

## Proposing New Concepts

for Understanding the Values and Trading of Culture  
to Enable More Effective Public Investment;

- . 3-I Cultural Values for the ABC-P Model,
- . The De-Monetization Zone (DMZ) of Culture,
- . Emotional Economics, and
- . The City as a Vessel for Cultural Attractiveness



<https://brunch.co.kr/@seaokof/98>

Presented at

**The 10th World Summit on Arts and Culture** (Co-hosted by IFACCA & Arts Council Korea, Seoul, May 27-30, 2025)

**Parallel 8**

The future of investment in culture: supporting diverse models to build resilience and sustainability (May 29, 2025)

by **Hae-Bo KIM**(김해보, 金海補)

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- . Director, Korea Regional Culture Policy Institute, The National Assembly of Foundations for Arts & Culture (NAFAC)

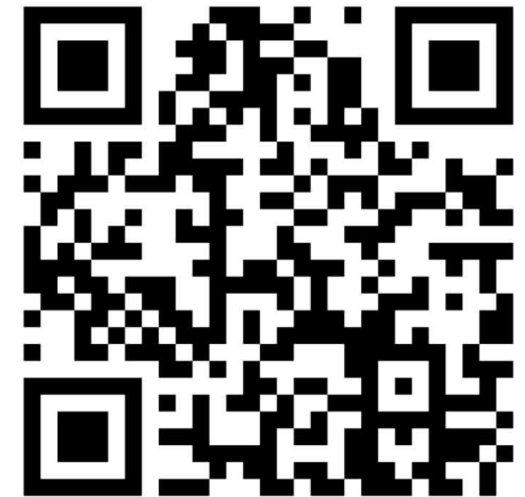
## **0. A Paradigm Shift in the Perception of Public Investment in Culture**

### **1. The <3-I Cultural Values for ABC-P> Model**

### **2. The DMZ(De-Monetization Zone) of Culture**

### **3. <Emotional Economics> for Understanding Cultural Value Transactions**

### **4. New Proposal and Case for Cultural Investment – The City as a Vessel of Cultural Attraction**



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# 0. A Paradigm Shift in the Perception of Public Investment in Culture

## Shifts in <Public Spending> to Address Emerging Issues in Korea

*『Cultural Policy in Action Engaging with Social Issues \_ Cases and Implications from Local Foundations for Arts & Culture』*

한국광역문화재단연합회 공동연구 2023-1

사회문제해결  
문화정책 현장\_  
지역문화재단들의  
사례와 시사점

**Cultural Policy in Action Engaging with Social Issues \_**  
Cases and Implications from Local Foundations for Arts & Culture

한국지역문화정책연구소

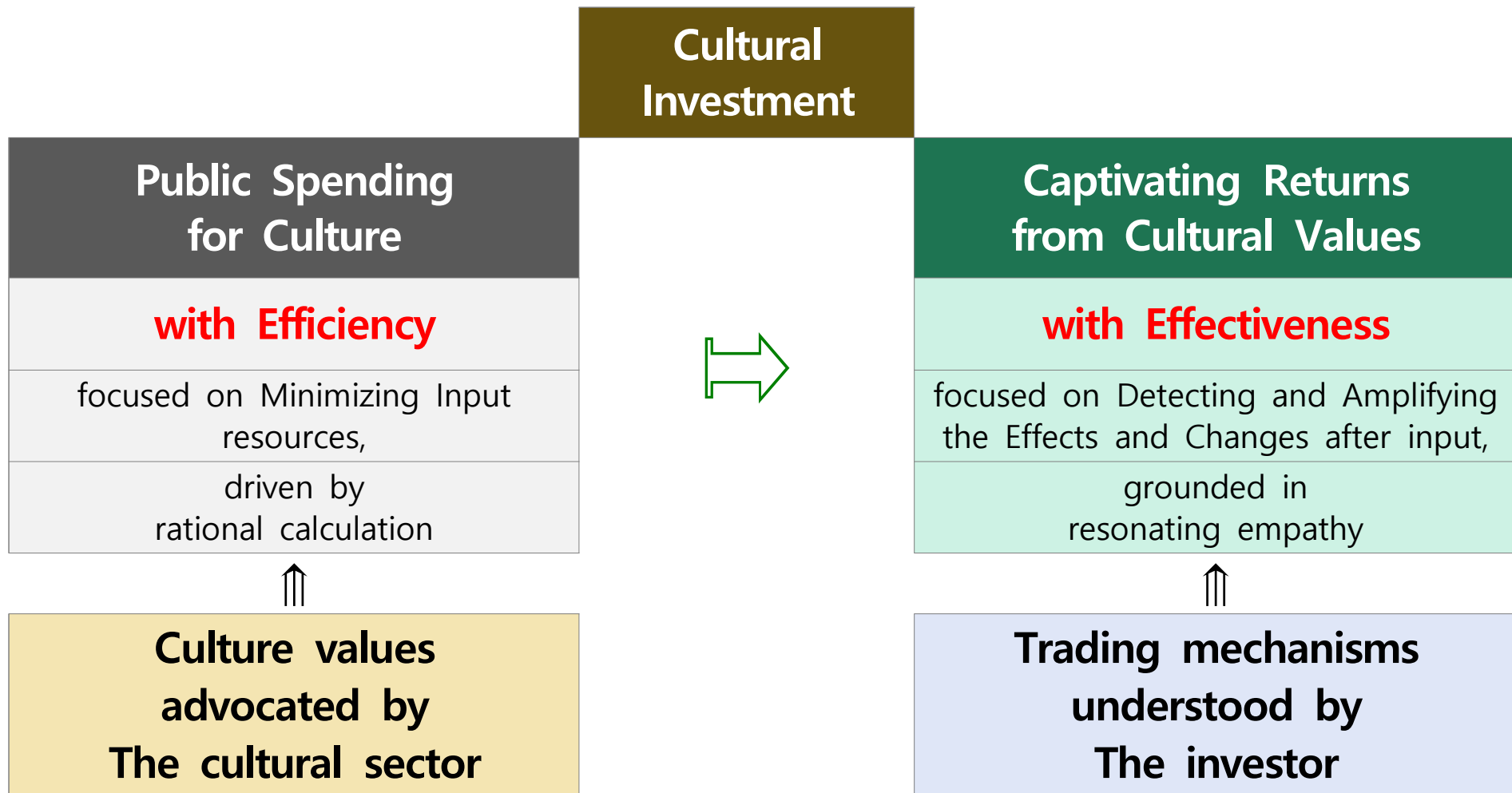
*『Research on Strategies to Enhance Regional Attraction and Vitality through Locality & Culture』*

2023 연구보고서

지역문화 매력·활력 증진 방안 연구



**But, has there truly been any innovation in the execution of cultural policy  
; Tightly Constrained by the Regulation of Public Administration?**

