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## CREATIVE ECONOMY IN THE AMAZON AS A STRATEGY FOR ENDOGENOUS REGIONAL DEVELOPMENT

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**Abstract:** The Creative Economy established a milestone on the world stage from the year 2000 onwards, being considered the economic model of the 21st century with the potential to contribute to promoting regional development in vulnerable regions. To this end, we aim to demonstrate that the Creative Economy can be an effective tool to leverage endogenous regional development in AM through social innovation. Regarding methodological aspects, this work is qualitative in nature, with bibliographic and documentary sources, an observational method with a descriptive and explanatory approach and content analysis. In the analysis at a national level, the Amazonian creative industry stood out in the opening of companies and in the number of creative establishments (2017 to 2020), consolidating the state as a hub for regional creative production. The information technology (ICT) segment showed growth of 62% resulting from technology generated by companies located in the Manaus Industrial Complex. In order for the Creative Economy to induce endogenous regional development, human capital, intellectual capital, creativity, innovation, development as well as social innovation must continue in a cooperative manner and in a process of constant development based on governance and strategic action of local social actors with the aim of achieving a sustainable and inclusive social transformation process benefiting the inhabitants of municipalities in the interior of Amazonas.

**Keywords:** Creative economy. Amazon. Endogenous Regional Development. Social Innovation.

## INTRODUCTION

Since the 2000s, the Creative Economy has gained space in the economic scenario, with development, innovation, creativity, human capital, theoretical knowledge and information as its main instruments. Due to its abundant capacity to generate well-being and wealth, it is considered the economy of the 21st century.

The basis of this economy is human creativity, culture and intellectual capital which, when applied strategically, according to the characteristics of each region, generate employment and income for the population, as well as create revenue for states and municipalities, stimulate cultural diversity, human development, social inclusion and the export of earnings.

The Creative Economy sectors are multidisciplinary and involve three important pillars, such as: economy, culture and technology, constituting the creative class, made up of people who work in areas from science to entertainment with the aim of producing goods and services that are interconnected with creativity, express cultural values, innovation, intellectual property and generate profits.

This way, intellectual capital and human capital are raw materials present in all sectors, bringing creativity and innovative ideas as generators of development and sustainable solutions to adversities. Thus, the intellectual capacity and ability to think are fundamental for the development of the Creative Economy.

With regard to the state of Amazonas, it is observed that the recent performance of the state's creative industry stands out from the national average, with high growth between 2017 and 2020. Evidently, the state is extremely important for the creative industry in the North region, being considered a relevant hub of regional creative production.

From the perspective of the job market,

Amazonas is the 14th largest state in terms of numbers of creative employment contracts, one position behind its main neighbor – the state of Pará. In 2020, the state registered almost 9.4 thousand creative contracts, a increase of 5.9% compared to 2017.

From a remuneration perspective, Amazonas is a positive highlight, presenting surprising results at a national level, even more so considering the weight of the state's Creative Industry. Among all the federation units, the state occupies 4th place in terms of salaries.

Even with many potentialities, creativity, technological innovation, human capital and intellectual capital, many vulnerable regions will not be able to achieve the desired regional development in the traditional way through their peculiarities (endogenous regional development). This way, we consider social innovation as an essential tool for addressing social problems through the articulation of local actors in favor of endogenous development in vulnerable regions of Amazonas.

Based on this premise, the following problem arises: how can social innovation contribute to leveraging endogenous regional development in Amazonas through the Creative Economy? By surveying needs, identifying potentialities and articulating social organization, a favorable scenario is created for the development of potentially innovative actions capable of inducing endogenous regional development in Amazonas through the Creative Economy.

This way, we aim to demonstrate that the Creative Economy can be an effective tool for leveraging endogenous regional development in Amazonas through social innovation.

Methodologically, we have research based on the application of the observational method. Regarding the means, it is characterized as bibliographic and documentary of a qualitative

nature, considering the use of materials that have already been published on the topic, a descriptive and explanatory approach will also be presented. The research data analysis instrument is content analysis, in which interpretations and analyzes of the Creative Economy and its importance for endogenous regional development will be made.

The article is structured as follows: Introduction, Development, divided into the following items: Endogenous regional development; Creative economy: history, concepts and definitions; Creative Economy in Brazil; Creative Economy in Amazonas and Social innovation and endogenous development. Later we will have the Methodology, Data Analysis and Results, Conclusion and Considerations and finally, the References used to construct the text.

## **ENDOGENOUS REGIONAL DEVELOPMENT**

According to Federwisch and Zoller (1986), the debate about endogenous local regional development is divided into two trends: one of an inductive nature (more descriptive and starting from specific and peculiar studies) and another considered deductive (starting from general postulates and is based on the dynamics of decentralized territorial organizations).

