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**THE INFORMAL ECONOMY AS A MEANS OF PRESERVING  
INTANGIBLE CULTURAL HERITAGE**

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***Abstract***

The study aims to identify the place of intangible cultural heritage, particularly traditional knowledge in the informal economy. The ways of commercialization of intangible culture elements and possible threats to preserve their traditional value are analyzed. Cultural production and consumption can be framed within an industrial framework and that the goods and services produced and consumed can be treated as goods in the same way as any other goods produced in the economic system. The results obtained during the study allow recognizing the positive cross-cutting effect of the inclusion in the informal economy of the local population based on the use of traditional knowledge. First, improving the welfare of the population from the creation of goods and services of an ethnic nature, the relevance of which at the stage of cultural glocalization, is very high. Secondly, the use of traditional knowledge in natural life will preserve the axiological value of intangible heritage and will allow actualizing and promoting traditional culture. Third, ethnic diversity and the traditional culture of the local population as a cultural resource of the region can enhance territorial attractiveness and become the basis for economic development. The risks of damage to the cultural interests of the ethnos by bringing to the public (directly or indirectly) sophisticated information, on the strength of what, the commercialization of intangible culture should be accompanied by the involvement of specialists (lawyers, cultural experts, ethnographers, folklorists).

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**Keywords:** Intangible cultural heritage, informal economy, commercialization.



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## 1. Introduction

The use of intangible cultural heritage in the state economy has been growing rapidly in recent years. Intangible culture has historical roots, it is often informal and oral in nature, and such latency and non-fixability by statistics allow its use to be related to the informal economy. In the context of globalization, the problem of preserving the centuries-old accumulated cultural heritage and their rational use in modern conditions is of particular relevance. There is no established or generally accepted international definition of the terms "traditional cultural expressions" or "expressions of folklore" (terms commonly used interchangeably), but there are many definitions of these terms in national and regional legislation as well as in international treaties (Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore, 2018).

Also, there are no unambiguous positions in the legal community about the means, methods and legal mechanisms that can effectively preserve the traditional culture.

Scientific studies on the preservation of intangible cultural heritage are presented in such areas as philosophy, sociology, anthropology, ethnology, folklore studies, and regional economics. It is the indication of the need for interdisciplinary research. Analysis of Russian law dissertation research allowed identifying a small number of them (Shebzukhova, 2002; Ponomareva, 2004; Tsybanova, 2009). And the monitoring of legal acts showed that in the Russian legal field, the preservation of non-material culture is devoted to regional laws, which indicate legitimate actions such as the study, use, popularization without an emphasis on economic relations.

## 2. Problem Statement

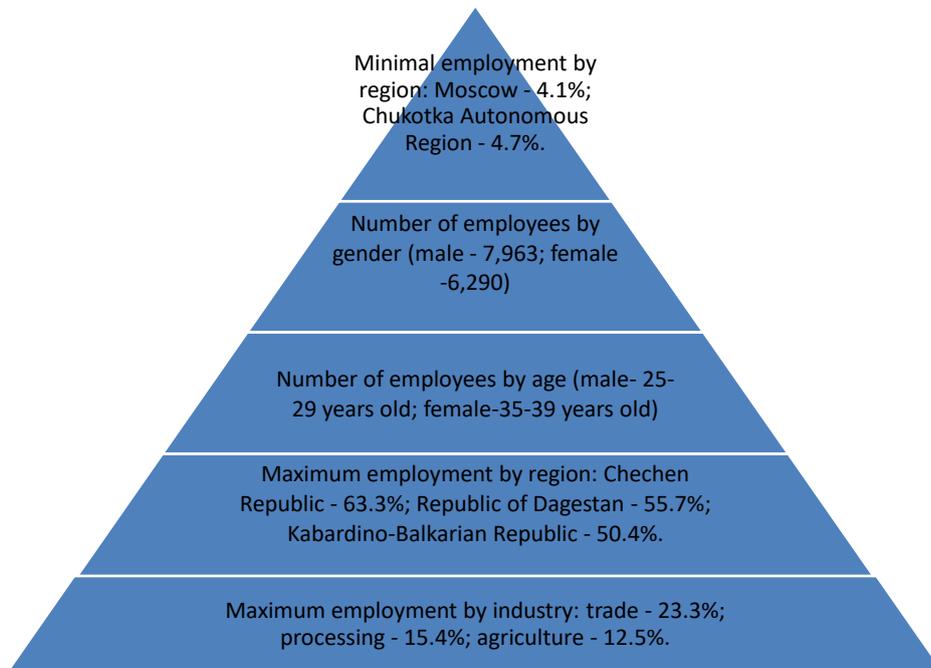
We faced the following issues:

