Development of U.S. Cultural Industries and it's Enlightenment to China

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Abstract:

With the deepening of economic globalization, cultural industries has become a new focus in the economic globalization. U.S. cultural industries has more obvious advantage in the world. Sound Financing Channel, preferential tax rate, and legislation of intellectual property play a decisive role in development of cultural industries in U.S. As a developing country, in order to develop cultural industries, China should learn a lot from other countries, to analyze the actuality and the problem of Chinese cultural industries, constitute feasible law, and consummate the market access system of cultural industries.

Key Words: Innovation, Global Competition, Innovation Firms, Economic Growth

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1. INTRODUCTION

With the deepening of economic globalization, cultural industries has become a new focus in the economic globalization. Cultural industries is an important feature of the new era. Cultural industries has attracted more attention of the economist. Hesmondhalgh, David and Pratt, Andy C (2005) analyze and contextualize a variety of relationships between the cultural industries and cultural policy. A principal aim is to examine policies which are explicitly formulated as cultural (or creative) industries policies. Jason Potts & Stuart Cunninghama(2008) seek to proposing four models of the relationship between the creative industries and the whole economy, then examining the evidence for each. They find that growth models fit the data well, but not everywhere. They discuss the methodological and empirical basis for this finding and its implications for economic and cultural policy. Elizabeth(2010) points towards the possibility that industries are not tied to their specific urban location as much as to their linkages with particular types of infrastructure and to their social and economic networks. Phil Cooke & Lisa DePropris (2011) argue that it is desirable to promote a sustainable and endogenous way to ‘reset’ the economy, especially creative and cultural industries. Giselinde Kuipers(2011) analyzes cultural globalization as the emergence of a transnational cultural field, integrating Bourdiesuan field theory with globalization theory. Drawing on interview materials and secondary data analysis, it compares the “opening up” of national television fields in France, Italy, the Netherlands, and Poland and the formation of a transnational TV field with (partly) its own standards, practices, and cultural geography. Cultural intermediaries, such as television buyers, are crucial to this transnational field, mediating and maintaining relations between the national and transnational arenas. These transnational professional create transnational practices and quality standards and diffuse them into national cultural fields.Cong Shuguanga, Li Yunpengb(2010) have analysis on development status of cultural industry for 10years in China; combining with new development environment, the paper summarized three trends of development and proposed suggestions on development paths to revitalize cultural industry in new period.

The UN Conference on Trade and Development estimated that cultural industries has accounted for 11% of the share of world GDP, and growed at the rate of 10% every year . In 2009, the global culture creativity industry output more than $4.2 trillion. As a result of the crisis, the developed countries are suffering from chronically deficient demand, but, cultural industries has been best performer during the global recession. In business, cultural industries and other industries showed consistency in pursuit of the maximum profits. But,as a rising sun industry, cultural industries has less resource consumption and exhaust less pollution, is a kind of industries with great potential, compared with the traditional industry, it has stronger attractive and spillover effect.

The U.S. is one of the most developed countries in the world's cultural industries, the U.S. government has promoted to laid a sound economical environment for continuous development
of the cultural industries, and obtained good economic benefits. In 2004, the contribution rate of cultural industries to U.S. economic growth has increased to 25.36%, number of Persons Employed by cultural industries is about 1.13 million, accounting for 8.49% of total U.S. employment. The export of cultural products has become an important component of foreign trade of U.S. The core copyright industries has been more than the total export of chemicals, pharmaceuticals, automotive, aerospace and related equipment and other sectors, cultural industries has become the fastest developing and largest economic pillar industry. The development pattern of cultural industries in U.S belongs to the liberal market-oriented model. The U.S. government didn’t established a special culture industries management department, and didn’t issue policy guidance, but establishing a perfect tax system and Intellectual Property protection system, gave a impulse to development of U.S culture industries.

About 10 years ago, China has carried out a series of reforms in promoting the culture industries and achieved good results. China actively promotes the reform of the cultural system, and has achieved breakthrough progress in restructuring cultural enterprises and institutions. But, as matter of fact, The process of Chinese cultural industries growth is the process of its industry development and industrial structure transition, and is still a long way to go, and a lot of things to be learned from U.S. useful experience.