For Amaral Filho (1996, p.8), the theory of endogenous regional development was born in the 1980s based on two hypotheses: it is the result of pressure exerted by empirical data related to the development of nations; or that arose from old ideas and concerns raised by classics, neoclassicals and heterodox people (neo-Marxists, neo-Schumpeterians, regulationists, evolutionists and institutionalists).

Regarding the classic authors who influenced the new growth theory, we highlight Smith (1983), who associates “social economy

with increasing income” or “notions of learning and dynamic economies of scale”. On the neoclassical side, we have Marshall (1982), principles of economics, which associates “external economies or diseconomies with increasing or decreasing returns”, focusing his analysis on organizations, education, health, and knowledge about increasing efficiency of the productive system and increased wealth. Schumpeter (1982), in a more dynamic way, analyzes the role of innovations in economic development, from a virtuous perspective of creative destruction (AMARAL FILHO, 1996, p. 9).

Neoclassical or new classical economists begin to recognize the superiority of the concept of increasing income, which is caused by other factors of production (in addition to the traditional factors of physical capital and labor force). It is reported that they were previously considered exogenous in determining growth and that they have come to be accepted by orthodoxy as endogenous factors, they are: human capital, institutions, research and development, knowledge and information.

Therefore, the resulting consensual thesis is that: “if a country, region or place that has these factors can more easily increase the aggregate value of production, the productivity of the production system, accelerate growth, increase the product and enable better distribution of income.” Still for the author, this is where the contribution of the theory of endogenous growth to the theory and policies of regional development lies, especially with regard to the creation of externalities and collective goods (1996, p.10-11).

For the author, endogenous development must be understood, first and foremost, as a process of transformation, strengthening and qualification of the internal structures of a region. This must be processed in order to create an optimal and attractive environment

to capture and consolidate an originally local development, and/or allow the attraction and location of new economic activities from the perspective of an open and sustainable economy (1996, p.11).

Amaral Filho (1996, p.4), draws attention to the concept of endogenous regional development, stressing that this constitutes a process of expanding the capacity to add value to production, as well as the absorption capacity of the region, the unfolding of which is the retention of the economic surplus implemented in the local economy and/or the attraction of surpluses from other regions.

This process results in the expansion of employment, product and income in the location or region, in a defined regional development model that comes from the inside out and from the bottom up, starting from the original social and economic potential to starting from local actors and no longer from centralized planning through regional social organizations (which are relevant to the decisions of local actors) led by the state (AMARAL FILHO, 1996).

Another aspect that comes to light when analyzing the profile and productive structure based on local actors is that the most successful models of endogenous development are those made up of small companies and/or small enterprises. Which in turn, are responsible for relevant activities within external economies, causing clusters of companies manufacturing similar products (GAROFOLI, 1992).

In turn, the author highlights the degree of autonomy (commercial, technological and financial) of the systems and emphasizes that it is a consequence of numerous interrelationships existing between companies and different local productive sectors (being constituted as a means or set of historical factors -sociocultural aspects that are sedimented in the community and local institutions (1992).

Thus, endogenous development, understood as sustainable development, must be based on: (i) a new role for the federated State; (ii) regional or local economic development strategy, based on the mobilization of savings and investment in gross fixed capital formation; and (iii) appreciation of new production factors. Still for the author (1996), the State will act by providing infrastructure (energy, communications, etc.) in addition to coordinating fiscal and financial policies.

Starting from the understanding of endogenous regional development, now the next item will be the history, conceptualization and definitions about the Creative Economy.

## **CREATIVE ECONOMY: HISTORY, CONCEPTS AND DEFINITIONS**

The first point is to understand what creativity is, which according to UNCTAD (2010) can be “defined as the process by which ideas are generated, connected and transformed into things that can be valued”. For Newbiggin (2010, p. 16), creativity is the disruptive process that questions established limits and assumptions. It pushes us to think beyond limits. What defines innovation is the link between the free flow of creative ideas with the practical realities of economic life, that is, the ability to move forward in a systematic way from one method of doing things to another. Creativity drives innovation and innovation drives change.

According to IPEA (2013), creativity and innovation are terms that do not have the same meaning, however, in a creative world, they always go hand in hand.

Creativity is everything that involves a human being's intellectual capital, that is, their ability to think, create, generate ideas, develop innovations and transform them into technology, etc. And, everything that arises as a result of creativity can be considered innovation. Innovation, on the other hand, is

the creation of goods and services that present new characteristics, presenting improvements, that is, innovation is not only based on the creation of new ideas, but it mainly acts on the transformation of new products, etc. (IPEA, 2013).

The concept of Creative Economy emerged from the end of the Industrial Era, bringing with it the strengthening of the relevance of knowledge as a resource of the productive system, presenting creativity, innovation and risk management as its main characteristics, being used as a way of generating competitiveness and wealth all over the world (MADEIRA, 2014).

