikitenko V.O. (2020)	The creative economy unites industries focused on cultural product commercialization and economic sustainability.	Cultural commercialization for economic resilience.

Dyndar A.S. (2019)	The creative economy is a space combining artistic practices, economic benefits, and socio-cultural exchange, forming the foundation for creative industry development.	Artistic practices and international integration.
-----------------------	---	---

Authoring

This analysis reveals that intellectual property, human capital, and the commercialization of creative industries are central themes in most definitions. However, none of these definitions fully address Ukraine's specific challenges, such as the impact of war, the urgency of digitalization, the need to preserve cultural identity, and integration into the European economic space. This gap necessitates a revised definition tailored to Ukraine's unique context.

Proposed Definition of Ukraine's Creative Economy

Ukraine's creative economy has demonstrated significant growth in recent years, driven by several key industries, including IT, digital media, design, fashion, film production, and advertising [8, p. 138]. The country has a strong cultural and technological foundation that enables further development of creative industries. However, several structural challenges hinder its progress:

1. Financial and Institutional Barriers: Limited access to investment and weak protection of intellectual property rights.
2. Impact of War: Disruptions in creative clusters, destruction of cultural infrastructure, and migration of skilled professionals.
3. Digitalization and Market Transformation: The shift toward digital platforms has opened new opportunities but also increased competition on the global scale.
4. Integration into European and Global Markets: Ukraine's participation in programs such as Creative Europe and collaboration with international institutions create new prospects for expansion.

Despite these challenges, creative enterprises and independent cultural initiatives continue to drive economic resilience. Ukrainian brands such as Bevza, Ksenia Schnaider, and Sleeper have gained global recognition, while Ukrainian IT and digital startups have successfully entered international marke

Considering the findings of this research, we propose a definition that reflects the national challenges and development goals of Ukraine: Ukraine's creative economy is a system of socio-economic processes that facilitate the creation, production, commercialization, and distribution of innovative and cultural products, where intellectual potential, innovation capacity, socio-cultural identity, and global market competitiveness serve as key drivers. It functions as a strategic driver of economic growth, cultural sustainability, and European integration. This definition highlights the role of socio-cultural identity and digitalization in Ukraine's economic strategy, acknowledging the evolving nature of the creative economy as a response to global challenges.

Summary and conclusions

The research highlights the importance of the creative economy as a strategic sector for Ukraine's development, particularly in the context of economic modernization and European integration. The study has identified key drivers and challenges affecting Ukraine's creative industries, emphasizing the need for institutional support, investment in cultural entrepreneurship, and digital transformation.

A proposed theoretical definition of the creative economy of Ukraine has been developed, reflecting the influence of cultural heritage, technological innovation, and international cooperation. The findings suggest that future research should focus on empirical validation of the proposed definition, comparative analysis with EU models, and policy recommendations for strengthening the creative sector in Ukraine.

The creative economy is not only a driver of economic resilience but also a tool for preserving national identity and fostering international collaboration. By implementing effective policies and fostering cross-sectoral innovation, Ukraine can position itself as a leading player in the global creative economy.

References:

1. Hawkins J. (2001). *Creative Economy: How People Make Money from Ideas*. Penguin.

2. Florida R. (2002). *The Rise of the Creative Class*. Basic Books.
3. Florida R. (2005). *The Flight of the Creative Class*. HarperBusiness.
4. Hofstede G. (2013). *Geert Hofstede's Research and VSM*. URL: <https://geerthofstede.com/research-and-vsm/vsm-2013/>
5. Hofstede, G., Hofstede, G. J., & Minkov, M. (2010). *Cultures and Organizations: Software of the Mind*. McGraw-Hill.
6. UNCTAD. (2004). *Creative Industries and Development*. URL: https://unctad.org/system/files/official-document/tdxibpd13_en.pdf
7. UNCTAD. (2024). *Creative economy booms, with services leading the growth*. URL: <https://unctad.org/news/creative-economy-booms-services-leading-growth>
8. Чала В.С. Розвиток мегаполісів в структурі європейської економіки: дис. ... канд. екон. наук: 08.00.02 Дніпропетровськ, 2012. 223 с
9. Дробахіна Т. О. Розвиток креативних індустрій на регіональному та місцевому рівнях: дис. ... д-ра філософії: 08.00.02. Дніпро, 2024. 267 с.
10. Копійка Д. В. Креативний імператив реконфігурації глобальної економіки: дис. ... канд. екон. наук: 08.00.05. Київ, 2019. 271 с
11. Диндар А. С. Регулювання арт-бізнесу в креативній економіці ЄС: дис. ... канд. екон. наук: 08.00.02. Київ, 2019. 173 с
12. Чуль О. М. Регіональний розвиток креативних індустрій : дис. ... канд. екон. наук: 08.00.05. Луцьк, 2015. 315 с.
13. Нікітенко В. О. Взаємодія освіти, культури, туризму та їх вплив на розвиток креативного потенціалу особистості в умовах інноваційно-інформаційного суспільства: дис. ... д-ра. філософ. наук: 09.00.03. Запоріжжя, 2020. 425 с.

sent: 18.03.2025

© Fomenko V.S