

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)

- . Advising Director, Policy & Strategy Division, Seoul Foundation for Arts and Culture (SFAC)
- . 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



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

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

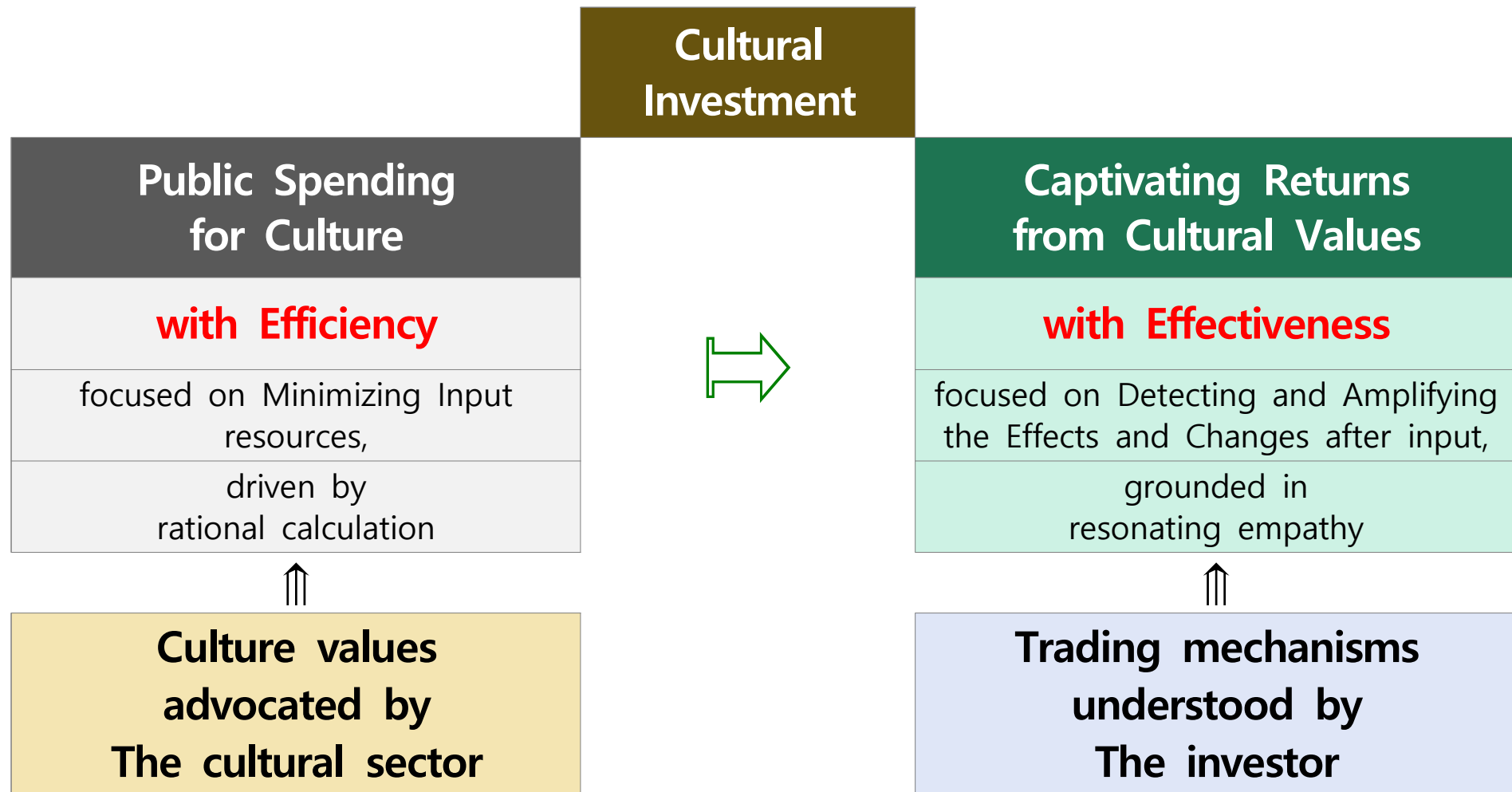
『Research on Strategies to Enhance Regional Attraction and Vitality through Locality & Culture』

