Creative Industries Policy in Post-Conflict Contexts: Cultural Entrepreneurship in Serbia and Sri Lanka

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Abstract.

Creative industries have been promoted in post-conflict societies as a means of economic diversification, identity reconstruction and youth employment, and governments have adopted policy instruments modelled on established creative economies, most prominently grant programmes. Whether these instruments produce sustainable cultural enterprises in post-conflict conditions is uncertain. This study compares creative industries policy and cultural entrepreneurship outcomes in Serbia and Sri Lanka, two countries that emerged from prolonged conflict at different times. Drawing on policy document analysis and semi-structured interviews with 40 cultural entrepreneurs in design, film and audiovisual media, music, crafts and digital content, conducted in Belgrade, Novi Sad, Colombo and Jaffna between June and November 2025, the paper examines how entrepreneurs experience policy instruments and which factors they regard as decisive for the survival and growth of their enterprises. Interviews with 40 cultural entrepreneurs reveal that grant programmes have limited effect without export-oriented market access and IP support. Grants were widely accessed but described as sustaining activity rather than building enterprises, whereas the entrepreneurs who had achieved stable revenue attributed this to access to international markets and to the ability to protect and license their intellectual property. Serbian entrepreneurs benefited from proximity to European markets and from EU-linked programmes, while Sri Lankan entrepreneurs faced greater barriers of distance, payment infrastructure and weak IP enforcement. The paper argues that post-conflict creative industries policy should reorient from grant provision towards market access and IP capacity, and discusses implications for policy design in comparable contexts.

Keywords: creative industries, cultural entrepreneurship, post-conflict development, intellectual property, export markets

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1. Introduction

The creative industries, encompassing activities that originate in individual creativity and generate value through intellectual property, have attracted growing attention as instruments of development policy. In societies emerging from conflict they carry additional expectations: rebuilding damaged cultural identities, engaging young people who might otherwise be drawn into renewed violence or emigration, and diversifying narrowed economies. Cultural production in such settings is also entangled with the memory of the conflict itself, which gives cultural entrepreneurs a significance beyond their economic contribution.

Serbia and Sri Lanka offer an instructive comparison. Serbia emerged from the wars of the Yugoslav succession in the late 1990s and has since pursued European integration, with creative industries identified as a priority sector in national strategies and supported by a mixture of domestic grants and European Union programmes. Sri Lanka's civil war ended in

2009, and the subsequent decade saw the adoption of creative economy language in development plans, the establishment of grant and festival programmes, and efforts to promote crafts, film and design to international markets, although these were disrupted by the economic crisis of 2022. In both countries the dominant policy instrument has been the grant, whether for individual projects, festivals or organisational support, reflecting both the influence of international models and the relative ease of administering grant programmes compared with structural interventions.

This paper asks whether these policy instruments produce the outcomes expected of them, from the perspective of the cultural entrepreneurs they are intended to serve. It draws on analysis of policy documents and on semi-structured interviews with 40 cultural entrepreneurs in the two countries to examine how policy is experienced, which factors entrepreneurs regard as decisive for the survival and growth of their enterprises, and how the two contexts differ. The paper contributes to the literature on creative industries policy by providing comparative evidence from post-conflict settings that have received little attention, and to the practice of policy design by identifying where interventions are likely to have the greatest effect.

2. Literature Review

2.1 Creative industries policy and its transfer

The creative industries concept was given policy form in the United Kingdom in the late 1990s and diffused widely. Hesmondhalgh (2019) situates it within the longer political economy of the cultural industries, and Flew and Cunningham (2010) trace its adaptation to diverse national contexts. Pratt (2008) cautions that the policy has often been transferred without attention to the local conditions on which creative production depends, including intermediaries, distribution and markets, so that policies borrowed from large creative economies may fail in small ones. UNCTAD (2022) argues that realising the creative economy in developing countries requires investment in skills, intellectual property regimes and market access rather than cultural subsidy alone.

2.2 Cultural entrepreneurship

Cultural entrepreneurship research emphasises the distinctive features of cultural enterprises: uncertain demand, tension between artistic and commercial motives, project-based work and dependence on intellectual property as the principal asset (Caves, 2000). Hausmann and Heinze (2016) identify perspectives focused on the individual, on venture creation and on institutional context, noting that the institutional perspective has received the least attention. Studies from developing economies highlight informal networks, the limited relevance of formal support and the difficulty of reaching markets beyond the local; Kong (2014) argues that creative economy policy in Asia has prioritised infrastructure and events over the conditions that enable producers to earn a living.