According to studies published by Firjan (2016), major world economies have begun to understand the importance of creativity as a segment that can bring strategic, competitive and financial benefits. As a consequence of this, these great global economic powers begin investing in training areas in order to generate stimuli for the development of creative intelligence in society and, subsequently, bringing relevant results for the country and also for large companies (FIRJAN, 2016).

According to Pasqualucci (2016), the Creative Economy is currently the fastest growing sector in the world economy. Furthermore, it is considered one of the most advantageous areas in relation to generating profits, jobs and exporting goods and services.

According to Mendes and Almeida (2016), the emergence of the expression Creative Economy appeared in the world from the 1990s and 2000s, with the English and Australians as precursors and is based on the following principles and concepts: multidisciplinary, innovation, knowledge theory and creativity that together enhance and encourage growth and economic development.

The implementation of this new concept has as its main objective the generation of employment, local development and

generation of social well-being, as it is an economy that has been spreading over the years (MENDES and ALMEIDA, 2016, p.196).

According to UNESCO (2012), the Creative Economy constitutes a subjective concept under construction that designates a set of activities generated from creativity and innovation, that is, they are activities based on intellectual and cultural capital that consequently generate economic value.

For IPEA (2013, p. 5), the Creative Economy is the set of economic activities that depend on symbolic content – including creativity as the most significant factor for the production of goods and services, keeping a close relationship with economic aspects, cultural and social issues that interact with technology and intellectual property and is already considered the economy of the 21st century. Therefore, according to the Secretariat of Creative Economy at the Ministry of Culture - SEC/MinC (2013, p.24), the Creative Economy is the economy of the intangible, the symbolic. It feeds on creative talents, which organize themselves individually or collectively to produce creative goods and services.

For the Creative Economy to be implemented and induce endogenous regional development, we have essential elements that must continue cooperatively in a constant development process: human capital, intellectual capital as well as development and innovation.

Human capital constitutes a collection of knowledge, skills, suitability, experiences and ideas that human beings possess and when they are adopted efficiently can generate good returns, whether for the development of companies, organizations, cities or regions (EDVINSSON and MALONE, 1998 ).

Based on the concept of Edvinsson and Malone (1998), where they state that human capital is formed by creativity and

organizational innovation, organizations need to encourage constant investment in knowledge and training of all their employees, aiming for growth, organizational return and a better results for customers. Therefore, according to Mazan (2015), it is the collaborators or employees who contribute to the success or failure of a given organization, municipality or region, which is why there is a need for these investments in human capital.

For Chiavenato (2003, p.644), human capital presupposes an integrated set of knowledge, skills and competencies of people in a certain organization, being a renewable part of intellectual capital.

Currently, the most innovative creative organizations are interconnected with knowledge and human intellectual capital, as they are certain that these elements are the foundations for achieving success, human development and leveraging profitability (MAZAN, 2015).

Intellectual capital is considered the most important instrument of organizations that dominate in the 21st century, especially those that are directly or indirectly related to the Creative Economy (EDVINSSON and MALONE, 1998).

For Moreira, Violin and Codognoto (2014, p.297), intellectual capital carries the weight of a set of information and knowledge found in organizations, which add value to the product and/or services through the application of intelligence, and not monetary capital. They also state that intellectual capital is a combination of factors: knowledge, information, intellectual property, experience, that is, human capital plus structural capital. The combination of structural capital, human capital and customer capital transforms intellectual capital into an intangible asset with a relevant weight for the development of organizations.

Still for the authors (2014), intellectual

capital is considered the competitive differentiator in any type of organization and an essential element for adding value, requiring investment in the intellectual capacity of employees.

According to Firjan (2016, p.1), creative professionals assume a strategic role, associated with their ability to generate innovation, develop differentials, create development strategies, think about forms of production and add value, that is, increase competitiveness. Given the Brazilian economic situation, creative professionals increase their relevance even further. Next, we will have a brief presentation of the Creative Economy on the national scene.

## CREATIVE ECONOMY IN BRAZIL

In Brazil, the Creative Economy emerged from speeches given by UNCTAD in 2004 at its quadrennial meeting. Subsequently, the 1st International Forum of Creative Industries is promoted, bringing with it the generation of knowledge in the expansion of the creative market (REIS, 2008).

According to Oliveira (2010, p.66), Brazil is a country with still unexplored creative potential. Numerous reinventions focused on quality of life have been modifying the social and economic profile of several cities and causing creative socioeconomic transformations.

The Federal Government, through the Ministry of Culture, created in 2012 the Secretariat of Creative Economy, allocated to the Ministry of Culture, today named National Secretariat of Creative Economy and Cultural Diversity and has among its responsibilities: planning, promoting, implementing and coordinating actions for the development and strengthening of the economic dimension of Brazilian culture, in all segments of the production chain (SECDEC, 2021).