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?**

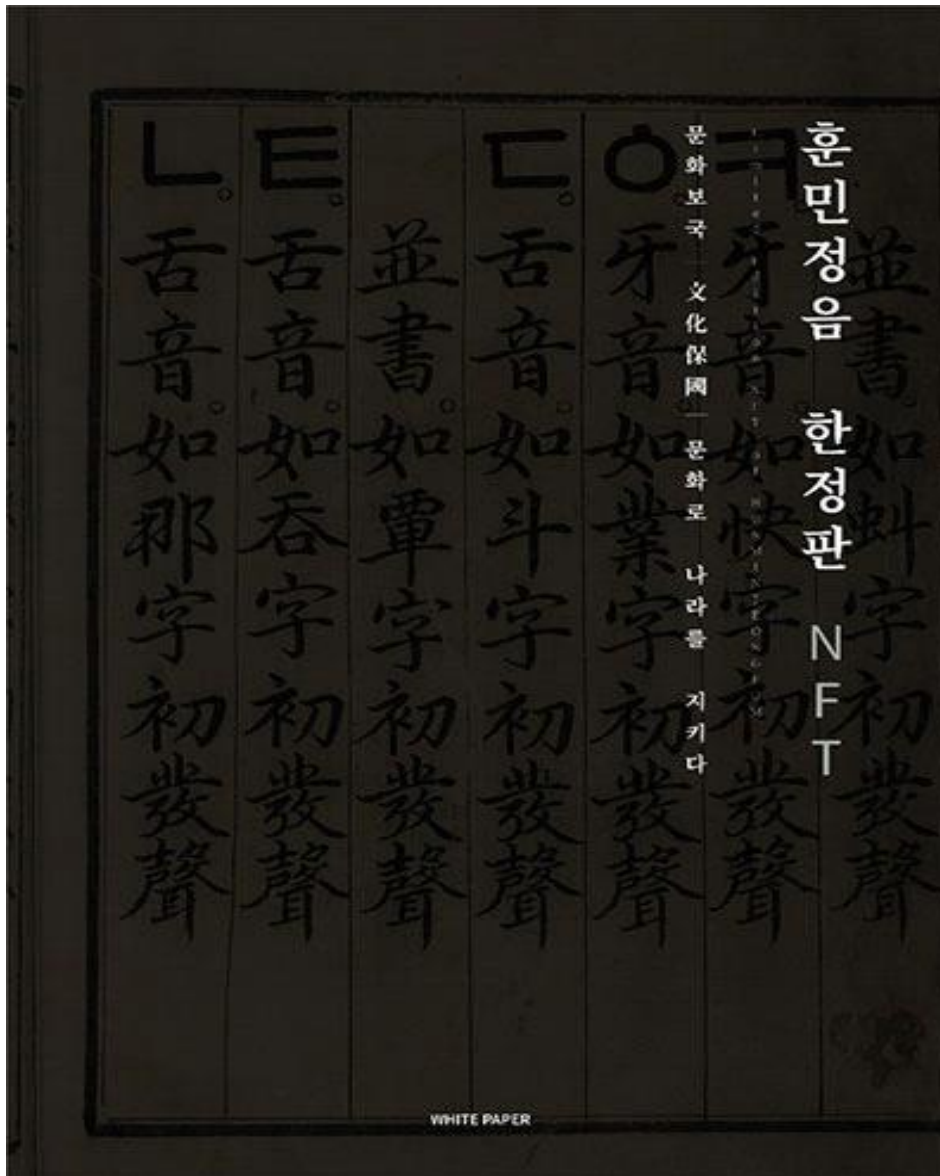


Can we understand today's cultural phenomena
through the old concepts and value systems of culture?
... Is Culture Naturally a Shared Resource, or Can It Be Privately Owned?