2. THE SITUATION OF U.S. CULTURAL INDUSTRIES

2.1 Current Situation Of U.S. Cultural Industries

The U.S. film industry with high concentration. The film products is mainly monopolized by several big studios, such as Disney, 20th Century Fox, Paramount, Universal, Waner Bros and Sony. The domestic consumption market of film industry is huge. In 2004, the U.S. film box office revenue was up to $9.539 billion, accounting for about 39.7% of total box office revenue. (See Table 1) U.S. film also has a large market share in the world, from 1993 to 2003, In Britain’s cinemas, the U.S. film has accounted for more than 57% of total film.1 According to the latest statistics of Box Office Mojo, (Box Office Mojo is U.S. most influential domestic movie box office statistics institutions.) see Figure 1, in 2010, U.S. domestic box office performance reached $10.6 billion, In the past five years, the box office revenue rose 15%.

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America is now the superpower of world's broadcasting and television. In the early 1990s, with breakthrough in satellite technology and wide application of digital technology and the booming of Internet, U.S. broadcasting and television industry made a rapid development. Currently, AOL - Time Warner, Walt Disney, Viacom and Sony are the top 3 media group in America, these world's media group have controlled 75% television programs and 66% broadcast programs’ production of the world, which have derived a series of products. For example, Discovery Channel which owned by Discovery media company ,is a documentary program channel, is about the human exploration, nature, culture, technology, history and science, etc. Discovery channel has attracted a large sum of global audiences, and also exploited home entertainment products, publishing, advertising marketing, etc. More than 99% of discovery channel’s series products has bought by customers who came outside U.S.  

Since 1907, U.S. has become one of the most developed area of world's animation industry. Walt Elias Disney, The father of Mickey Mouse, formed Disney Corporation, which is the pioneer of the animation industry, and once has monopolized U.S. animation market. in 2007 some U.S. Animation production company broke the Disney monopoly on animation market., and gradually developed, so, monopolistic competition situation shaped by Disney, pixar, fox, dreamworks, SONY and warner animation company. With the development of high technology and the widely use of computer image generation technology (CG), the three dimensional animation has been accepted widely. Form 2000 to 2007, the three dimensional animation in global made very considerable at box office. DreamWorks earned $ 1 billion with "Shrek series "(with shrek, shrek2, shrek3) worldwide. Fox has received more than $ 500 million in worldwide only with a series of three-dimensional animation such as Madagascar, Ice Age 2. Currently, U.S. animation industry has formed an complete and mature industry chain from

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creation, production, issue, research and development of derivative product. The whole industry is also showing a scene of flourishing and prosperity.³

As a developing country in the world, China should learn a lot from the experience of other countries, especially experience of U.S. in development of cultural industries, China should analyze the actuality and the problem of Chinese cultural industries, constitute feasible law, consummate the market access system of cultural industries.

As an economic and cultural power, although U.S. publishing industry started later than the United Kingdom, France and other European countries, since 1990s, the book publishing industry has been dominate the world, become the world's largest exporter of books. On April 7, 2010, According to the 2009 annual report released by the Association of U.S. Publishers(AAP),in 2008, U.S. Publishers achieved $ 24.3 billion. Although Influenced by sub-prime mortgage crisis, in 2009, U.S. still achieved nearly $ 23.9 billion net sales of books.

### 2.2 Advantage Of U.S. Cultural Industries

Research shows that U.S. cultural industries has outstanding competitive advantage in the global. Generally, some index form the base and back ground of research about competitive

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advantage, such as the international Market Share index, Revealed Comparative Advantage index, and Net Export Revealed Comparative Advantage index. The paper selects Revealed Comparative Advantage index, using import and export data of several cultural goods such as publishing, music, film, video games from 2002 to 2008 released by UNCTAD, and compared cultural industries situation among Germany, France, Japan, China, and U.S. In order to make a further analysis about international competitiveness of U.S. culture industries. Three index formulas are listed as follows:

\[ MS = \frac{X_i^A}{X_i^W} \]  

(1)

\[ X_i^A \] is the total exports of A country's industry, \( X_i^W \) is the total exports of world's industry.

\[ RCA = \frac{(X_{ij} / X_i)}{(W_{ij}/W_i)} \]  

(2)

\( X_{ij} \) is the exports of i country’s j (goods), \( X_i \) is the total exports of i country’s total goods, \( W_{ij} \) the exports of j (goods) of the world, \( W_i \) is the total exports of world’s total goods.

\[ NXRCA = \frac{X_{ij}}{X_i} - \frac{M_{ij}}{M_i} \]  

(3)

\( X_{ij} \) is the exports of i country’s j (goods), \( X_i \) is the total exports of i country, \( M_{ij} \) is the imports of i country’s j (goods), \( M_i \) is the total import of I country.