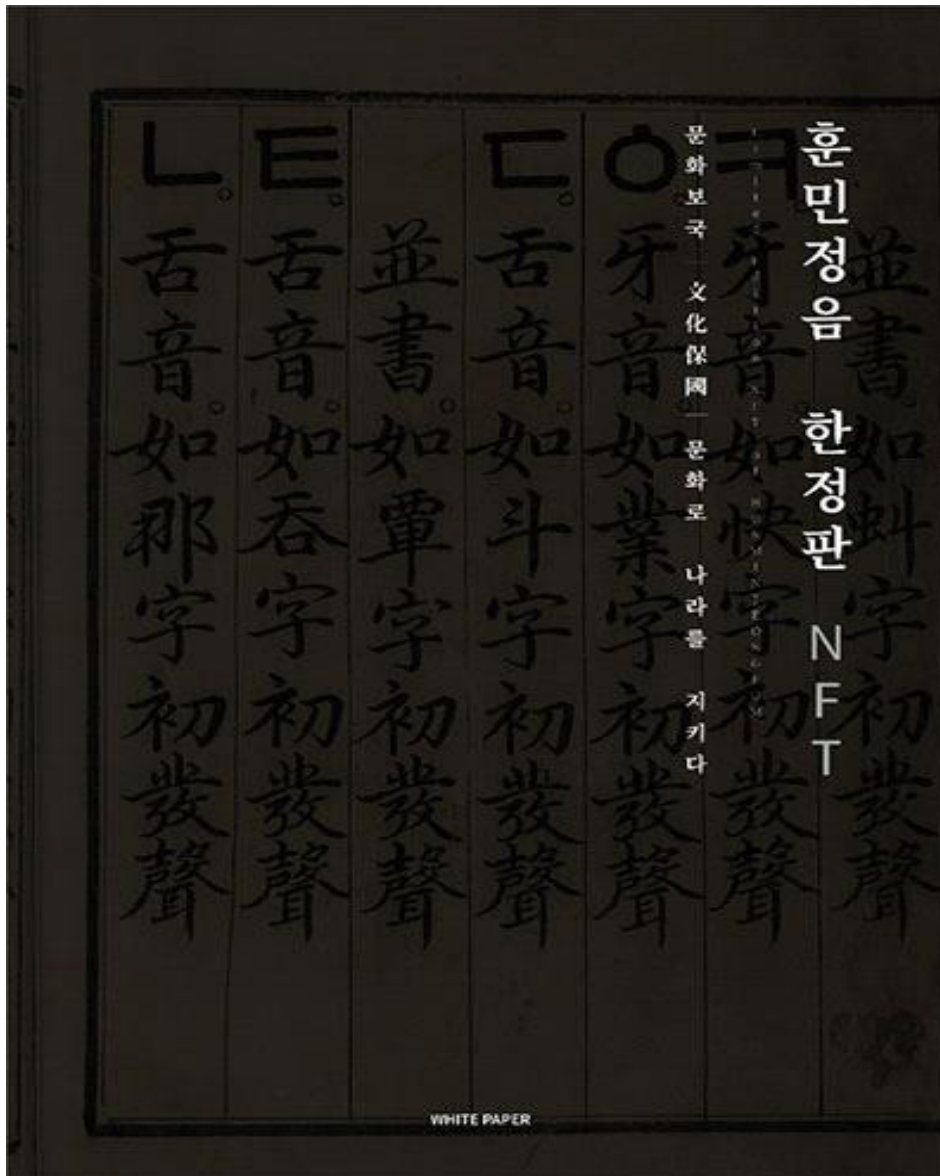


Can we understand today's cultural phenomena  
through the old concepts and value systems of culture?  
... Is Culture Naturally a Shared Resource, or Can It Be Privately Owned?



**"Debate Erupts Over Copyright Claims on Traditional Drum Dances: Samgomu and Ogomu"** (Source: Yonhap News, December 17, 2018)  
They argue, *"We oppose the privatization of traditional cultural heritage—we want to dance that dance too."*

## Commodification of a National Treasure? Or Innovation in Cultural Investment?



**"A 1-Billion-Won  
Hunminjeongeum  
NFT Becomes a Hot  
Topic..."**

**Why Is the Kansong  
Art Museum  
Launching an NFT  
Project with a  
National Treasure?"**

(Source: Maeil Business  
Newspaper, June 20, 2022)

# Emotion as a Resource for Advanced Cultural Capitalism—namely, the Affective Economy?

|      |                                             |     |            |     |       |
|------|---------------------------------------------|-----|------------|-----|-------|
| 제목   | [마감]AI 학습용 데이터 구축을 위한 '배우' 셀카 이미지 제공자 모집 공고 |     |            |     |       |
| 작성자  | 한국연극협회                                      | 등록일 | 2020-10-21 | 조회수 | 32652 |
| 첨부파일 |                                             |     |            |     |       |



- 목 적** 한국인 얼굴 이미지를 통한 AI 인공지능 대규모 학습데이터 구축  
(학습 데이터 이외에는 사용되지 않음)
- 참가 대상** 대한민국인 20대 ~ 50대 배우/배우지망생 (방송, 연극, 뮤지컬계 등 주/조연 관계)
- 수행 과업** 다양한 장소에서 사전에 부여 받은 감정에 해당되는 얼굴 표정을 짓고 카메라 또는 핸드폰을 이용하여 찍은 본인의 얼굴 사진을 제출 (배경 포함 셀카 사진)  
\*이미지 제공 보수 : 1,000,000원 / 1,000장 - 세금3.3% 공제 가능

In October 2020, the Korea Theatre Association posted a public announcement recruiting actors to submit selfies for use in building AI training datasets.

(Source: Korea Theatre Association website)