"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

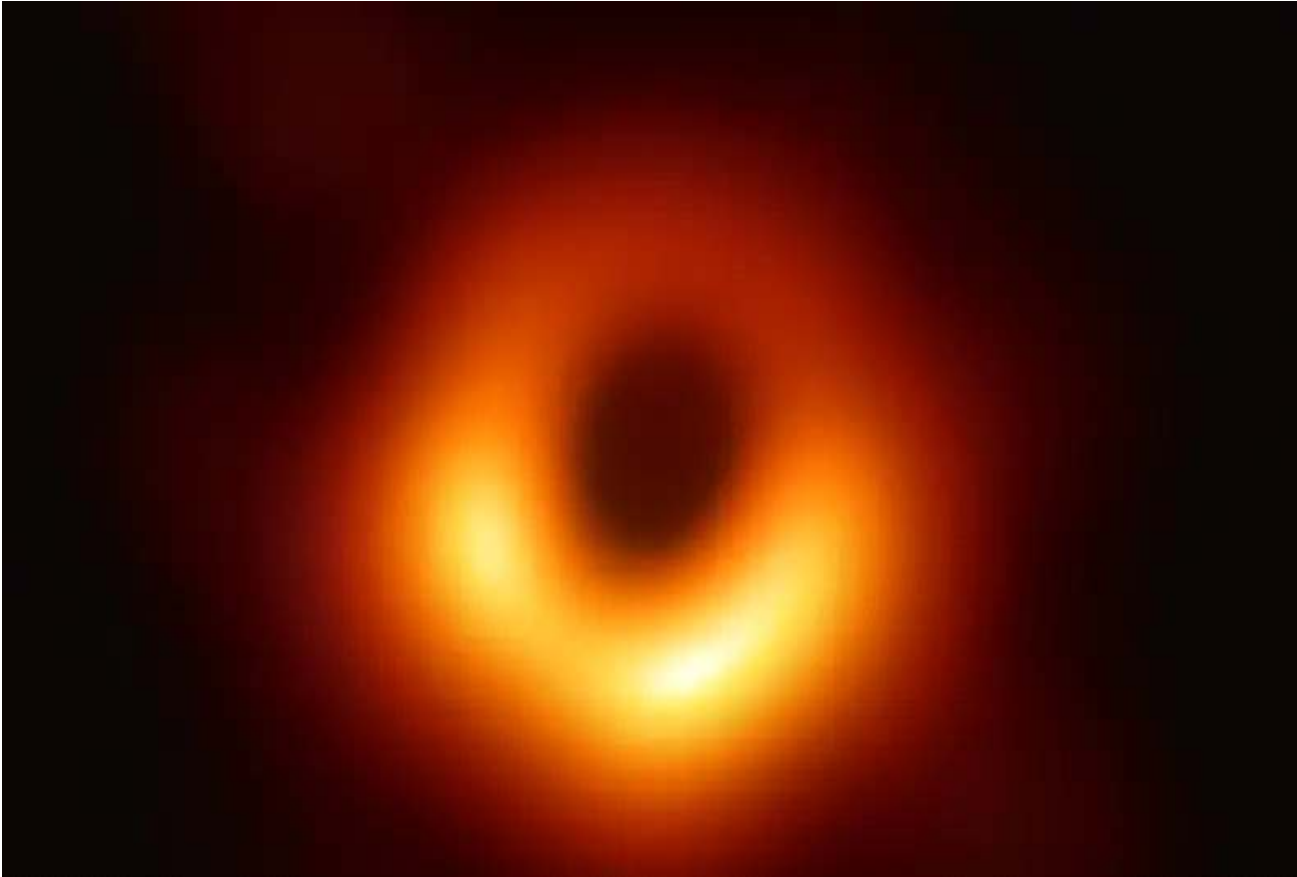
Gi-Jeong-Sangsaeng

(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

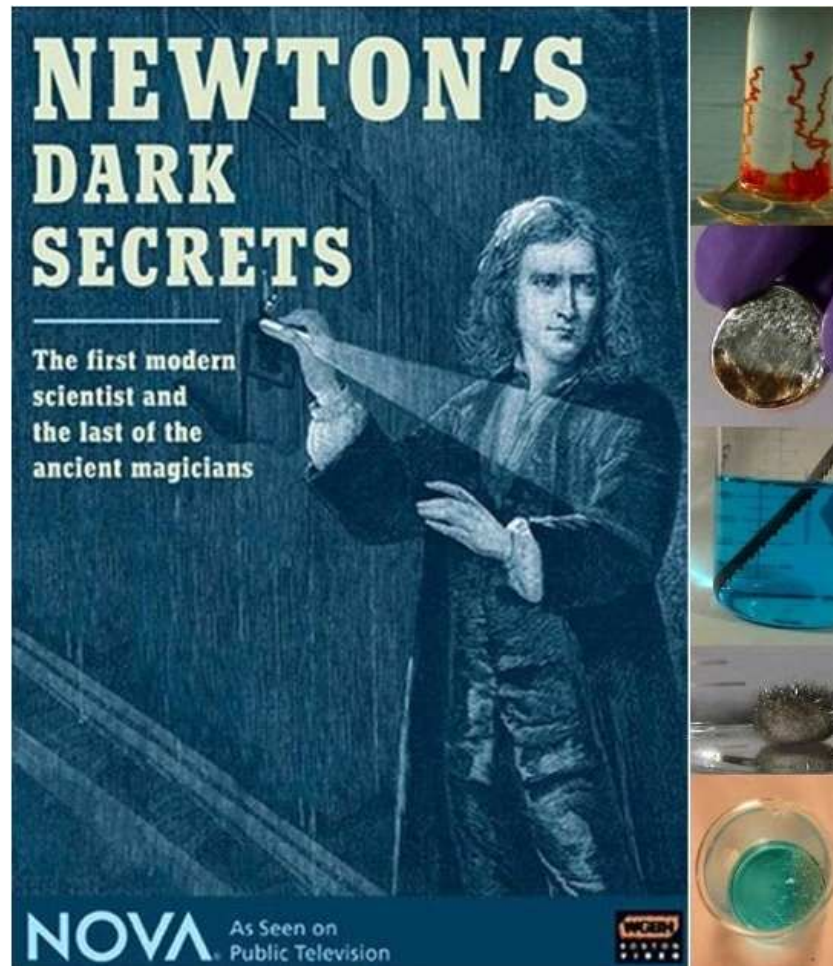