According to the Ministry of Culture

(2011), so that creative segments can expand in the country, it is necessary to identify methodologies and indicators capable of boosting such segments economically, in addition to implementing financing lines for cultural enterprises and actions of promotion of cultural goods and services in the country and abroad (SECDEC, 2021). For a better understanding of the Brazilian Creative Economy and its development in a consistent and appropriate manner, the SEC created the principles that guide the Creative Economy in Brazil, which constitute a better understanding of the country's cultural diversity, sustainability as a crucial instrument for regional development and local, innovation as a tool for developing culture and social inclusion based on the cooperative economy.

Thus, the guiding principles are the following: cultural diversity, innovation, social inclusion and sustainability, as we can see in Figure 1.



**Figure 1:** The Brazilian Creative Economy and its guiding principles

**Source:** Ministry of Culture, (2011)

One of the extremely important actions is the mapping of creative segments, offering a view of the current situation of creative enterprises, the job market and labor.

From this perspective, the Federation of Industries of the State of Rio de Janeiro (FIRJAN) has been mapping the Creative Economy since 2008. Its data is collected from the official databases of the Ministry of Labor

and Pensions, the most current mapping covers the period between 2017 and 2020. The participation of the Creative Industry in the country's economy shows a clear growth trend. In 2004, the Creative Industry represented 2.09% of the Brazilian Gross Domestic Product. With the exception of the period between 2015 and 2017, in which there was a strongly recessive scenario, this percentage grew almost uninterruptedly. In 2020, the Creative Industry represented 2.91% of GDP, the highest value observed since the beginning of the available series, as we can see in Figure 2.

According to mapping carried out by Firjan, (2022), Brazilian Creative Industries are made up of 239 thousand (2016 data) establishments, and have been gaining momentum in the current situation of the Brazilian economy, mainly becoming an alternative for times of crisis.

Currently, Brazilian Creative Industries are made up of 13 creative segments) (FIRJAN, 2022), divided into four areas: (according to their conformities:)

- **Consumption** (Advertising & Marketing, Architecture, Design and Fashion),
- **Media** (Editorial and audiovisual),
- **Culture** (Cultural Expressions, Heritage and Arts, Music, Performing Arts)
- **Technology** (R&D, Biotechnology and ICT)

Following the same vision of the UNCTAD Creative Industries Chain apud Firjan (2022), that "the production chain is composed of the cycles of creation, production and distribution of goods and services that use creativity and intellectual capital as primary inputs", in Brazil this chain is made up of three categories (FIRJAN, 2022): Creative industry (core), Related activities and support. Regarding the

performance of the creative sector at national level, we highlight the following:

In the consumer area, there were a total of 439,517 thousand employees in 2020, an increase of 20%, with an average salary of R\$5,814.00, a drop of 12%, considering the time of the Covid-19 pandemic.

In the media area, the total number of employees is 85,301 with a salary, a drop of 10.7% and an average salary of R\$4,439.00, a drop of 3.6%.

In the culture area, there are 60,166 employees, a drop of 12.1% and an average salary of R\$3,306.00 in 2020, a drop of 9.7%.

In the technology area in 2020, the number of employees was 350,330, an increase of 3.6% compared to 2017, the average salary was R\$9,548.00, a decrease of 11.3% compared to the 2017 salary, an increase in the number of technical personnel and a drop in salaries can be seen, also due to the health emergency. The increase in employees was due to the need for IT solutions, which required greater demand from companies.

In the Figure, we have the Flowchart of the Creative Industry Chain in Brazil, where we observe the Creative Industry as the Core, the related activities and support, in which each topic has its own subdivisions. The Creative Industries, according to the flowchart, have thirteen creative segments and each of them is embedded in its specific activity, in relation to Related and Support Activities, their activities have characteristics that are in accordance with UNCTAD. Next, we will have an approach to the Amazonian creative economy.



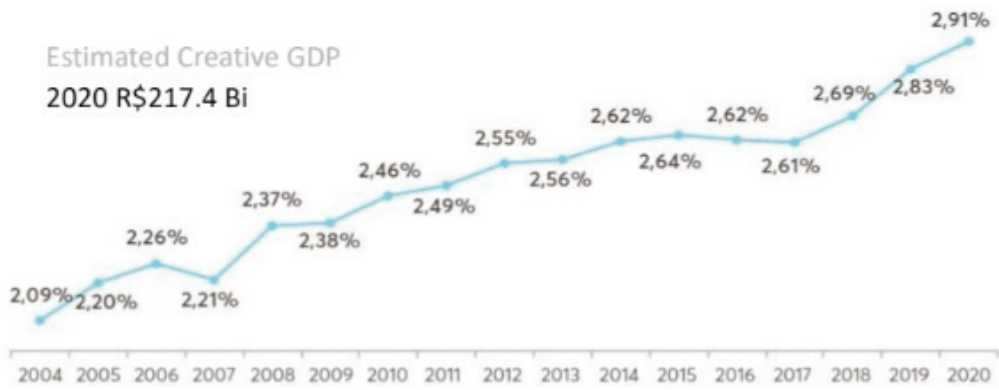


Figure 2: Participation of Creative GDP in total Brazilian GDP (2004 to 2020)