Seen from table 1, the international competitive advantage of the export of German and America's cultural goods that include publishing, music, film, video games was the strongest, France and China in the middle, and Japan showed obvious comparative disadvantages. Japanese anime has strong competition in global, but, other cultural products has no advantage, database for the import and export of products didn’t embody anime statistics, so, Japanese RCA index were less than 0.8, implied that has no competitive advantage;

Chinese culture industries has no competitiveness in the world, but China is a big electronic game exporter, the total amount of electronic game export far greater than the United States and other developed countries, in 2008, China's total exports of video games amounts to a $8.377 billion, is 2.2 times of the United States, this makes Chinese RCA index greater than 1, but in other portion, China lags far behind other countries.

<table>
<thead>
<tr>
<th>year</th>
<th>America</th>
<th>Germany</th>
<th>France</th>
<th>Japan</th>
<th>China</th>
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<tr>
<td>2002</td>
<td>1.114</td>
<td>1.289</td>
<td>0.907</td>
<td>0.508</td>
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</tr>
<tr>
<td>2003</td>
<td>1.267</td>
<td>1.309</td>
<td>0.982</td>
<td>0.245</td>
<td>1.102</td>
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<tr>
<td>2004</td>
<td>1.270</td>
<td>1.363</td>
<td>1.011</td>
<td>0.261</td>
<td>1.016</td>
</tr>
<tr>
<td>2005</td>
<td>1.303</td>
<td>1.569</td>
<td>1.070</td>
<td>0.283</td>
<td>1.083</td>
</tr>
<tr>
<td>2006</td>
<td>1.352</td>
<td>1.578</td>
<td>1.068</td>
<td>0.284</td>
<td>1.202</td>
</tr>
<tr>
<td>2007</td>
<td>1.583</td>
<td>1.569</td>
<td>0.992</td>
<td>0.496</td>
<td>1.074</td>
</tr>
<tr>
<td>2008</td>
<td>1.537</td>
<td>1.701</td>
<td>0.954</td>
<td>0.418</td>
<td>1.264</td>
</tr>
</tbody>
</table>

Source: the data is calculated by the data of UNCTAD.
3. MAJOR FACTORS OF DEVELOPMENT OF U.S. CULTURAL INDUSTRIES

Beside a variety of financing channels gave a impetus to development of U.S. Cultural Industries, Several factors contributed to development of U.S. Cultural industries, preferential tax policies and all-round protection system of intellectual property were two main reasons.

3.1 Preferential Tax Policy

U.S. cultural industries can be divided into profit and non-profit culture. For non-profit cultural industries, U.S. government usually directly subsidizes it, or encourages social capital to provide investment to it through a series of financial and tax incentives. For profit cultural industries, U.S. government introduces a certain preferential policies to encourage their participation in the market for free competition. In addition, Government also provides some financial support to the industries associated with the cultural industries, thus indirectly lays the foundation for the development of cultural industries. Because U.S. has a comprehensive market-oriented economic system, government support the investment and financing cultural industries with more indirect way.

The government mainly provides preferential tax policies for the cultural industries. On the one hand, preferential tax rate directly provide a sound policy environment, the other hand is to make incentive effects, guiding the capital of the affluent individuals, and other industries into cultural industries, which has became an important way for U.S. cultural industries to raise fund.

U.S. government allows nonprofit cultural institutions to make profit via market. Some culture art organization, such as the museum and art gallery, are typical nonprofit organizations, and also are U.S. tax-free institutions. If the relative business activities is in the scope of duty free, relevant property tax and business income tax can exempt according to specification.

In 1917 U.S. federal tax law enacted that nonprofit cultural organization is exempted from income tax. Individuals and organizations who donated to nonprofit organizations can also enjoy preferential tax, As long as the money that donated is not more than 3% of the total profit, contributed revenue was exempt the tax. Under the incentive of tax policy, In 2005, the total amount of funds of U.S. charitable donations, which 75.6% comes from personal donation, 4.8% from enterprise. Under the all social common support, U.S. nonprofit culture industries directly or indirectly have brought the economic benefit as high as 36.9 billion dollars every year.