(Source : [BBC News Korea](#), April 11, 2019).

“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)

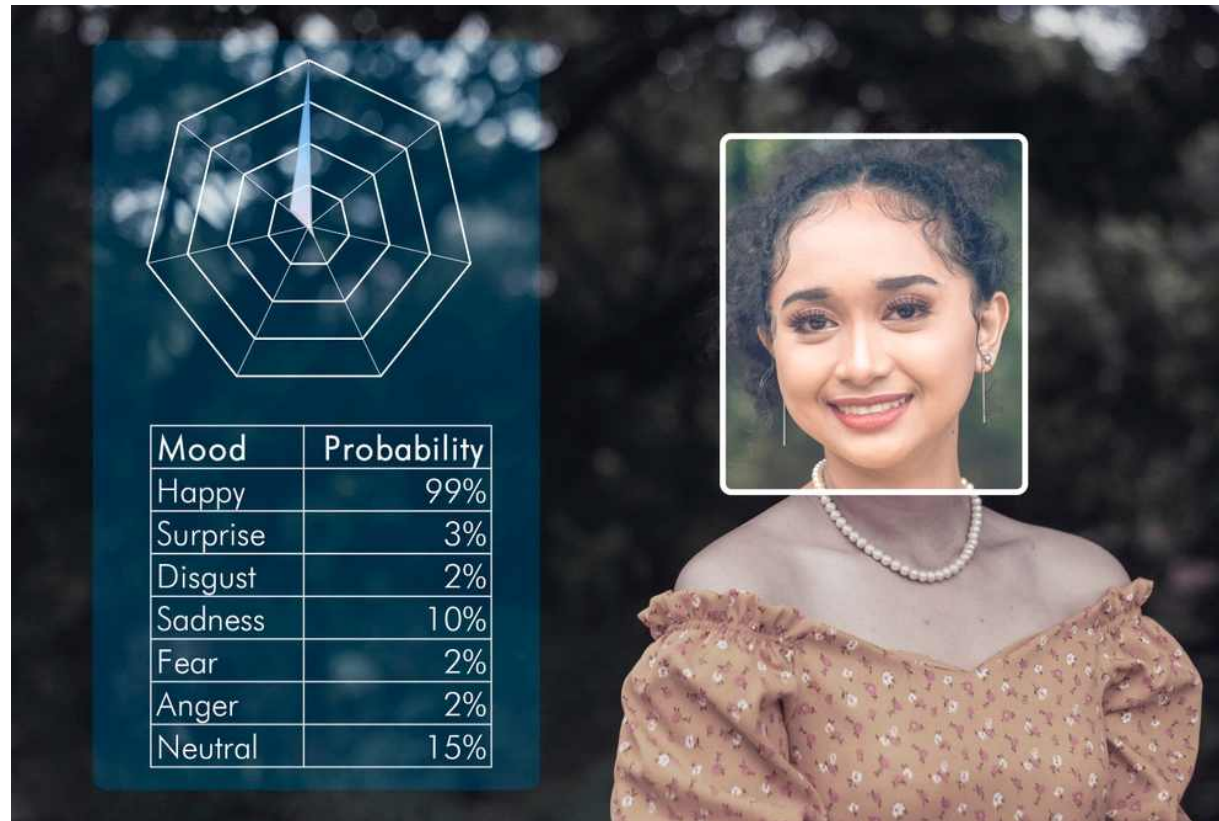
"All things are created by the mind"
(from the Avataṃsaka Sūtra(華嚴經))