## Eastern Wisdoms that Facilitate the Perceptual Shift

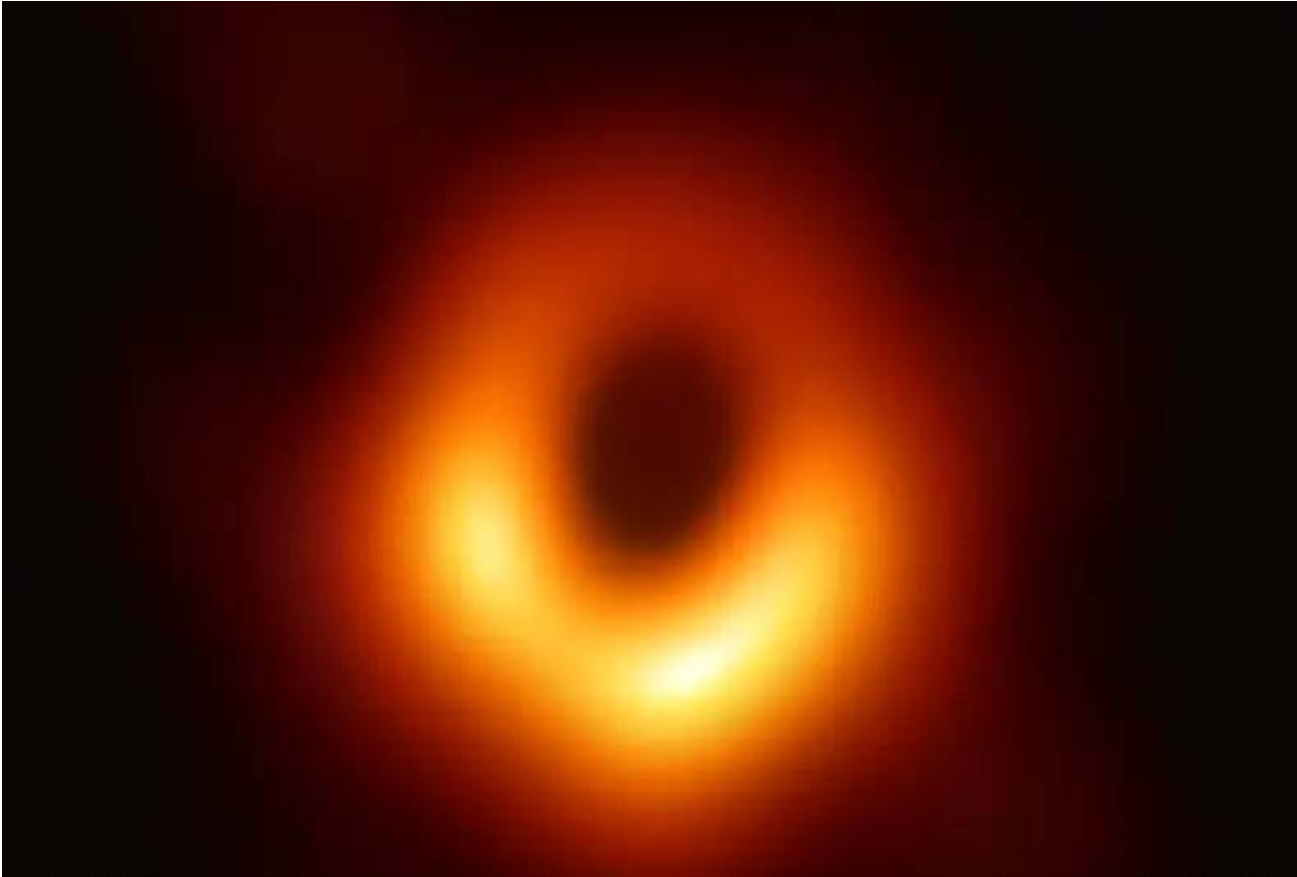
**Gi-Jeong-Sangsaeng**

**(기정상생, 奇正相生)**

**“The intangible(gi, 奇) and the tangible(jeong, 正) give life to each other.”**

***(from The Art of War (Sunzi Bingfa, 孫子兵法))***

**Understanding the Invisible Forces That Move the World**



**The first-ever image of a black hole, captured in 2019**

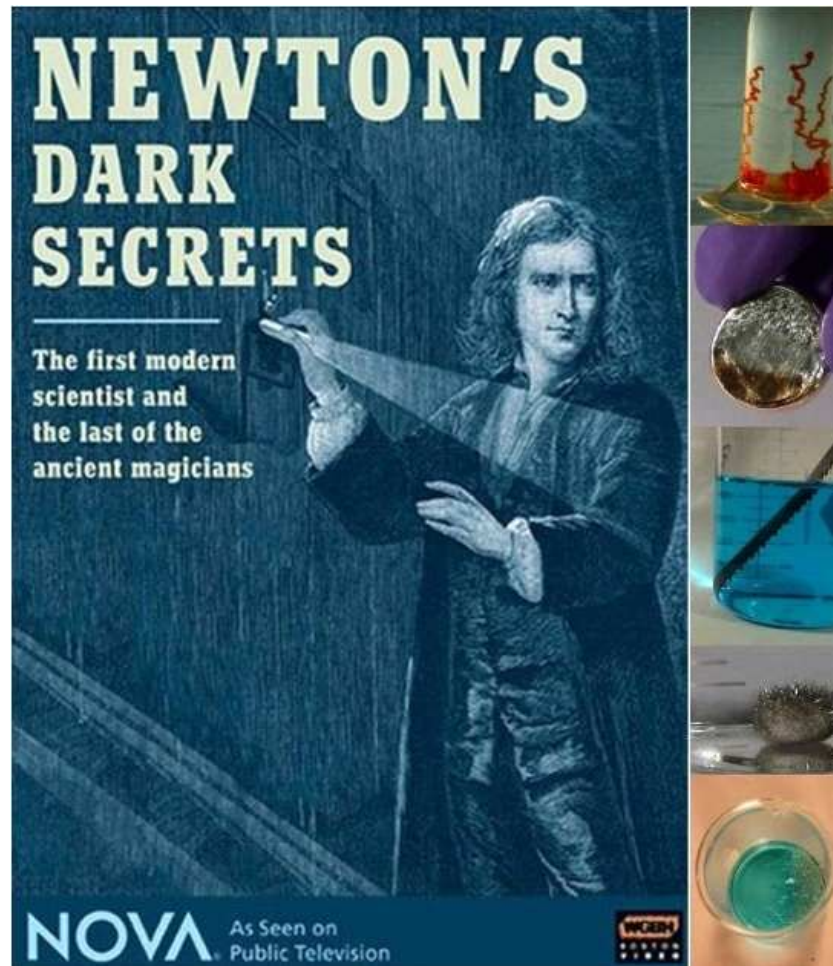
(Source : [BBC News Korea](#), April 11, 2019).

**“Event Horizon Telescope project” by over 200 scientists and the global coordination of eight massive radio telescopes.**

**Even the invisible can be proven through collective effort and intelligent inference.**

Just as Newton gave form to an invisible force through the physical formula of gravity,

We Must Now Give Form to the Invisible Forces of Culture.



"Newton was not the first of the age of the reason he was the last of the magicians"

*by John Maynard Keynes, Essays in Biography (1936)*

**Il-Che-Yu-Shim-Jo**  
**(일체유심조, 一切唯心造)**

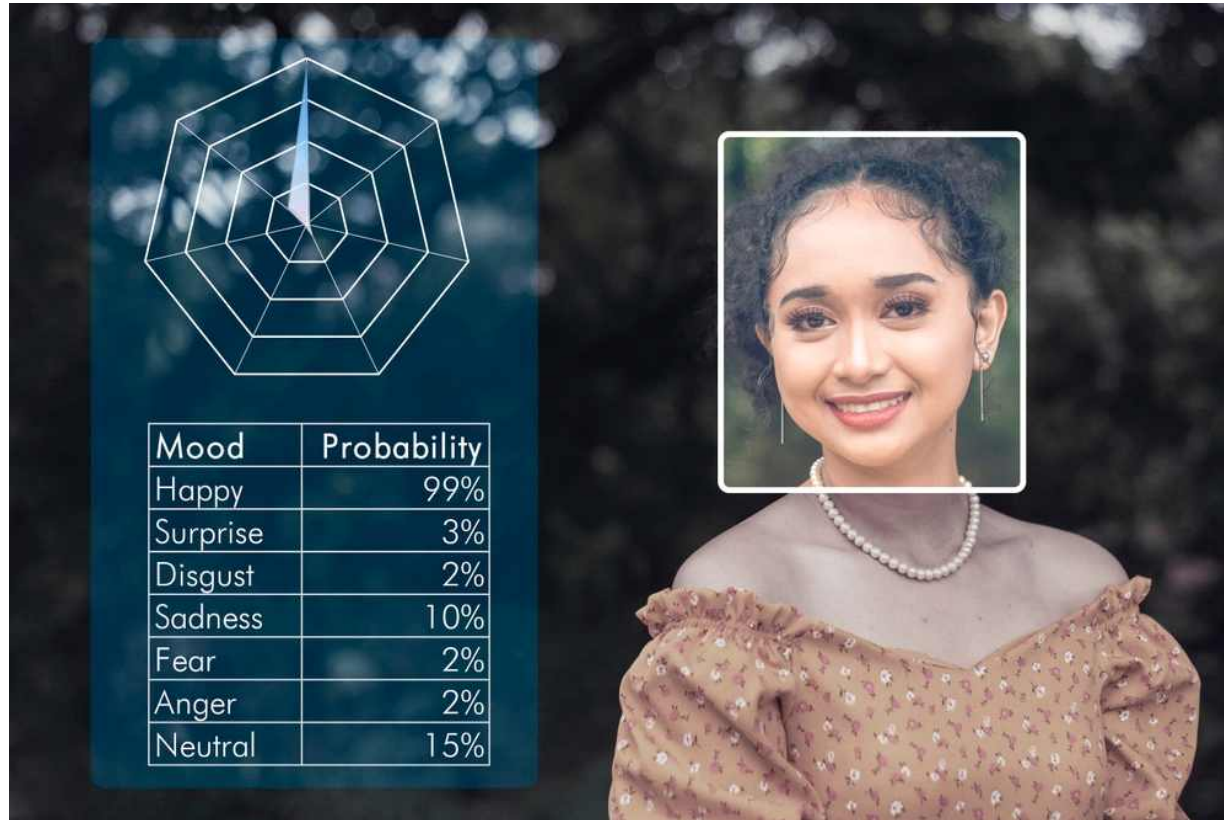
**"All things are created by the mind"**  
*(from the Avataṃsaka Sūtra(華嚴經))*