The tax rate of the federal estate tax and the related gift tax are same in U.S. From 2006 to 2008, The threshold of inheritance tax amounted is $2 million in 2009, and raise to $3.5 million. In U.S., the tax rate of inheritance tax is higher, in 2006 to 2009, the tax rate was 45%. “The tax law in America formulated that taxpayers’ charity donations to domestic companies, association, government agencies can be fully deducted from heritage and gift tax
Inheritance tax greatly inspired the rich U.S. person’s enthusiasm of the donation to cultural industries. The related data research shows that there is positive correlation between inheritance taxes and charitable donation.

Some fields, such as film, animation, broadcasting and television, belong to profitability culture industries. The federal government generally uses different fiscal and tax policy to encourage enterprises to participate in market competition. U.S. history experience shows, when economy is in recession, cultural industries would be a new luminescent spot to promote economic growth. In 1929, America strived to develop Hollywood film industry in the great depression, and has became the world’s largest movie country. In 2008, U.S. financial crisis break out, which produce bigger impact to the traditional industry. But because of cultural industries’ unique inverse cyclical, it not only didn’t decline, but showed more prosperous than ever. U.S. governments has issued a series of preferential fiscal and tax policies on film, TV, music and other entertainment industries, and encouraged the development of cultural industries. By the end of February 2009, except for directly providing financial support to some nonprofit cultural art institution, nearly 40 states in America implemented the tax cuts for film and television industry, and the rate is 5% to 30%. At the same time, state government began to implement tax exemption. Film’s tax refund of Louisiana is as high as 30%, and provide 5% tax exemption for the industry that Employed local residents to promote employment, provide 25% tax exemption for music industry and all kinds of art theatre troupe. 2010 data shows, even after experiencing the financial crisis in 2008, New York's entertainment industries have gotten an unprecedented huge growth of employment in the past few years. This largely profit from the powerful film and TV tax incentive policy of New York state. Statistics indicate that each $1 of the implementation of the tax credit, can get $1.9 returns. The pleasant climate and advantageous geographical environment in California make it be the paradise for entertainment industry. California film committee is an organization that be specially responsible for the implementation of tax breaks project. Aiming at different type and cost budget movies and TV series, 20% and 25% respectively in California implementation of the tax cuts. According to movies and TV series with different types and cost budget, 20% and 25% tax cuts is implemented respectively in California. For example, if tale films’ cost budget is between $1 million to $75 million, the tale films enjoy 20% tax preference, however if the companies are not the publicly listed companies, and the cost budget of which is between $1 million to $10 million, the independent film that produced by them enjoy 25% tax preference. Under a series of preferential tax reduction or exemption policy that is carried out by State governments, the U.S. entertainment industries, such as film and television, etc, make a rapid progress, and eventually are expected to be the dominant force in promoting U.S. culture industries’ prosperity.

3.2 Intellectual Property Protection

With the advent of the Internet age and the development of knowledge economy, the global village concept accepted by more and more people. Economic integration reflected in the many
aspects of social life, and eventually reflected in the legislation of intellectual property, internationalization of legislation is inevitable. To promote the development of cultural industries, the U.S. implemented a comprehensive intellectual property legislation, first, enacted corresponding legislative in accordance to satisfy the need of domestic economic situation and trend of future development. Statute law and case law collaborate to build into a comprehensive protection system. In the mean time, U.S. actively participated in construction of international intellectual property system. Such as performed as a member of WIPO. The World Intellectual Property Organization (WIPO) is a specialized agency of the United Nations. It is dedicated to developing a balanced and accessible international intellectual property (IP) system, which rewards creativity, stimulates innovation and contributes to economic development while safeguarding the public interest.