Understanding the Affective Economy

: When the Movements of the Mind Generate Money.

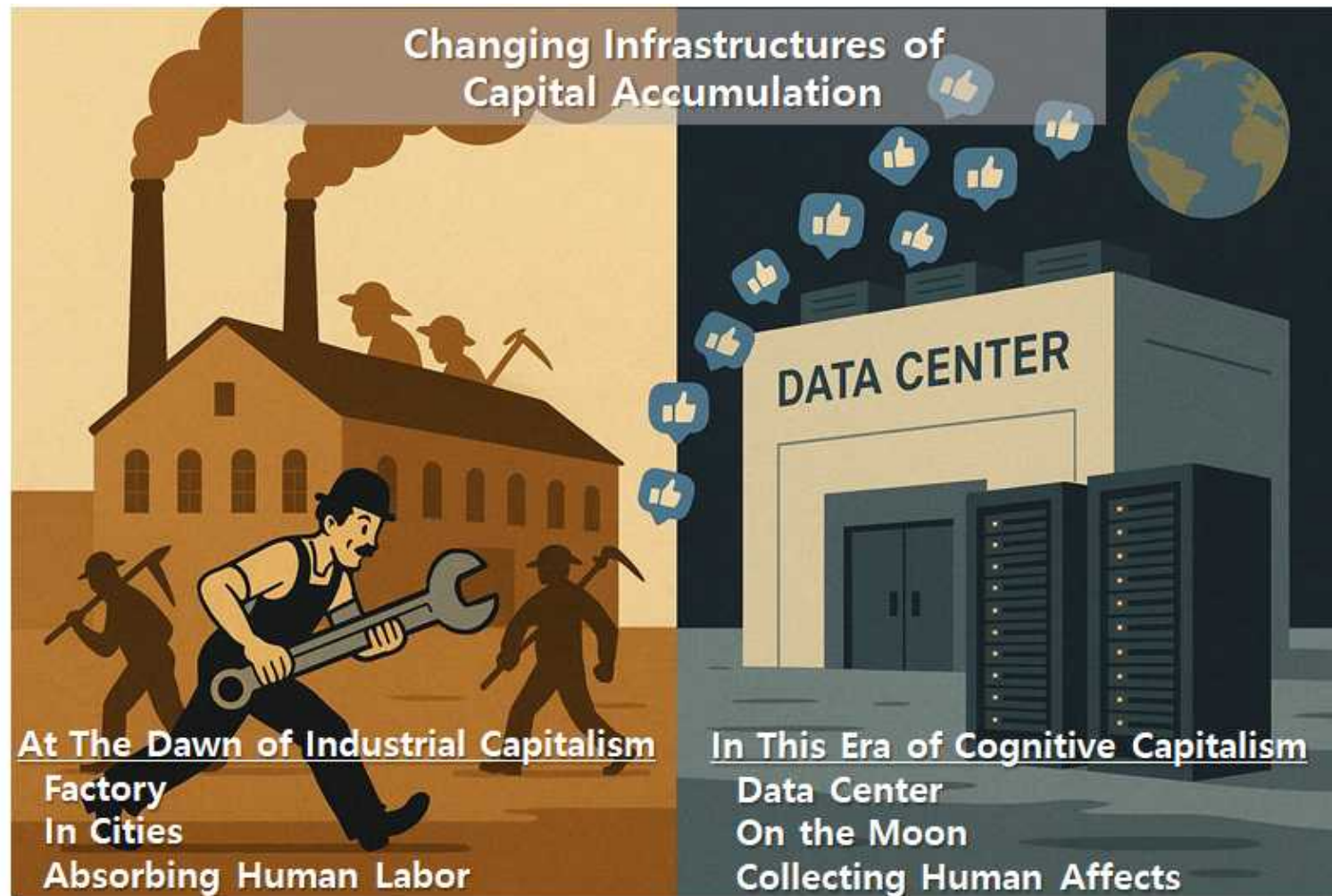
Emotions are no longer fleeting;