- Is it possible to recognize the economic activity of representatives of the local population, based on the commercialization of intangible cultural heritage, as one of the components of the informal economy?
- Taking into account the incompleteness of the improvement of the issues of legal regulation of the intangible cultural heritage, identify risks in the process of commercialization of traditional knowledge.
- Identify the motives of the representatives of the local population, who have devoted their economic activities to the production of goods and services created on the basis of the commercialization of intangible cultural heritage.

## 3. Research Questions

Economic activity (most often self-employed) of the local population based on the commercialization of intangible cultural heritage is not represented in the official statistics as an independent kind. By virtue of which, on the basis of the creation of an ethnic product or service, such activity can be considered a component of the informal economy, however, when considering generally accepted criteria, significant differences were identified. Thus, among those engaged in economic activities with the aim of creating ethnic goods and services, a large percentage are registered as a legal

entity or an individual entrepreneur. Because of this, they keep the necessary financial statements and pay the appropriate taxes, as well as widely use social networks as advertising and provide delivery to anywhere in the world. To date, an attempt to identify from the total number of people employed in the informal economy, whose activities are based on the commercialization of intangible cultural heritage, in open statistical databases, has not yielded results.



**Figure 01.** Recordable statistics for 2017 for the informal sector of the economy in the Russian Federation

According to the Federal State Statistics Service, in the Russian informal sector of the economy the number of employed men exceeds the number of women. The largest number of men employed in this sector is between the ages of 25-29 years, while women between the ages of 35-39 years prevail among women. According to the types of economic activity, the Russian Statistics singled out trade, manufacturing, and agriculture. Also, statistics have revealed regions in which the share of the informal economy prevails: the Chechen Republic, the Republic of Dagestan, the Kabardino-Balkarian Republic and with the minimum share of this sector - Moscow and the Chukotka Autonomous Region. As known, in these republics, traditional types of crafts have been preserved, as well as traditional areas of crop production, which suggests the use of traditional knowledge by self-employed people in the process of creating traditional goods and services of an ethnic nature.

There are unresolved issues related to the definition of objects of intangible culture. Thus, according to the 2003 UNESCO Convention for the safeguarding of the intangible cultural heritage, "Intangible cultural heritage" means customs, forms of representation and expression, knowledge and skills, as well as related instruments, objects, artifacts and cultural spaces recognized by communities,

groups and, in some cases, individuals as part of their cultural heritage. Intangible cultural heritage is particularly evident in the following areas:

- a) oral traditions and forms of expression, including language as a bearer of intangible cultural heritage;
- b) performing arts;
- c) customs, rituals, celebrations;
- d) knowledge and customs relating to nature and the universe;
- e) knowledge and skills related to traditional crafts (Convention for the Safeguarding of the Intangible Cultural Heritage, 2003).

The electronic catalogue of the intangible cultural heritage of the nations of Russia is represented by the following structure:

- Oral folk art
- Performing arts
- Festive and ritual culture
- Game culture
- Techniques and technologies.

The last group includes techniques and technologies that are associated with crafts, folk musical instruments, traditional folk costume, household and household culture.

Also, regional legislation on the preservation of intangible cultural heritage presupposes the existence of government subsidies, in contrast to the specifics of the informal sector (Barsukova, 2006). For example, from the budget of the Khanty-Mansiysk Autonomous region – Ugra, for the projects' implementation, that contributes to the preservation, development, popularization of folklore, traditions, language, folk art trades of the North native minorities of the Khanty-Mansiysk Autonomous region – Yugra, grants in the form of subsidies, out of its budget, are presented in 2017 (Prikaz Departamenta kul'tury KHMAO – Yugry, 2017).

#### **4. Purpose of the Study**

The purpose of this work is to study the ethnic dimension in the informal economy, to determine the meaning and methods of using traditional culture and knowledge in the economic sector.

#### **5. Research Methods**

On the basis of the indirect method, statistical information was studied, which showed that the informal economy provides employment in Russia with income for the last ten years annually from 12,000 to 15,000 people (Trud i zanyatost' v Rossii, 2017).