In response to the needs of social development, U.S. amended copyright law several times, in 1980 and 1984, introduced content of protection about computer software and recording into the copyright law. After that, several amends and additions take placed, the content of U.S. copyright law available here, which includes the amendments in 2009 and 2010 extending the section 119 satellite statutory license (Pub. L. No. 111 - 118, Pub. L. No.111-144, and Pub. Law No. 111-157). It also includes the Satellite Television Extension and Localism Act of 2010, Pub. L. No. 111-175, enacted May 27, 2010, and the Copyright Cleanup, Clarification, and Corrections Act of 2010, Pub. L. No. 111-295, enacted Dec. 9, 2010. And with enacted of Millennium Copyright Act, Home entertainment copyright law and other legislation ,a relatively perfect system had constructed. As a country with common law tradition, case law has gradually strengthened, scale of protection about intellectual property intensified. In April 2003, the District Court ruled in favor of the companies that distributed Morpheus and Grokster. The judge vindicated that the companies were akin to those which created the VCR, another technology that enabled users to make personal copies of content. The software, in essence, was capable of substantial non-infringing uses. And the decentralized nature of their operations rendered the software companies unable to control or monitors the activities of end users. Therefore, the judge found, they were not liable for the actions of those end users. In August 2004, the Ninth Circuit affirmed the lower court's decision. On June 27, 2005, MGM v. Grokster became landmark case, the Supreme Court ruling that the providers of software who provide “file-sharing” of copyrighted works may be held liable for the copyright infringement that takes place using that software. The Court ruling that “one who distributes a device with the object of promoting its use to infringe copyright, as shown by clear expression or other affirmative steps taken to foster infringement, is liable for the resulting acts of infringement by third parties.” it’s first country to sentence software provider to bear liability, and it is also means that protection of copyright came into a new stage in U.S. To strengthen protection of intellectual property overseas, must build a unified global system of intellectual property protection. Therefore, the United States actively participate in international intellectual property legislation, and take a lead role in international intellectual property legislation ,its intent visible in international legislation.
4. THE ENLIGHTENMENT TO CHINA’S LEGISLATION

Although made rapid progress in these years, in generally, China isn't really about letting markets effectively work. There is still need a balance among law, norms, and market. That it need to be further perfected and improved, and to better play the role of market mechanism. market mechanism has not completely established in China, and sophisticated finance and tax policies that support the cultural industries' development are Still not be formed. The fund need to develop cultural industries mainly depends on government’s direct investment, and the investment is limited. The Investment scale of cultural institutions and cultural enterprise is small, Channel of financing of cultural industries is onefold, investment system of organization didn’t gets used to market. The shortage of capital has become the bottleneck of China's cultural industries’ development.

On the basis of analysis on culture industries financing modes and the applicability of the fiscal policy of U.S. in the above sections, the paper try to get a suitable experience and reference for China's development of cultural industries, and seek out the breakthrough in development of China's culture industries.

4.1 Broaden Financing Channel

Compared to U.S., most Chinese enterprises' investment and financing channel is relatively single, and secure bank financing is main source for the enterprises to get funding. In China, the national policy banks and commercial banks have made continuous exploration in providing financing support for the cultural industries. Since 2007, Import and Export Bank of China has specifically developed innovation credit products such as cultural products and services (including cartoon) export credit, tourism culture international loans, and preliminary results were achieved in promoting culture industries financing. The branch of bank of China in zhejiang province created Chinese first new credit product “film and television TongBao" for small business financing. With some assure means of credit, such as real estate mortgage and accounts receivable pledge, traditional loans enterprises' limitations of the insufficient mortgaged property is changed, which is a beneficial try to solve Chinese culture enterprises' difficulties of raise fund. But in generally, the opportunity is too small for medium-sized and small enterprises to get bank loans, and it is still difficult for some medium-sized and small enterprises that needed to get financial support. The medium-sized and small enterprises is the main body of the cultural and creative industries, and how to provide the bank credit aid for the medium-sized and small cultural enterprises support will get more and more attention by the government. China can draw lessons from some European countries’ practice, such as Britain and France, the special guarantee agencies or organizations should be set or established by government. The government provides discount loan, and preferential loan guarantees for Chinese small and medium-sized cultural enterprise or project polices. If the loan enterprise can't pay the mortgage on time, the Guarantors is responsible for paying off some loans. Furthermore, special government department is needed to formulate and perfect the rules and
regulations of cultural enterprise' credit rating and intellectual property value evaluation as soon as possible, try to reduce enterprises’ loans cost.

It is common for some world major countries, such as U.S. and Britain to provide financing support for cultural industries by establishing various fund, and in recent years, establishing cultural industries investment fund is also a new culture industries investment and financing mode, which got more attention from and strongly advocated by Chinese government. With some related government's policy support, China has established a number of cultural industries investment funds, such as Shanghai Oriental HuiJin cultural industries funds and Zhejiang cultural industries funds, and a solid step is be made in using funds financial model to support cultural industries financing. But from the main body of the investment funds that China has established, the sources of the funds is relatively single, and the funds mainly came from the local government and state-owned enterprises' investment, which hit the "authority” mark to the investment funds, and is adverse to the funds' market orientation. Considering the China's present situation, Korean fund operation mode should be learned, and Fund of Funds should be set up by government and state-owned enterprises investment, and guide the social non-public capital to invest and set up the underlying funds(private equity investment funds or venture capital funds),and Fund of Funds invest in underlying funds, then using stock rights , according to the market operation, the underlying funds invest in the various social high-tech cultural enterprises. The operation model of Fund of Funds on the one hand can solve the dilemma of culture enterprises’ bank credit and financing by listing on the stock market, on the other hand, may really realize a part of the state-owned capital’ transformation from pure input to investment, which not only improve the efficiency of government funding, but also make funding, the limited social resources, get a better configuration.