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.**

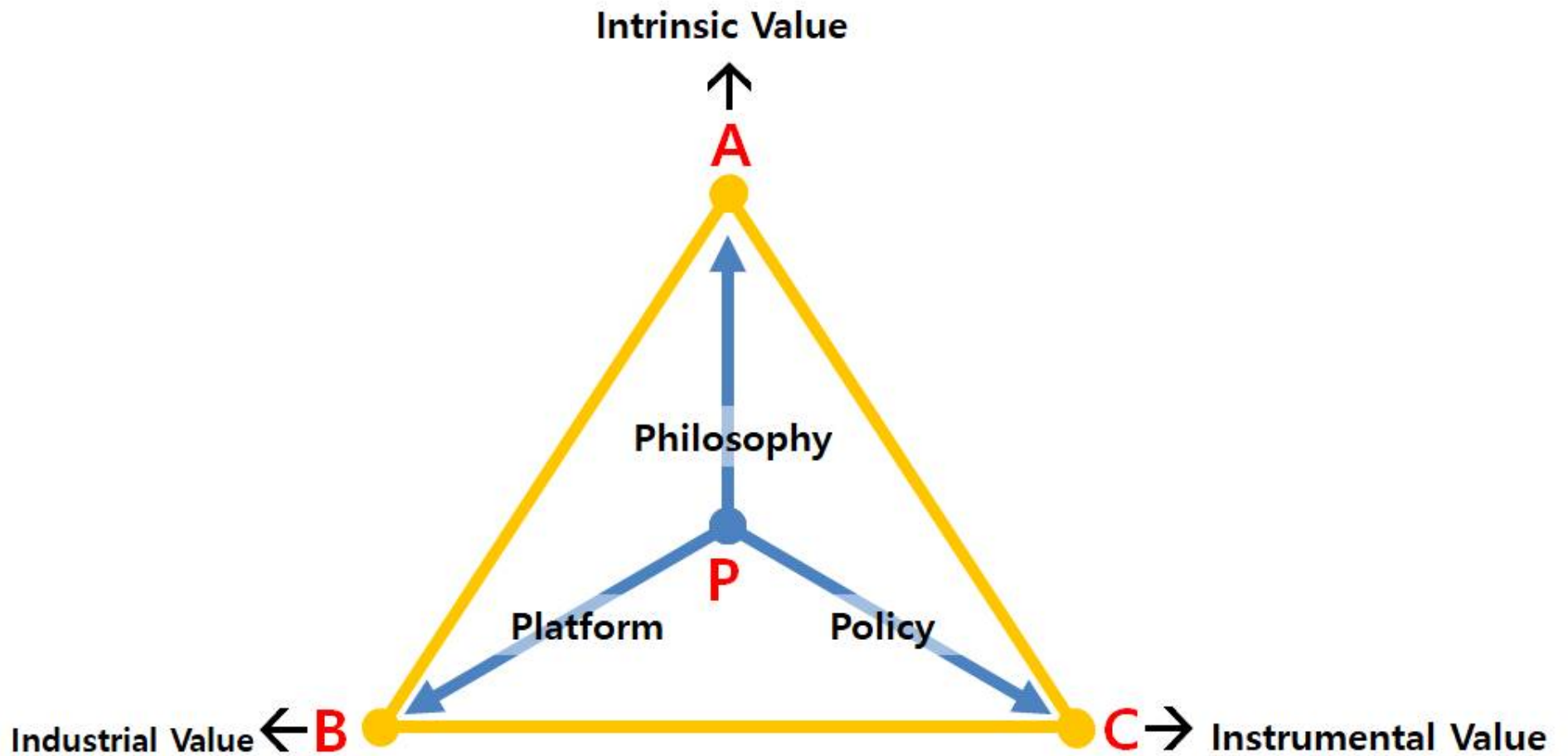
Shift from
<Arm's Length> principle,
centered on limiting state intervention
to <Arms' Length> principle,
that recognizes the autonomy and multiplicity of stakeholders.