2.3 Intellectual property and market access

Intellectual property converts creative work into a tradable and licensable asset. Towse (2010) shows that the value creators derive from their rights depends on enforceability and on intermediaries who can license and collect on their behalf; in many developing countries copyright regimes exist on paper but enforcement is weak and collective management absent, so that value is captured by others. WIPO (2015) documents the gap between legal frameworks and practical use in many countries.

Market access is equally important, since domestic markets in small or low-income countries rarely sustain professional creative production and export is frequently the condition of viability. Distance, language, payment infrastructure, platform gatekeeping and the absence of trade intermediaries are the principal barriers (Comunian & England, 2020); digital platforms have lowered some while introducing dependence on platform terms.

2.4 Creative industries in post-conflict contexts

The literature on culture in post-conflict settings has concentrated on reconciliation, memory and heritage rather than enterprise, and where creative industries are considered the emphasis is on youth employment and identity with little evidence on economic outcomes. Studies of the Western Balkans note growth in Belgrade's creative sectors alongside weak institutional support, financing and market development (Mikić, 2015), and research on Sri Lanka documents vitality in crafts, film and design constrained by infrastructure, finance and political sensitivities. Comparative studies across post-conflict contexts are absent, a gap this study addresses.

3. Methodology

3.1 Research design

The study employed a comparative qualitative design combining documentary analysis of policy instruments with semi-structured interviews with cultural entrepreneurs. Policy documents, including national strategies, grant programme guidelines and evaluations, were collected for the period 2010 to 2025 and analysed to identify the objectives, instruments and budgets of creative industries policy in each country. Interviews were used to examine how these instruments were experienced and which factors entrepreneurs regarded as decisive for their enterprises. The comparative design follows the logic of a most-different-systems comparison, in which two contexts differing in region, income level, timing of conflict and international linkages are examined for common patterns.

3.2 Participants

Forty cultural entrepreneurs were interviewed, 21 in Serbia, in Belgrade and Novi Sad, and 19 in Sri Lanka, in Colombo and Jaffna. Participants were identified from grant recipient lists, creative hub memberships, festival programmes and referral, with purposive sampling to achieve variation across five sub-sectors and across stages of enterprise development. Table 1 summarises the participants. All had operated a creative enterprise for at least three years, and the majority had received at least one public or donor grant. Interviews were conducted in Serbian, Sinhala, Tamil or English according to preference, lasted between 45 and 80 minutes, and were recorded and transcribed with consent. Ethical approval was obtained from both universities, and participants were anonymised.

Table 1: Profile of interviewed cultural entrepreneurs (N = 40)

Characteristic	Category	Serbia (n = 21)	Sri Lanka (n = 19)	Total (N = 40)
Sub-sector	Design and fashion	5	4	9
	Film and audiovisual	4	4	8
	Music and performing arts	4	3	7
	Crafts and visual arts	3	5	8
	Digital content and games	5	3	8
Enterprise age	3–5 years	8	9	17
	6–10 years	9	7	16
	Over 10 years	4	3	7

Received public or donor grant	Yes	17	15	32
Revenue stability	Stable revenue covering full-time livelihood	11	6	17
	Unstable or supplementary revenue	10	13	23

Source: Authors' interview data (2025)

3.3 Analysis

Transcripts were analysed thematically following Braun and Clarke (2006). Initial codes were developed inductively and then organised under themes corresponding to policy instruments, market factors, intellectual property, finance, networks and context. For each theme the number of participants raising it was recorded, together with whether the participant described it as decisive for the survival or growth of their enterprise. Participants were also classified according to whether their enterprise generated stable revenue sufficient for a full-time livelihood, based on their own account, which allowed the factors cited by more and less established entrepreneurs to be compared. Both authors coded all transcripts and reconciled differences through discussion. Policy documents were analysed to map instruments against the factors that entrepreneurs identified.