Source: Firjan, (2022)

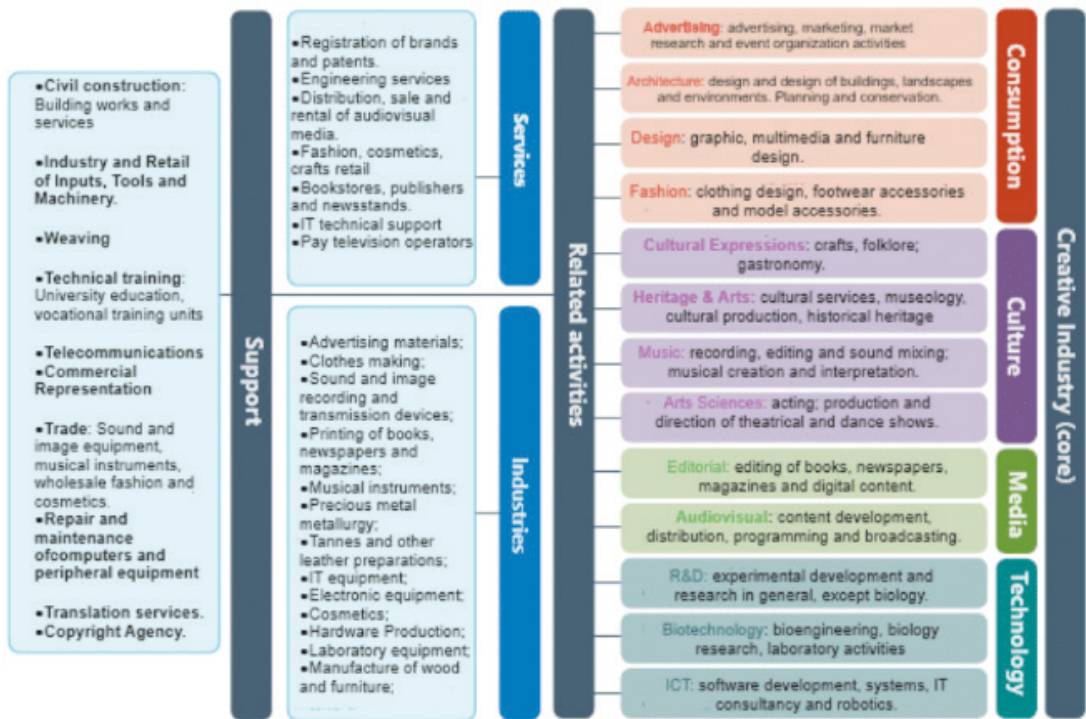


Figure 3: Flowchart of the Creative Industry chain in Brazil

Source: Firjan, (2016)

## CREATIVE ECONOMY IN AMAZONAS

In Amazonas, discussions on the topic of Creative Economy gained momentum when the Creative Economy Observatory of the State of Amazonas - OBEC was implemented in 2013, the result of a partnership between "Universidade Federal do Amazonas" - UFAM and the ministry of culture. The Observatory was responsible for the production and dissemination of research, data and information about the Creative Economy in the state, academic spaces linked to federal and state universities, with the aim of producing information and knowledge, generating experiences and experiments on the local and state Creative Economy (OBEC-AM, 2013).

Currently, Creative Economy activities are under the administration of the State Secretariat for Culture and Creative Economy, "responsible for planning, preparing, executing and monitoring cultural and artistic policies in the capital and in the interior. The department is responsible for actions to defend and preserve the cultural heritage of Amazonas and implement a cultural policy, with the aim of popularizing and internalizing actions in partnership with public and private organizations, aiming to satisfy the population's desires. As a mission, the secretariat must value, format and disseminate the state's cultural and artistic manifestations, offering mechanisms and means for agents, producers and artists in general" (UNCTAD, 2010).

According to Bulbol (2015), Amazonas presents weaknesses when it comes to explaining indicators of creative manifestations, with insufficient due to the lack of proposals and programs that put into practice the search for developing state creative and cultural indicators that can contribute to changes in the regional socioeconomic

scenario.

Besides for the author (2015), Manaus has the capacity to generate attributes and originalities to its geographical, cultural and tourist characteristics, seeking the professionalization of its sectors, through the implementation of a creative and transformative process of human resources training, a key element in the context of the change required, to give Amazonian people the opportunity to take center stage, essential for the economic and social development of the region (2015, p. 1).