**Understanding the Affective Economy**

**: When the Movements of the Mind Generate Money.**

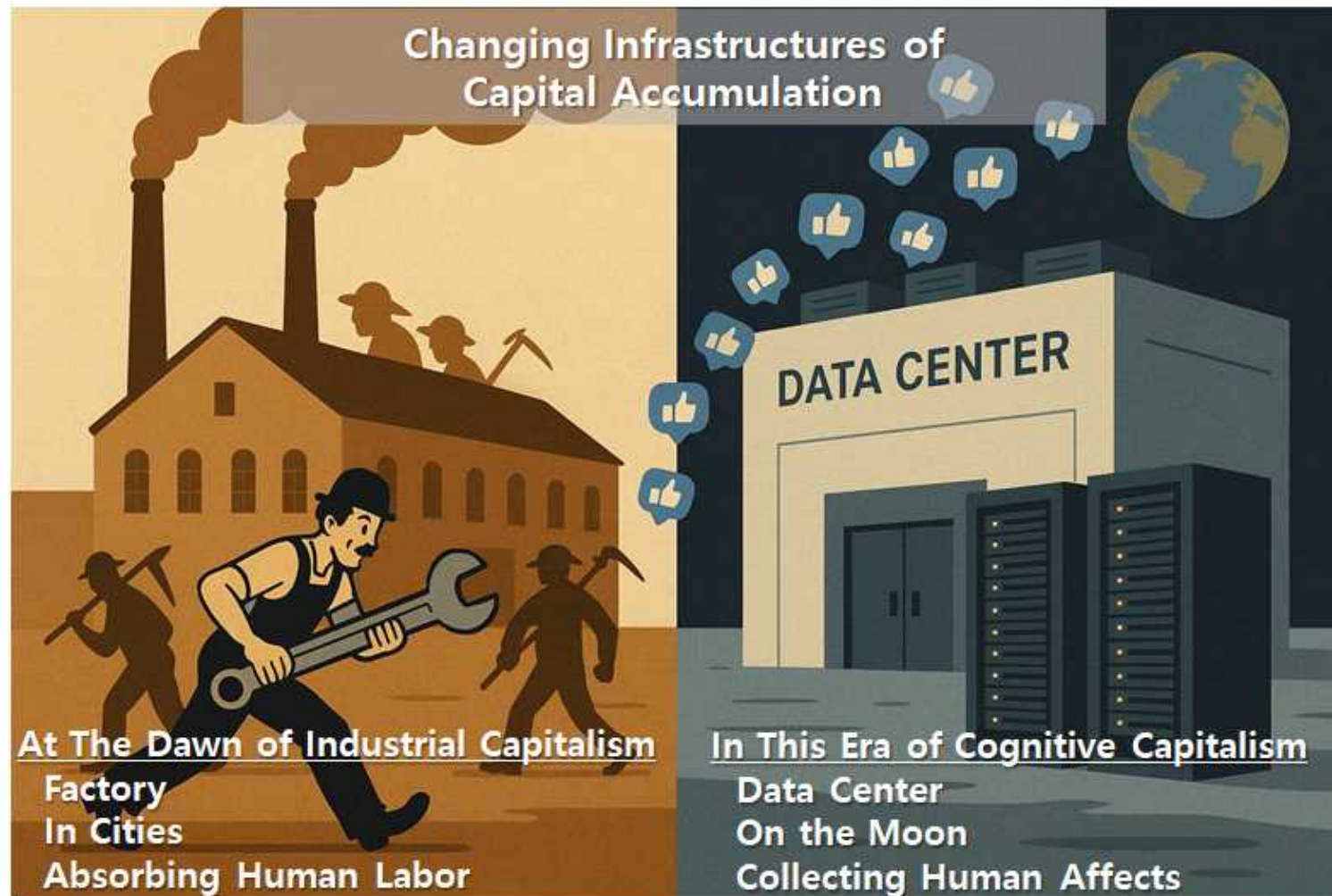
**Emotions are no longer fleeting;**

**They are now Quantifiable, Storable, and most importantly, Monetizable.**



**“AI That Reads Human Emotions: Open-Source Dataset Project Launches”** (Source : AI Times, Oct. 30, 2023)

It is now an age where Big Tech is Racing to Construct Data Centers on the Moon.



**An illustration generated by ChatGPT  
about the evolution of capital accumulation.**

**Gyeong-Se-Je-Min**  
**(경세제민, 經世濟民)**

**“To bring order to the world and to relieve the people’s suffering”**  
*(The original meaning of 經濟(경제, GyeongJe),  
The East-Asian translation of “Economy”)*

**Economy      ⇔      經世濟民**

**Reorienting the Meaning of Translation**  
***The social is the economic.***

**Cultural 經世濟民 ~ Living Well with Culture**

**V**

**Cultural Economy ~ Making Money through Culture**

**Mu-Wi-Ji-Wi**  
**(무위지위, 無爲之爲)**

**"Doing through not-Doing"**  
*(The philosophies of Daoism and Confucianism)*

**Mu-Wi(무위, 無爲); a mode of restraint  
that waits for the other's autonomous transformation  
calls for a rethinking of policy intervention.**

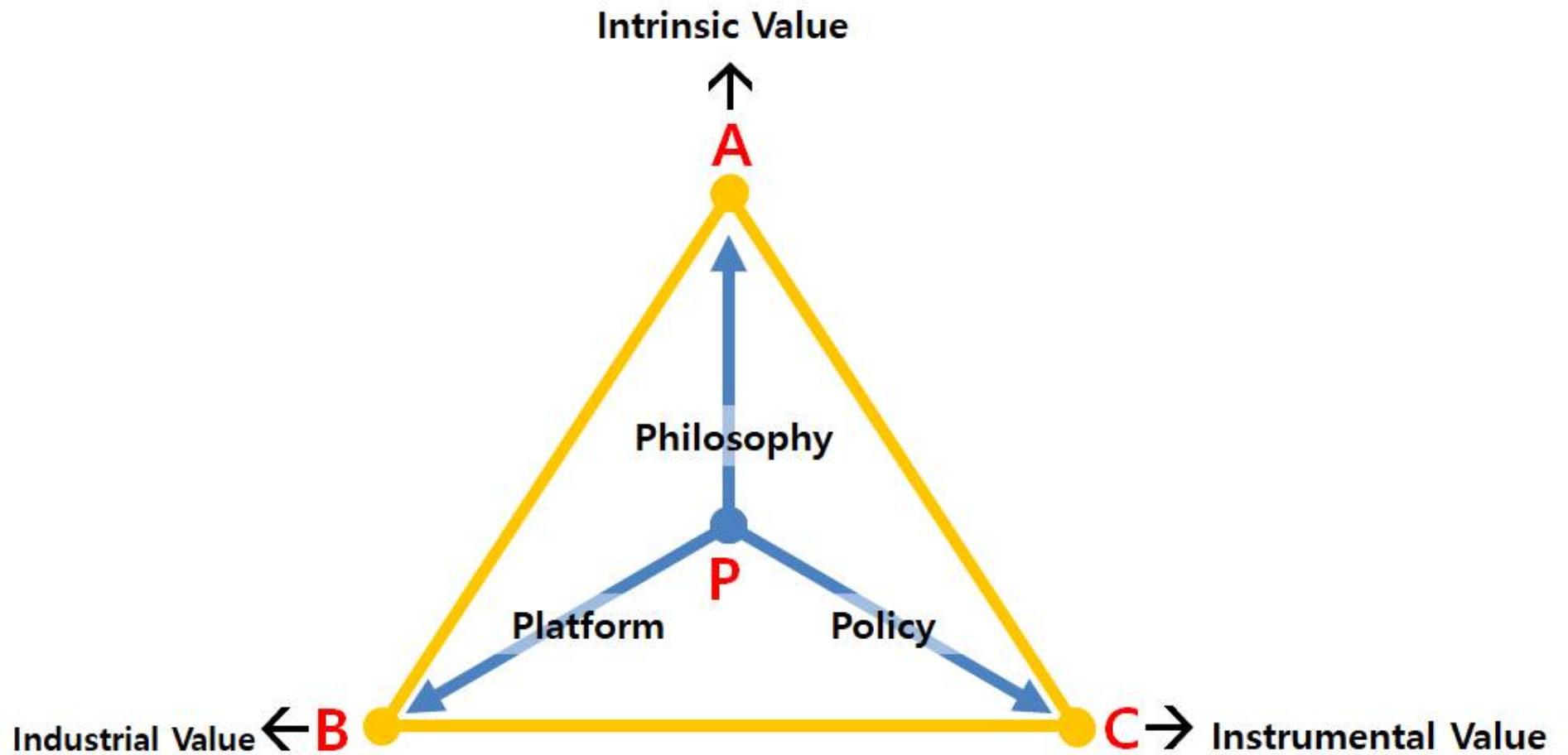
Shift from  
**<Arm's Length> principle,**  
centered on limiting state intervention  
**to <Arms' Length> principle,**  
that recognizes the autonomy and multiplicity of stakeholders.