4. Results

4.1 Policy instruments and their experience

The documentary analysis confirmed that grants were the dominant instrument in both countries. In Serbia, the Ministry of Culture and provincial and city governments operate annual project grant competitions across artistic fields, supplemented by EU programmes including Creative Europe, to which Serbia has been party since 2014, and by donor-funded programmes for creative entrepreneurship. In Sri Lanka, grants have been provided through cultural ministries, the national arts councils, foreign cultural institutes and international development agencies, with a smaller volume and greater dependence on external funders. Neither country operates a substantial export promotion programme specific to the creative industries, and IP support in both is confined to general awareness activities by the national IP offices. Table 2 presents entrepreneurs' experience of the instruments. Grants had been accessed by 32 of the 40 participants and were valued as enabling projects that would otherwise not have taken place, but only nine participants described a grant as decisive for the development of their enterprise, and many characterised grants as sustaining activity between projects rather than as building capacity or markets. Several participants in both countries described the grant cycle as creating dependence and orienting production towards funder priorities rather than towards audiences or buyers.

Table 2: Experience of policy instruments among interviewed entrepreneurs (N = 40)

Instrument	**Accessed (n)**	**Described as decisive for enterprise (n)**	**Serbia accessed / decisive**	**Sri Lanka accessed / decisive**
Project grants (domestic public)	29	6	16 / 3	13 / 3
EU or international donor grants	22	7	14 / 5	8 / 2
Festival and showcase participation support	24	5	13 / 3	11 / 2
Creative hub or incubator	18	4	12 / 3	6 / 1

membership				
Export promotion or trade mission	9	6	7 / 5	2 / 1
IP advice, registration or licensing support	7	5	5 / 4	2 / 1
Skills training in business or marketing	21	3	11 / 2	10 / 1

Source: Authors' interview data (2025)

The instruments least often accessed, export promotion and IP support, were those most often described as decisive by the entrepreneurs who had accessed them. Seven of the nine participants who had taken part in an export promotion activity, in most cases a trade fair or market visit organised by a donor or a foreign cultural institute, and five of the seven who had received IP advice or licensing support, regarded these as decisive. These participants were concentrated in Serbia, where EU-linked programmes had provided such opportunities, and among those with stable revenue.

4.2 Decisive factors for enterprise survival and growth

Table 3 presents the factors that entrepreneurs identified as decisive, disaggregated by whether their enterprise generated stable revenue. Access to international markets was the factor most frequently described as decisive among entrepreneurs with stable revenue, cited by 14 of 17, and was described in terms of export sales of design and craft products, international licensing of films and music, commissioned digital content for foreign clients and touring. The ability to protect and license intellectual property was the second most cited factor in this group, and entrepreneurs described licensing deals, registered designs and trademarked brands as the basis of their recurring income. Among entrepreneurs with unstable revenue, by contrast, the most frequently cited decisive factors were grants and personal networks, and the majority of this group identified lack of market access and inability to protect their work as the principal obstacles they faced.

Table 3: Factors described as decisive for enterprise survival or growth, by revenue stability (N = 40)

Factor	**Stable revenue (n = 17)**	**Unstable revenue (n = 23)**	**Total (N = 40)**	**Serbia / Sri Lanka**
Access to international markets	14	4	18	12 / 6
Ability to protect and license IP	11	3	14	9 / 5
Grant funding	3	9	12	6 / 6
Personal and professional networks	8	10	18	9 / 9
Digital platforms and online sales	9	6	15	7 / 8
Business and management skills	6	4	10	6 / 4
Domestic demand	4	5	9	5 / 4

Source: Authors' interview data (2025)

The accounts of entrepreneurs who had achieved stable revenue described a common trajectory. Early activity was sustained by grants and personal resources, but growth followed a specific event that connected the enterprise to an external market: a trade fair, a foreign commission, a licensing agreement or the successful use of a digital platform. Protecting intellectual property became salient at this point, since foreign buyers and licensees required clarity of ownership and since visibility exposed work to copying. Entrepreneurs who had not achieved this connection continued to rely on grants and domestic sales, and several described having produced work of quality that had never found a market beyond festivals and exhibitions.

4.3 Country differences

The Serbian and Sri Lankan samples differed in the proportion with stable revenue and in the availability of the decisive factors. Serbian entrepreneurs benefited from geographic and institutional proximity to European markets: EU programmes, visa-free travel to the Schengen area, participation in European trade fairs and festivals, and clients in Germany, Austria and Italy were repeatedly mentioned. IP protection was described as imperfect but usable, with registered designs and trademarks recognised by European buyers and with collective management organisations functioning for music. Sri Lankan entrepreneurs faced greater barriers. Distance and shipping costs constrained physical exports of crafts and design, international payment infrastructure was unreliable and worsened during the 2022 crisis, visa constraints limited participation in foreign events, and IP enforcement was described as weak, with entrepreneurs in Jaffna and Colombo recounting instances of designs copied by larger producers without recourse. Sri Lankan entrepreneurs made greater use of digital platforms as a substitute for physical market access, and those in digital content had achieved stable revenue through foreign clients at rates comparable to their Serbian counterparts, but crafts and design producers had not. Participants in Jaffna additionally described the sensitivity of Tamil cultural production in the post-conflict context and the difficulty of accessing national programmes perceived as centred on Colombo.