A city, region or country that has greater cultural content increases its chances of generating development, since cultural and creative activities must be considered as essential assets for a better understanding of the new development instrument from a new perspective. economy (2015).

According to data from the Mapping of Creative Industries (Firjan, 2022), the state creative industry stands out from the national average, showing high growth between 2017 and 2022, consolidating Amazonas as a hub for regional creative production.

It is interesting to note that, in absolute numbers, in relation to the number of creative establishments, the state is not the first in the region (corresponding to just 0.44%), but it was the federative unit that had the highest percentage of creative companies (2.53% in 2017, 2.93% in 2020), establishments that use creativity as their main input (17.4%) and opening new establishments (1.6%) in the period analyzed (2017-2020). As a consequence, the state gained two positions in relation to the last mapping carried out. In 2017, it occupied 14th position and in 2020 it rose two positions (12th position), well ahead of the other states in its region.

Besides, according to data from Firjan (2022), in terms of GDP, creative companies in Amazonas produced more than R\$1.7

billion in 2020. The state represents around 0.79% of all national creative production. This percentage is lower than the participation of the Amazon economy in the national GDP, which, in 2020, was 1.26%. In relation to the state GDP, the Creative Industry of Amazonas accounts for 1.83% of all goods and services produced in the state.

From a job market perspective, Amazonas is the 4th largest state in terms of the number of creative employment contracts. In 2020, the state recorded almost 9,400 creative connections, an increase of 5.9% compared to the figure observed in 2017, below the national average of 11.7%. The Amazonian Creative Industry was not strongly impacted by the recession of the 2015-2016 biennium. Therefore, the growth observed between 2017 and 2020 means that current employment levels are higher than those observed before the crisis in 2015. About the crisis health, as well as other Brazilian states, the impact was significant. However, between 2019 and 2020, the number of creative employment contracts in the state of Amazonas grew by 1.4%, below the national average of 1.8%.

Throughout the period analyzed (2017-2020), Amazonas followed the same trend as the national scenario, showing growth in the areas of Consumption and Technology and a decline in the areas of Culture and Media.

In Amazonas, the highlight is in the Technology area, employing 4.4 thousand professionals in 2020, with direct and indirect links associated with the Manaus Free Trade Zone, an expansion of 23.9%. This growth is due to the Information and Communication Technology (ICT) segment, which created 518 links during this period, representing an increase of 60.2%. The other segments in the area also registered expansion, but at lower rates than ICT. The creative occupations that stood out most in the area are: ICT engineers (+265.7%), Programmers/Developers

(+41.4%) and Researchers in general (+23.4%).

The Consumer area comes in second place, showing growth of around 9.5% in the period analyzed and employing the equivalent of 3.2 thousand professionals. The highlight is the Advertising & Marketing segment, which grew 45.7%. We draw attention to the Fashion segment which, even during the Pandemic period, showed growth of 22%.

Regarding the Culture area, which until 2019 had been showing solid growth, but as in other regions of the country and the world it was directly and indirectly impacted by the Covid-19 pandemic, the impact recorded at state level was -5.3% well below the national average. The negative highlights recorded throughout the trajectory are concentrated in the Media area and the Editorial segment.

From a remuneration perspective, Amazonas is a positive highlight, occupying 4th position in terms of salaries. In 2020, the average income of creative professionals was R\$6,579.00, a drop of -9.9% in relation to the data presented in the last Mapping.

Among the segments with the highest income, we highlight: creative professionals in Research & Development, are those with the highest average salary in the state – which reached R\$11,239 in 2020 – a value 1.7 times higher than the state Creative Industry average.

Next, we have the Biotechnology segment with R\$8,703.00 and Architecture professionals who also have salaries well above the average, with incomes of R\$7,811, in the same reference period.

Finally, it is interesting to highlight that although the Amazonian Creative Industry represents a small portion of the national Creative Industry, the state is the leader in average income for professionals who make up the Music segment.

It is extremely important to seek to understand the mapping of local potential and

Segments	2017	2019	2020	Var % 2020/2017	Var % 2020/2019
Consumption	2.908	3.059	3.184	9,5%	4,1%
<b>Advertising Et Marketing</b>	665	976	969	45,7%	-0,7%
<b>Architecture</b>	851	806	863	1,4%	7,1%
<b>Design</b>	549	644	580	5,6%	-9,9%
<b>Fashion</b>	843	633	772	-8,4%	22,0%
Culture	812	874	769	-5,3%	-12,0%
<b>Cultural expressions</b>	299	338	338	13,0%	0,0%
<b>Heritage and Arts</b>	145	177	110	-24,1%	-37,9%
<b>Music</b>	241	238	221	-8,3%	-7,1%
<b>Arts Sciences</b>	127	121	100	-21,3%	-17,4%
Media	1.605	1.364	1.045	-34,9%	-23,4%
<b>Editorial</b>	1.036	934	609	-41,2%	-34,8%
<b>Audio-visual</b>	569	430	436	-23,4%	1,4%
Technology	3.551	3.975	4.400	23,9%	10,7%
P&D	2.503	2.700	2.788	11,4%	3,3%
TIC	860	1.050	1.378	60,2%	31,2%
<b>Biotechnology</b>	188	225	234	24,5%	4,0%
<b>Creative Industry</b>	8.876	9.272	9.398	5,9%	1,4%