Since Britain invent the Securitization of Intellectual Property, as a financial innovation tool, Securitization of Intellectual Property has been widely used In the U.S. and Britain and other developed countries. The securitization involves all aspects of the cultural industries, from film and television industry, record, electronic games, animation, tickets income of park etc, intellectual property rights that associated with cultural industries has almost become all the object of securitization. Among them, the asset securitization degree of film industry is the highest. Because of traditional restriction on credit financing Chinese conversion rate of intellectual property rights is much lower than the level of developed countries. In the process of promoting diversity of financing modes, the experience of other countries should be actively learned. Chinese government has also paid more attention to Securitization of Intellectual Property to promote cultural industries’ financing ability. On March 19, 2010,chinese government issued  “guidance on financially support culture industries development and prosperity”, and the guidance basing on the future cash flow of cultural assets and earnings of high quality, asset securitization experiments of cultural industries should be explored and carried out for some cultural project with mature operation and more stable future cash flow .The guidance promote china's cultural industries to use Intellectual property securitization
financing, and create a good policy environment. China's securitization financing of culture industries should take this opportunity for development, meanwhile, the government should set up a special intellectual property patent appraisal institution, perfect evaluation system of intellectual property rights, highlight intellectual property as the value of cultural enterprises' core competitiveness with a series of supporting policies, and make the enterprises gain more market investment through the securitization of intellectual property rights.

4.2 Strengthen Legislation of Intellectual Property

Chinese law system belongs to custom law system, China only can amend current law through legislation. China has promulgated the Copyright Act in 1990, and modified several times according to the specific circumstances, but it’s still can’t meet the need of development. And enforcement of law still existed some problem, infringement of intellectual property rights occurred from time to time. In order to protect cultural industries, need the government to speed the pace of legislation, on the other hand, strength law enforcement is also important. As a member of WTO, China must comply with the relevant provisions of the treaty, it can apply the treaty directly, on the other hand, it can absorbed many relevant provisions of treaty into Chinese law. Meantime, China should actively participate in the legislation in the world organization, so that will of the China on the intellectual property will be fully reflected.

4.3 Implementation of Preferential Tax Policy

China's cultural industries have appeared and developed under the condition of the less competitive market, and there is a huge gap between China and the developed countries in the market, in the initial stage of its development, it is reasonable for the government to provide a certain amount of money to support it. Once the market turn matured, the government's exit from the field is inevitable.

In open market, government has no need to have a direct effect, just to guide the social capital to invest in the culture industries. To develop China's cultural industries at the present stage, Chinese government should draw lessons from the experience of U.S. and other developed countries, and should construct a set of specific tax policy for cultural industries with the tax concessions. Now, China has issued a set of tax policy to support the cultural industries in the form of notice. (The notice has legal force in China.) For example, in 2008, a notice has declared that once cultural enterprises established before December 31, 2008. the enterprises exempt from income tax for 3 years, the deadline of enjoying privilege is to 31 December 2010. But, in generally, the preferential tax policy’s strength and range is limited, and the preferential pattern is a single, so, in order to accelerate development of cultural industries, Chinese government should take all steps to construct a multi-level and comprehensive tax policy.
5. CONCLUSION

Compared with other traditional industries, cultural industries has characteristics of “anti-crisis”, in the previous economic crisis, AOL time Warner and other most competitive cultural industries groups developed rapidly .U.S. cultural industries has more obvious advantage, especially in book publishing and cultural and entertainment services exports ,showed strong international competitiveness. Sound Financing Channel, preferential tax rate, and legislation of intellectual property play a decisive role in development of cultural industries in U.S..

U.S. experience also told us that if one country wants to promote the development of cultural industries, a lot of things need to be done; it should perform in multiple ways. As a developing country in the world, China can learn a lot from the experience of other countries, China should analyses the actuality and the problem of Chinese cultural industries, constitutes feasible law, and consummates the market access system of cultural industries.

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