# 1. The <3-I Cultural Values for ABC-P> Model

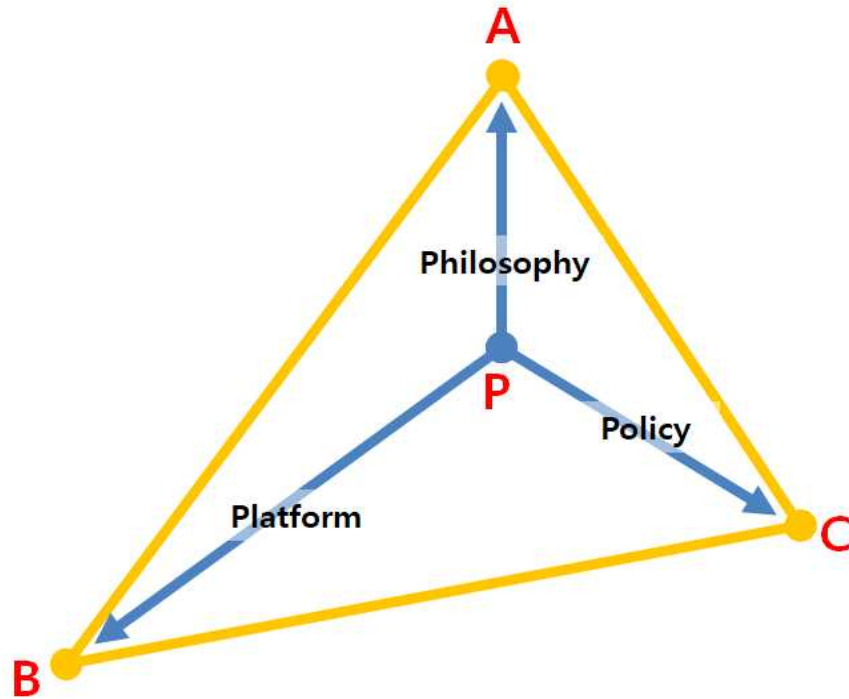
## <3-I Cultural Values for ABC-P> Model by Hae-Bo KIM(2025)

| 3-I Cultural Values    |                                |                    | A-B-C Stakeholders | P-factors<br>influencing stakeholders' perceptions and value transactions |
|------------------------|--------------------------------|--------------------|--------------------|---------------------------------------------------------------------------|
| Social Value<br>(經世濟民) | Intrinsic Value                |                    | Artists & Academia | Philosophy                                                                |
|                        | Economic Value<br>(經世濟民 Value) | Industrial Value   | Business           | Platform                                                                  |
|                        |                                | Instrumental Value | Civic              | Policy                                                                    |