Interdisciplinary approach allowed overcoming the conditional boundaries between the legal, economic, cultural and other areas to consider different concepts and techniques of research.

To identify possible risks of damage to intangible cultural heritage in the process of commercialization, interdisciplinary, comparative, axiological methods were used.

The normative method was used in the monitoring of international and national legislation on the preservation of intangible cultural heritage.

## 6. Findings

The informal economy based on intangible cultural heritage is the activity of self – employed people and small businesses that produce goods and services based on the traditional knowledge of the particular ethnic group to which they belong. The percentage of individuals engaged in the ethnic goods or services creation by the state is not revealed, but traditional knowledge is widely used in tourism, fashion and household design, musical instruments, traditional dishes, etc.

Stephen Brush has defined indigenous knowledge as «Traditional knowledge is systematic data that remains in the informal sector, in an unwritten form, and is preserved in oral tradition» (Brush & Stabinsky, 1996).

Goods and services of an ethnic nature are in demand, are personified with unique human and territorial resources, differ in environmental quality, and are fully included in the turnover.

Individuals, included in such an informal economy, derive emotional satisfaction from the traditional ancestral knowledge use, from the unique knowledge possession, and from public approval for the popularization of such knowledge. Often, traditional knowledge holders conduct master classes, participate in festivals and exhibitions, i.e. such knowledge for their ethnic environment is not widely represented by closed information.

The concept of cultural heritage is formulated in a number of international legal acts, and the Russian national legislation presents similar definitions using different terms (folklore, traditional culture, intangible cultural heritage). It is important to note that the intergovernmental Committee on intellectual property on genetic resources for traditional knowledge and folklore has identified the following criteria for the protection of traditional knowledge:

- they are the product of creative intellectual activity;
- passed down from generation to generation orally or by imitation;
- reflect the cultural and social identity of the community;
- consist of characteristic elements of the heritage of the community;
- often created by unknown authors and / or authors who cannot be accurately identified, and / or by the communities themselves;
- often created primarily for spiritual and religious purposes;
- often created and reproduced using local natural resources, and constantly modified, developed and recreated within the community.

There is a global trend - the involvement of intangible cultural heritage in the economic sphere as the use of knowledge of ethnic reproduction and combining traditional technologies for a particular ethnic group and forms of economic activity, particularly ethno-tourism, ethno-production and so on.

According to Newell, the New Economy is New because it combines its process assets, customer assets and brand assets (Boulton et al., 2000).

## 7. Conclusion

Over the past decade as a result of UNESCO activities a comprehensive approach to the problem of preserving intangible cultural heritage has been formed.

Intangible culture is recognized as a resource for economic development of the regions, highlighted the ethnical economy as a part of the regional economy, accumulating private (internal) and attracted (external) ethnic and cultural resources in the processes of socio-economic development of the region. Strengthening the value of cultural diversity, identity, creativity, traditional knowledge, crafts increases the attractiveness and competitiveness of the region.

Firstly, the structure of ethnic culture includes elements of cultural heritage (tangible and intangible). Secondly, institutions as formal (legal norms for the preservation of heritage, support of indigenous minorities, etc.) and informal (customs, folklore, traditional knowledge and technology, forms of environmental management, etc.). Thirdly, institutions: state authorities and local self-government; economic institutions, for example, catering organizations specializing in national cuisine, organizations selling souvenirs, tourist organizations, etc.; social and civil society institutions (Kur'yanova, 2015).

With a positive prediction, in the informal economy, ethnic entrepreneurship can contribute to the growth of self-employment and income of the population, the preservation of rural settlements, traditional uses of natural resources and unique production technologies.

As such products reflect the diversity of traditions, distinctive flavor and history of the peoples living in the Russian multinational state, the development of regional brands can positively affect both the economic and cultural development of the region

Throughout the world, the commercialization of traditional culture is increasing, ethnographic tourism projects are successfully operating, folklore villages are being created, festivals are being held, etc. however, the commercialization of culture contributes to the transformation of traditional culture, which requires improvement of the mechanism of legal regulation of its use and promotion.

In order to exclude the risks of damage to the cultural interests of peoples through distorted cultural information, it is necessary to create a legal mechanism for the individualization of traditional knowledge or cultural goods, such as the exact indication of their source, the geographical name of the place of origin and (or) the name of the belonging of the people (society) of the used element of traditional culture.

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