Figure 4: Professional number in the creative segment in AM (2017-2020)

Source: Firjan, (2022)

Segments	2017	2019	2020	Var % 2020/2017	Var % 2020/2019
Consumption	R\$ 5.302	R\$4740	R\$4355	-17,9%	-8,1%
Advertising et Marketing	R\$5.134	R\$4473	R\$4.420	-13,9%	-1,2%
Architecture	R\$ 10.184	R\$8771	R\$7.811	-23,3%	-10,9%
Design	R\$ 3.389	R\$3.294	R\$3.031	-10,6%	-8,0%
Fashion	R\$ 1.752	R\$1493	R\$1.403	-19,9%	-6,0%
Culture	R\$ 4.104	R\$3.808	R\$3.831	-6,7%	0,6%
Cultural Expressions	R\$ 2.243	R\$2.091	R\$1771	-21,1%	-15,3%
Heritage and Arts	R\$ 4540	R\$3.898	R\$6.655	46,6%	70,7%
Music	R\$ 6776	R\$6.413	R\$5.994	-11,5%	-6,5%
Arts Sciences	R\$ 2918	R\$3.345	R\$2.908	-0,4%	-13,1%
Media	R\$ 2835	R\$2.604	R\$2.865	1,1%	-10,0%
Editorial	R\$ 3.095	R\$2.661	R\$3.258	5,3%	22,4%
Audiovisual	R\$2.362	R\$2.478	R\$2.317	-1,9%	6,5%
Technology	R\$11.688	R\$10.829	R\$9.552	-18,3%	-11,8%
PeTd	R\$13.193	R\$12.497	R\$11.239	-14,8%	-10,1%
TIC	R\$7.043	R\$6.866	R\$6.281	-10,8%	-8,5%
Biotechnology	R\$12.897	R\$9.308	R\$8.703	-32,5%	-6,5%
<b>Creative Industry</b>	R\$ 7.301	R\$6.948	R\$6.579	-9,9%	-5,3%

Figure 5: Remuneration of Creative Professionals in Amazonas (2017-2020).

Source: Firjan, (2022)

opportunities, to create a better relationship between public managers and the actors in the process, always aiming to develop projects that will bring better economic situations to the State of Amazonas (BULBOL, 2015).

Next, we will present the development of the theoretical framework of Social Innovation as a relevant tool for endogenous development based on the creative economy with the aim of solving regional problems and reducing social vulnerabilities.

## **SOCIAL INNOVATION AND ENDOGENOUS DEVELOPMENT**

Taking into account that innovation in the traditional way is not always capable of meeting the desires of the majority of society as well as contributing to the achievement of endogenous regional development, the need arises to insert innovation through a social approach. Thus, a new form of innovation has emerged, social innovation, which allows innovative alternatives to be created to meet social demands, specifically with regard to the problems that plague it (HART, 2005).

Despite being a recent discussion, its milestone was in the year 2000, and is part of research in the following areas: sociology, psychology, history and economics (CAJAÍBA-SANTANA, 2014).

For Mumford (2002), social innovations emerge as new alternatives with the power to mitigate or reduce existing gaps in the context of society, difficulties in accessing work and income, social, cultural and gender exclusion, etc., resulting from lack or absence of public policies capable of contributing to changing the scenario. To this end, it is up to local actors to seek to organize themselves in personal and interpersonal activities with the aim of implementing new ideas in order to meet one or more common objectives.

In this context, social innovation is considered a participatory process where

benefiting individuals are directly and indirectly involved in the process, with the objective of seeking inclusion and well-being through the improvement of social relations and processes of empowerment, rights universals and social inclusion (MOULAERT, MACCALLUM & HILLER, 2013, p. 16).

In developed economies, the state plays a fundamental role in providing possibilities to improve the population's living conditions, a reality far removed from the actions of the Brazilian state considered inefficient. Such inefficiency leads society to seek, on its own, alternatives to reduce the social gaps that appear in its environment (PHILLS, DEIGLM VEIER & MILLER, 2008).

For Murray Caulier-Grice & Mulgan, (2010) and Bignetti, (2011), it is in this context that social innovations gain greater space for discussion due to the actors' needs and proximity to social reality.