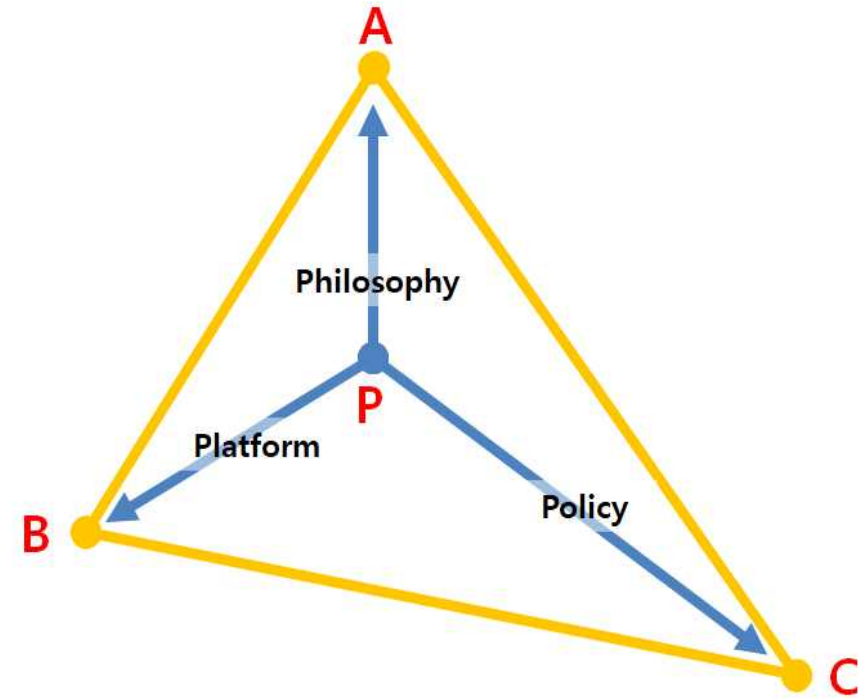
### 3-I Values of Culture for ABC-P

### Balanced Cultural Ecosystem



### AB'C-P Model

- An ecosystem dominated by Business



### ABC'-P Model

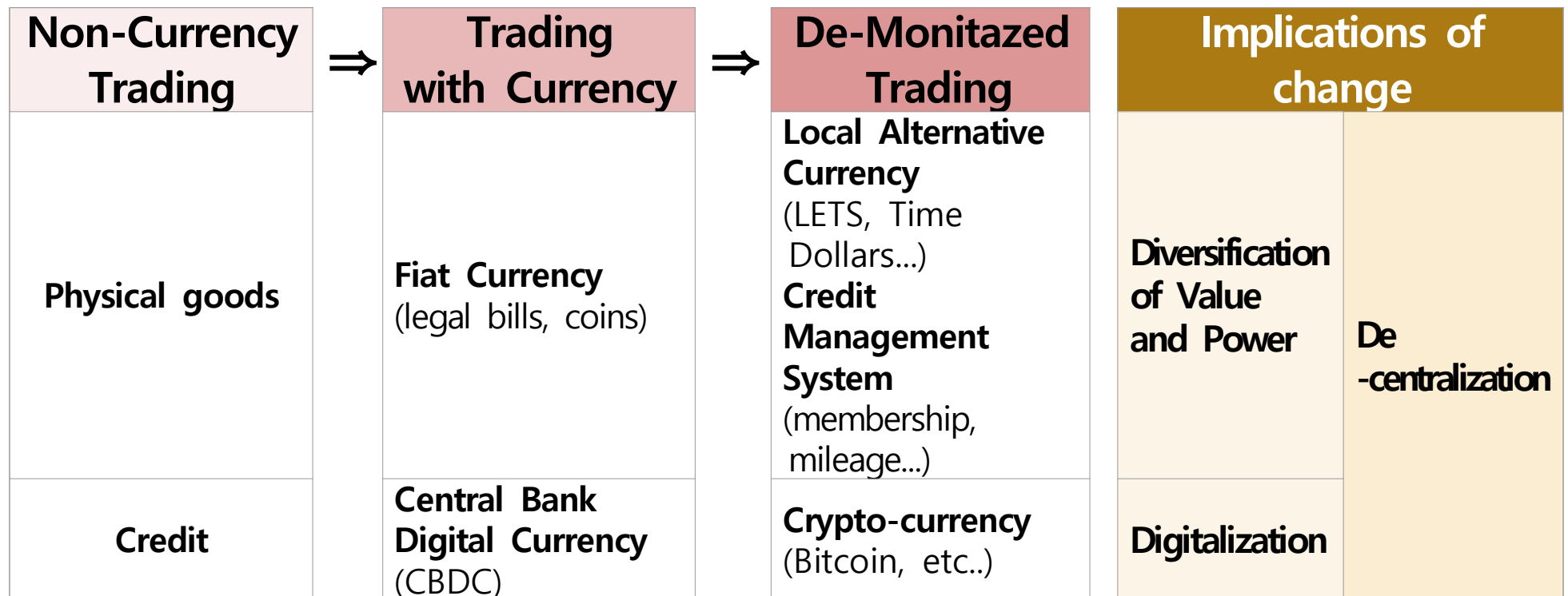
- An ecosystem dominated by Government

| Cultural Values |                 |                    | Value Elements Offered by Arts and Culture and Their Changing Importance Over Time |                                           |
|-----------------|-----------------|--------------------|------------------------------------------------------------------------------------|-------------------------------------------|
|                 |                 |                    | Previously prioritized elements<br>(Tangible)                                      | Newly emphasized elements<br>(Intangible) |
| Social Value    | Intrinsic Value |                    | Image                                                                              | Story                                     |
|                 | Economic Value  | Industrial Value   | Cash                                                                               | Credit                                    |
|                 |                 | Instrumental Value | Competitiveness                                                                    | Attractiveness                            |

## 2. The DMZ(De-Monetization Zone) of Culture

### De-monetization of Value Transactions

= Use of non-currency tokens (intangible tokens)  
+ Purchase behavior oriented toward non-monetary (intangible) values

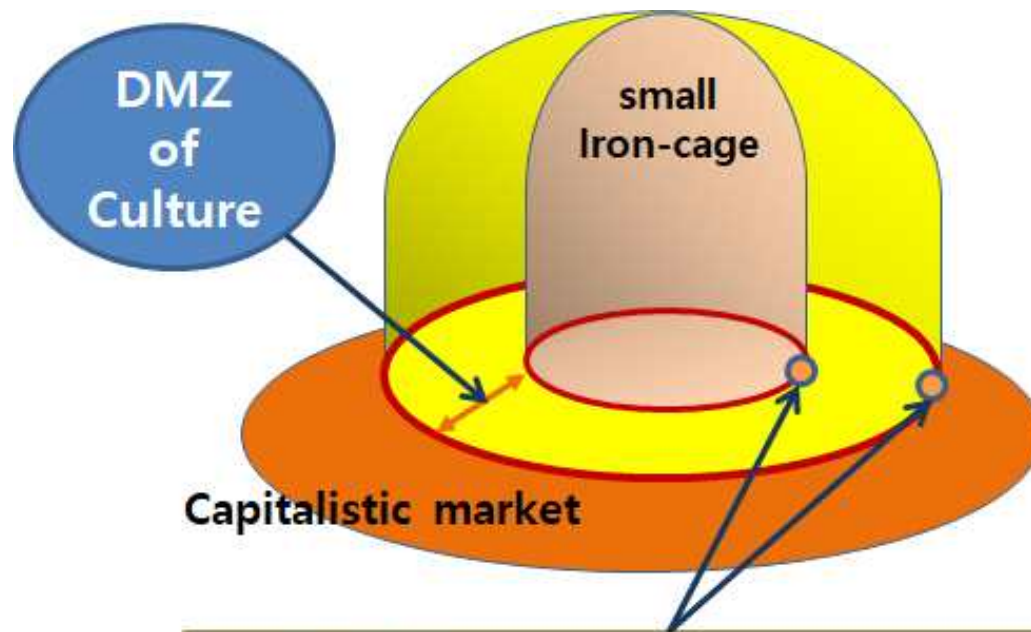


| Form & utility of Culture in Trading | Change in Presence of culture                                                               | Change in Characteristics of culture                          | Changes in Trading methods                                                      |
|--------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------------------------|
|                                      | De-materialization                                                                          | De-culturalization                                            | De-monetization                                                                 |
| Cultural Symbols                     | ↑                                                                                           |                                                               | ↑                                                                               |
| Cultural Services                    | Digitization<br> <br>Institutionalization<br> <br>Artistic representation and symbolization | Paid Subscription Services<br> <br>Commoditization of culture | Spending for non-monetary value<br> <br>Using credit and new transaction tokens |
| Cultural Goods                       |                                                                                             | ↓                                                             | ↓                                                                               |

## The Competition Among Big Techs to Construct Cultural DMZs

| Key Elements of technology                                                               | How Decentralized Trading Works | DMZ deployment practices                              |
|------------------------------------------------------------------------------------------|---------------------------------|-------------------------------------------------------|
| <b>Information Management of credit</b><br><br><b>+</b><br><br><b>Alternative tokens</b> | Membership                      | <b>Membership Services</b>                            |
|                                                                                          | Mileage rewards                 | <b>Airline miles, multi-level marketing...</b>        |
|                                                                                          | Recommendation                  | <b>SNS, IOB Platform</b>                              |
|                                                                                          | Credit-based transactions       | <b>Credit card</b>                                    |
|                                                                                          | P2E                             | <b>Online games, subscription economy services...</b> |
|                                                                                          | Fintech services                | <b>Kakao Pay, NAVER Pay...</b>                        |
|                                                                                          | Crypto Digital Currency         | <b>Bitcoin, NFT...</b>                                |
|                                                                                          | CyberMoney                      | <b>various online game money</b>                      |
|                                                                                          | Securities issuance             | <b>Department store gift certificates</b>             |

# A Proposal for a Cultural DMZ to Support Cultural Enterprises Trapped in a JSA



**New legislation & Support program  
for Cultural-social Enterprises, Cultural-NPOs**  
ex 1) MCST's legislating effort to introduce  
new legal status of the juridical-person  
for voluntary associations of arts & culture  
(文化法人制度) (in 2013)  
  
ex 2) SFAC's pilot program to promote  
the cultural-entrepreneurship  
(文化企業家支援) (2011-2013)

(Source : Hae-Bo  
KIM(2015))