5. Discussion

5.1 The limits of grant-based policy

Grant programmes, the dominant instrument in both countries, have limited effect on enterprise development when not accompanied by market access and IP support. Grants sustained activity rather than building enterprises, whereas entrepreneurs who achieved viability attributed it to international markets and the ability to protect and license their work. This is consistent with Pratt (2008) on the neglect of distribution and markets in transferred policy and with Kong (2014) on the preference for visible instruments, and it reflects the economics of cultural production described by Caves (2000) and Towse (2010): in small markets, creative enterprises are viable when their intellectual property can be traded beyond the domestic market, and policy that ignores this addresses a symptom rather than a cause.

The concentration of decisive effects among the instruments least often provided reveals a mismatch between provision and need. Grants are administratively simple, politically visible and consistent with traditions of patronage, whereas export promotion and IP support require coordination between cultural ministries, trade agencies and IP offices. In post-conflict contexts, where capacity is limited and cultural policy is framed in terms of identity and reconciliation, this bias is likely to be pronounced, and entrepreneurs' descriptions of grant cycles creating dependence and orienting production towards funder priorities indicate a further cost.

5.2 Post-conflict context and country differences

The decisive factors are the same in both countries but their availability differs sharply. Serbia's European integration has supplied market access and IP infrastructure through channels external to national policy, explaining its higher proportion of entrepreneurs with stable revenue. Sri Lanka lacks an equivalent anchor and its entrepreneurs, particularly outside digital content, face barriers of distance, payment and enforcement of the kind identified by Comunian and England (2020), with digital platforms offering partial relief. The position of Tamil producers in Jaffna shows that in post-conflict settings market access has a regional and ethnic dimension, and national programmes may reproduce the exclusions of the conflict unless designed to reach affected regions.

5.3 Implications for policy design

The findings support reorienting post-conflict creative industries policy from grant provision towards market access and IP capacity, consistent with UNCTAD (2022) and WIPO (2015). Export promotion should be extended to the creative industries through trade fairs, buyer and licensing missions and the development of agents, distributors and collective management organisations. IP support should move from awareness to practical services, including subsidised registration of designs and trademarks, template licences and dispute mechanisms. Grants should be redesigned to reward market development. In Sri Lanka, priority should go to payment infrastructure and regionally distributed programmes reaching Jaffna; in Serbia, to consolidating the access provided by European integration into domestic policy. These measures require the cross-agency coordination that the institutional perspective on cultural entrepreneurship (Hausmann & Heinze, 2016) identifies as central.

6. Conclusion

This study compared creative industries policy and cultural entrepreneurship outcomes in Serbia and Sri Lanka, drawing on policy analysis and interviews with 40 cultural entrepreneurs. Grant programmes, the dominant policy instrument in both countries, were widely accessed but had limited effect on the development of enterprises without export-oriented market access and IP support. Entrepreneurs who had achieved stable revenue attributed it to connections with international markets and to the ability to protect and license their intellectual property, and the instruments that provided these, though rarely available, were the most often described as decisive. Serbian entrepreneurs benefited from access to European markets and programmes, whereas Sri Lankan entrepreneurs faced barriers of distance, payment infrastructure and weak IP enforcement that were only partially overcome through digital platforms. The paper has argued for a reorientation of policy towards market access and IP capacity, with grants redesigned to support market development.

The study has limitations. The sample of 40 entrepreneurs, though varied, was drawn substantially from grant recipient lists and hub networks and may under-represent producers outside formal support structures. Classification of enterprises by revenue stability relied on self-report. The qualitative design identifies factors that entrepreneurs regard as decisive but cannot establish the magnitude of their effects or exclude the possibility that entrepreneurs with stable revenue differ in unobserved ways. Future research should track cohorts of cultural entrepreneurs over time to examine whether access to markets and IP support precedes or follows enterprise growth, evaluate export promotion and IP interventions where they are introduced, extend the comparison to other post-conflict contexts such as Bosnia and Herzegovina, Colombia and Rwanda, and examine more closely how the ethnic and regional legacies of conflict shape access to creative economy policy.

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