According to Buarque (1999), from the moment social innovations begin to generate positive results, it is understood that the proposals were able to alleviate the problems that limited endogenous regional development, enabling changes based, in turn, on processes mobilization of social actors concerned with economic, social, environmental, political and cultural aspects, breaking old paradigms.

For Martins et., al (2010), thinking at a local level consists of a new developmental approach, considering endogenous factors. This type of development is based on the assumption that the actors inserted in the context see their limits and potential, providing society with their views: "when actors commit to their vocations, endogenous development occurs, that is, that emanates from society local.

Still for the authors (2010), taking into account that local development manifests itself from changes occurring in society,

breaking social paradigms and recreating new ones, it can be inferred that local development is more likely to be viewed in a context socially innovative.

For Justen et., al (2020, p.16), the developmental process begins from the local perception of social problems and difficulties and the perception of unexplored potential. Next, new ideas emerge to be developed and implemented collectively with the participation of local actors, organizations and the community through partnerships focused on effective and collective improvements. As a result, we have endogenous development marked by social changes, improvements in living conditions and the solution or reduction of problems identified.

## RESULTS

The discussion about endogenous regional development has its origins in the 1980s, based on a process of transformation, strengthening and qualification of a region's internal structures. This way, the process must contribute to expanding the capacity to add value to production, absorption capacity, deployment and retention of local economic surplus and that from other regions.

As a result, we will have the expansion of employment and local regional income and a development model that comes from the inside out and from the bottom up, starting from the original social and economic potential of the local actors themselves through small enterprises and without the need for planning governmental. In this case, the government's role must be to provide basic infrastructure (energy, communications, etc.) in addition to coordinating fiscal and financial policies.

Considering the theoretical basis as well as the data presented, it is clear that the Creative Economy in itself emerges as a new economy that greatly contributes to the region where it is applied and stimulated in the following way:

As for the social impact, it cannot be denied that its main contribution is related to the generation of employment, given the data collected by Firjan on the number of active employees and salary value in each segment and this has advanced over the years, as it has made it possible also new ventures by the less favored classes. It is true that to develop creative industry activities, specific knowledge and skills are required in some and a high level of qualification of the workforce in others, at the same time that it stimulates the creation, by governments, of public policies and actions that support and contribute to the growth and permanence of these industries.

Another benefit of the creative industry is the promotion of social inclusion, as cultural activities, for example, enable the connection of social groups in communities in cohesive action to achieve the same objectives, in addition to contributing to the well-being of the individual included.

In turn, it also provides balance when it comes to gender, as it shows that women are an active workforce in the production of crafts, fashion and organization of cultural activities, they also contribute to the inclusion of normally excluded minorities. For example, activities associated with art and cultural festivities.

In view of the above, the Creative Economy contributes to social innovation as it guarantees support and implements solutions for the social area, its added value benefits society as a whole. The 13 segments of the Creative Economy serve all social levels, building ideas, products, technologies and processes, enabling innovation and intellectual property.

At the same time as it can generate social innovation, it is also a key element in endogenous regional development as it contributes to valuing regional potential, bringing local actors together to act together through governance that allows controlling

processes that aim to improve quality. of lives of populations in the most vulnerable regions.

## **CONCLUSION AND CONSIDERATIONS**

Taking into account the discussion presented, we can observe a very close relationship with the themes of endogenous regional development, creative economy and social innovation, since these are addressed in the contexts of a society that lives in conditions of socioeconomic vulnerability, but which They have many potentialities, especially in relation to the creative industry, as well as a synergy in relation to the need to improve their well-being conditions.

Despite the scarcity of literature addressing the three discussions in complementarity, it is useful to think about the applicability in the context of the state of Amazonas given the social and economic conditions that affect the most vulnerable population, especially the inhabitants of municipalities in the interior of the State.

Despite the accumulated wealth resulting from the successful Manaus Free Trade Zone model, 12 of the 62 municipalities in Amazonas have a Human Development Index

- HDI similar to that of African countries with the majority of the population living in extreme poverty. These are realities where the traditional economic model has failed to meet basic desires.

The combination of social innovation with the Creative Economy constitutes an essential tool for combating social vulnerability and adds strength to endogenous regional development, promoting the generation of employment and income, reducing social, cultural and gender exclusion.

Since, activities are generated from creativity applied in different segments with possibilities for innovation, that is, they are activities based on intellectual and cultural capital that consequently generate economic value and endogenous development (from the inside out and from the bottom up ).

Finally, this work does not aim to answer all conceptual questions or even exhaust the subject. On the contrary, it opens the doors for future studies with a focus on communities, their desires and new strategies to provide deep and sustainable social, economic and cultural transformations through the identification of problems and potentialities based on the perception of local actors.

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