# **The Essential Role of Public Policy**

## **Building Regulatory Frameworks for DMZ of Culture**

### **Examples:**

**France's 2019 legislation on the so-called "GAFA Tax" (Digital Service Tax)**

**EU's Artificial Intelligence Act(2023) banning emotion-recognition AI, etc**

### 3. <Emotional Economics> for Understanding Cultural Value Transactions

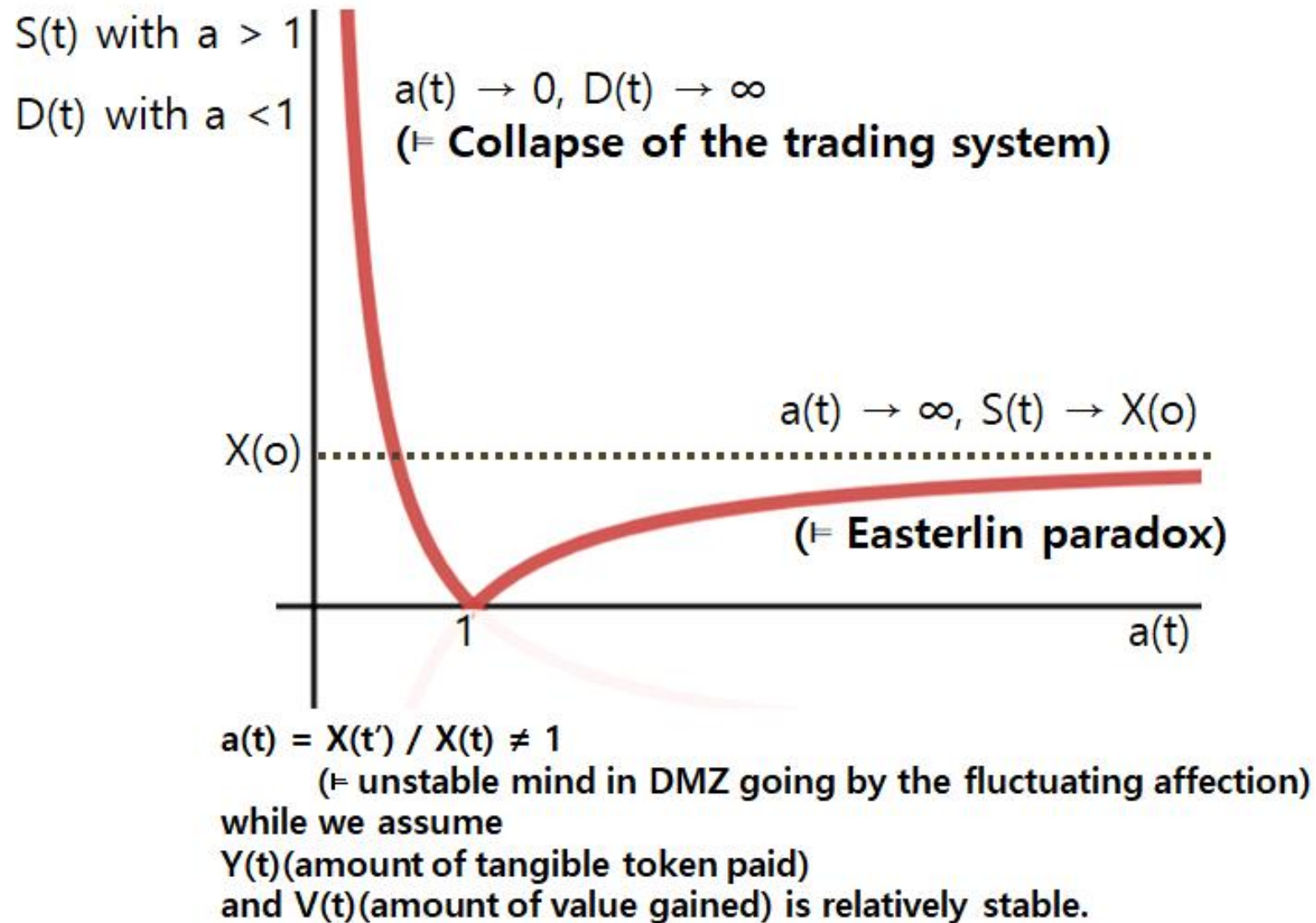
*"...(NFT is...) the emergence of a market for something that hasn't been possible to value before: emotion."*

— *Noelle Acheson, "Crypto Long & Short: What NFT 'Markets for Emotion' Say About Tech Business Models," CoinDesk, May 15, 2021*

Satisfaction does not result from the total value obtained, nor from the momentary affective emotion(情動) generated by the transaction.

Instead, it is shaped by the gap between expectation and perception of volume of intangible payment.

# The Satisfaction–Dissatisfaction Curve of Emotional Economics



The satisfaction–dissatisfaction curve offers a conceptual foundation for the dynamics of Emotional Economics operating within DMZs like Fandom economies.

This also help us to understand how to innovate the public cultural services.



Random photo cards for idol fandom

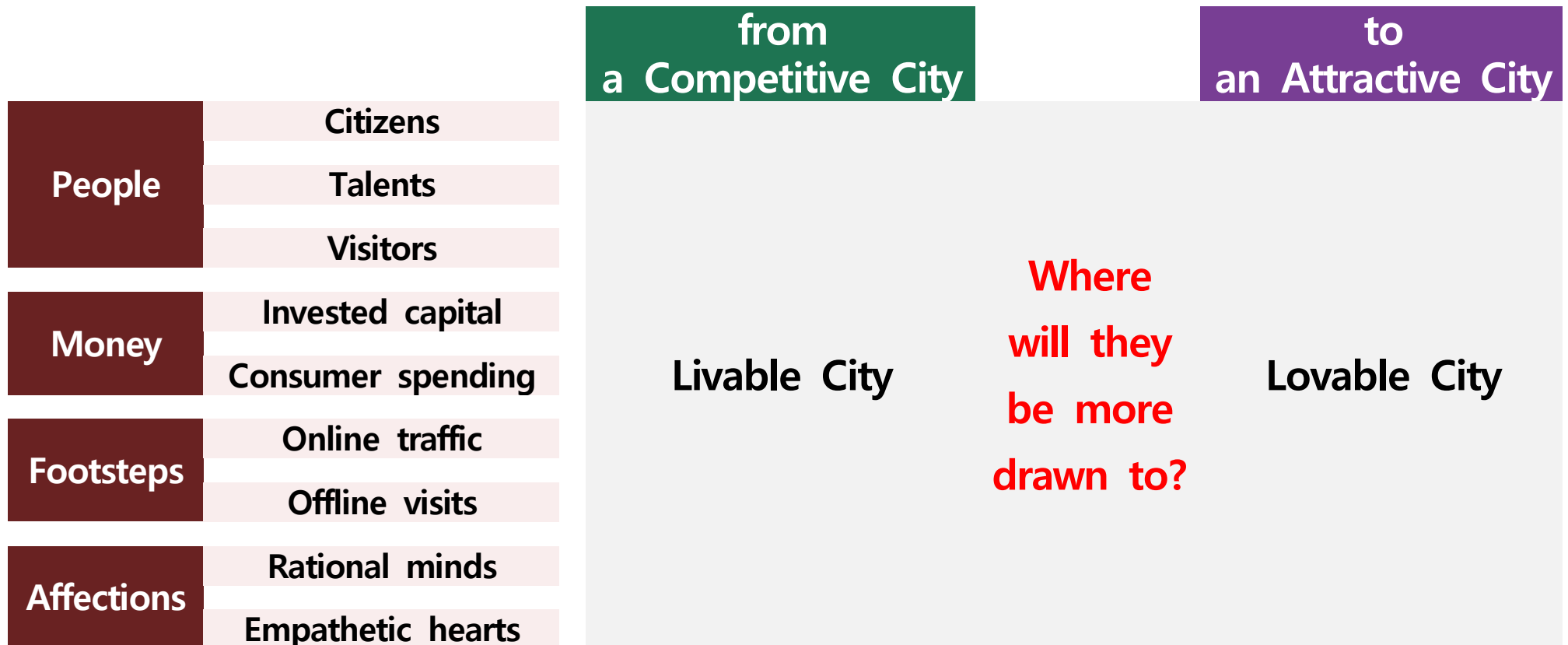
4.