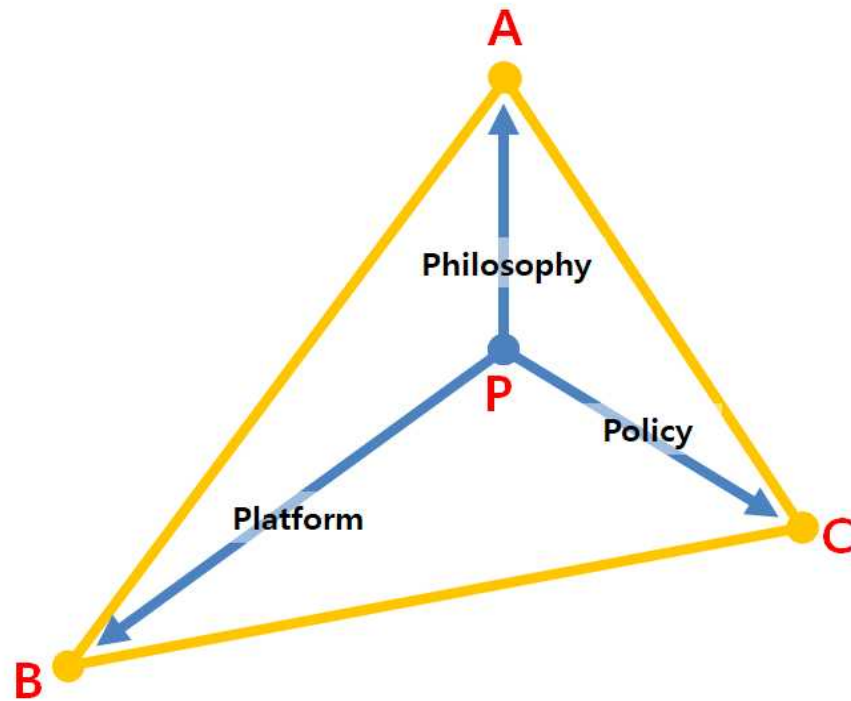
1. The <3-I Cultural Values for ABC-P> Model