## New Proposal and Case for Cultural Investment – The City as a Vessel of Cultural Attraction

### Urban Competitiveness and Attractiveness

- two core elements of the instrumental value of <3-I Cultural Values for ABC-P>

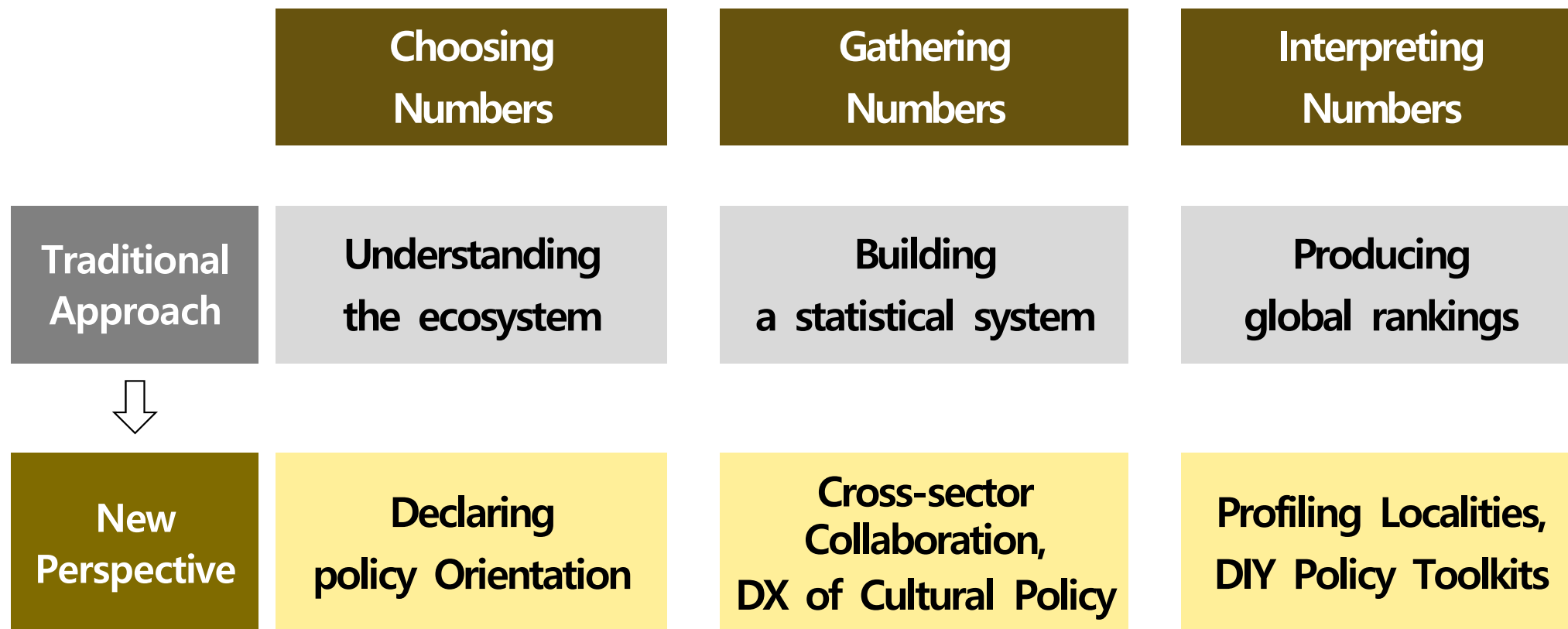
Shifting from <Global Competitiveness> to Locally Rooted <Cultural Attractiveness>



# Initial Conceptual Framework for the World Cities Attractiveness Index

|                                        |                        |                          |                                                                                                                                                                                                                                                                                            |
|----------------------------------------|------------------------|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Concept of Urban Attraction(魅力)</b> |                        |                          | = The power to attract Investors + Visitors + Relationship-based populations + Creative talents + Residents<br>= Inner charm (inherent value) + Outer appeal (magnetic force)<br>= Living conditions + Unique locality + Playfulness + Empathy<br>= Tangible assets + Intangible resources |
| <b>Components of Urban Attraction</b>  |                        |                          | <b>sub-domains (to be consulted)</b>                                                                                                                                                                                                                                                       |
| <b>Attraction</b>                      | = Charm<br>+<br>Appeal | <b>Living Conditions</b> | Economic Prosperity                                                                                                                                                                                                                                                                        |
|                                        |                        |                          | Housing Stability                                                                                                                                                                                                                                                                          |
|                                        |                        |                          | Jobs and Opportunities                                                                                                                                                                                                                                                                     |
|                                        |                        |                          | Social Environment & Quality of Life                                                                                                                                                                                                                                                       |
|                                        |                        | <b>Unique Locality</b>   | Distinct and Authentic Local Assets                                                                                                                                                                                                                                                        |
|                                        |                        |                          | Cultural and Artistic Resources                                                                                                                                                                                                                                                            |
|                                        |                        |                          | Diversity of People and Culture                                                                                                                                                                                                                                                            |
|                                        |                        |                          | Geographic Connectivity                                                                                                                                                                                                                                                                    |
|                                        |                        | <b>Playfulness</b>       | Cultural Events and Artistic Projects                                                                                                                                                                                                                                                      |
|                                        |                        |                          | Nightlife and Street Culture                                                                                                                                                                                                                                                               |
|                                        |                        |                          | Tourism Resources and Infrastructure                                                                                                                                                                                                                                                       |
|                                        |                        |                          | Civic Cultural Participation                                                                                                                                                                                                                                                               |
|                                        |                        | <b>Empathy</b>           | Expressed Attraction(Buzz)                                                                                                                                                                                                                                                                 |
|                                        |                        |                          | Evaluated Attraction                                                                                                                                                                                                                                                                       |
|                                        |                        |                          | Visitor Satisfaction                                                                                                                                                                                                                                                                       |
|                                        |                        |                          | Resident Satisfaction                                                                                                                                                                                                                                                                      |

# Beyond Metrics: A New Cultural Policy Perspective on Numbers



## Investing in Cities as Platforms for Intangible Cultural Attraction

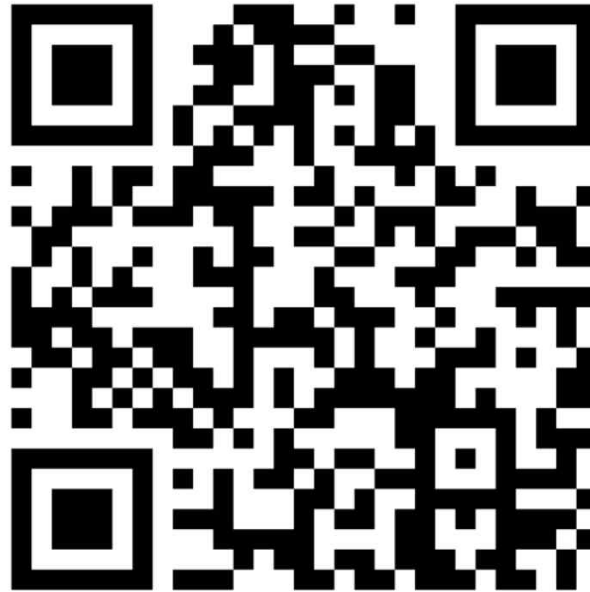
so that the affective buzz generated by real, embodied humans does not remain confined to the DMZs of BigTech platforms. Instead, it must resonate through the public squares of our cities.

The Attractiveness Index seeks to  
broaden the focus of urban policy

- from an economy-centered approach to one that prioritizes culture and locality

Cultural policy should go beyond the boundaries of arts and culture  
to embrace local identity and empathetic humanity, rooted in locality.

The detailed research plan is available for download:



<https://brunch.co.kr/@seaokof/98>

Your comments, contributions to the survey on the definition,  
and interest in joint research are most welcome.

✉ Dr. Hae-Bo Kim (Project Manager) - [sea@sfac.or.kr](mailto:sea@sfac.or.kr)