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

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

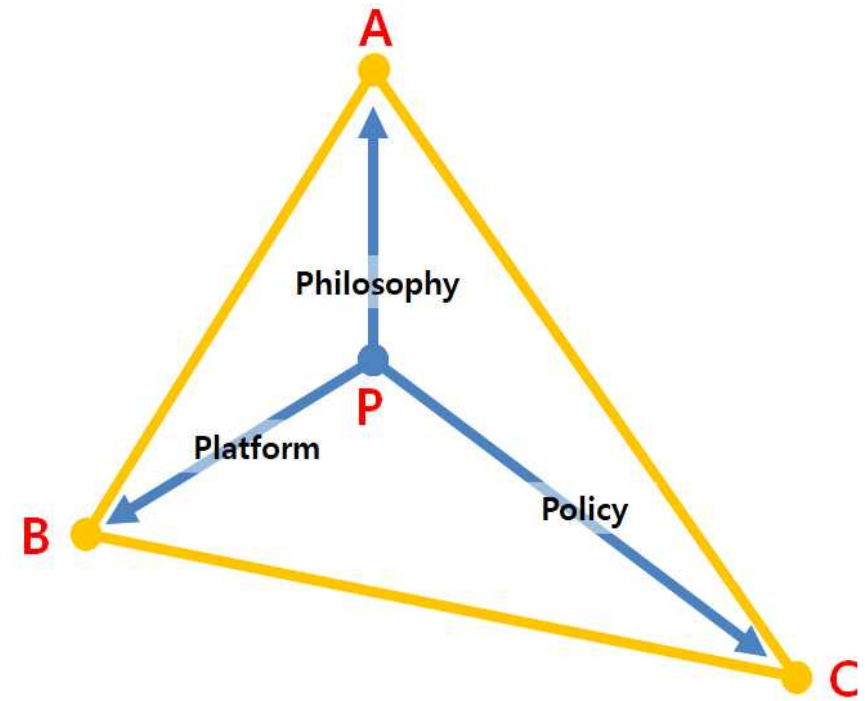


3-I Values of Culture for ABC-P Balanced Cultural Ecosystem



AB'C-P Model

- An ecosystem dominated by Business



ABC'-P Model

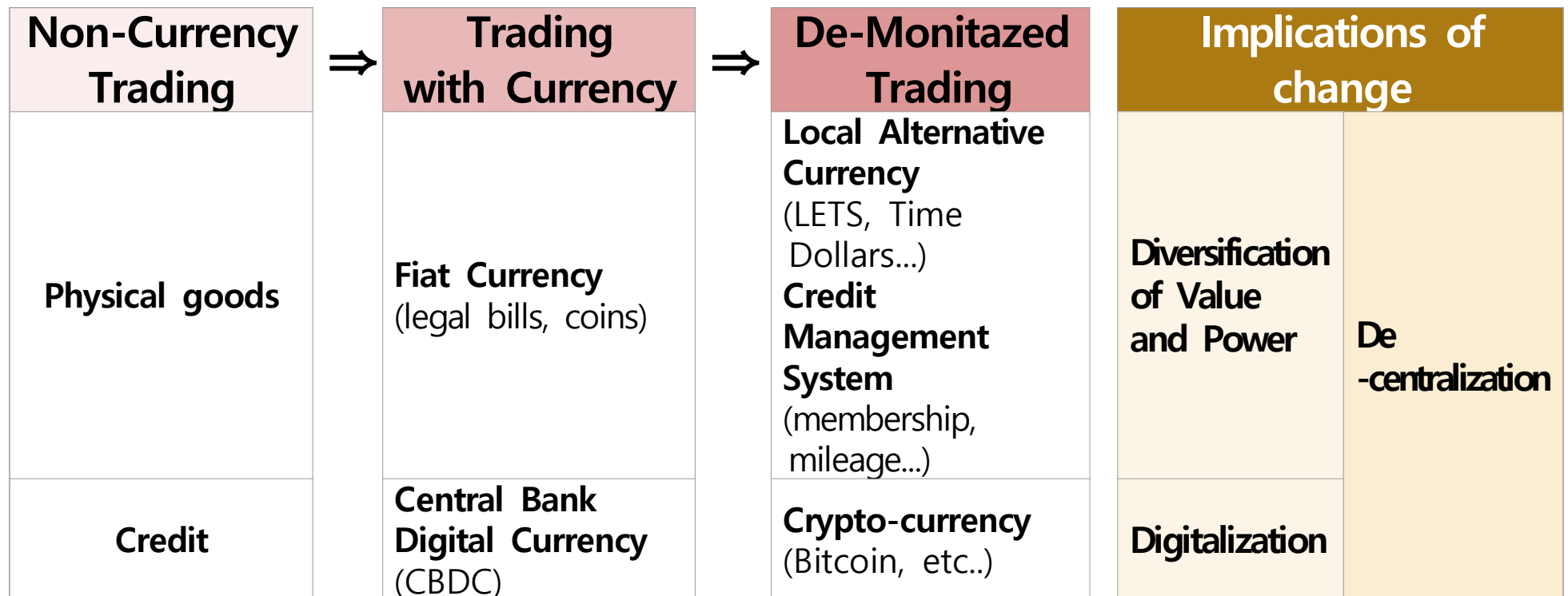
- An ecosystem dominated by Government

Cultural Values			Value Elements Offered by Arts and Culture and Their Changing Importance Over Time	
			Previously prioritized elements (Tangible)	Newly emphasized elements (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

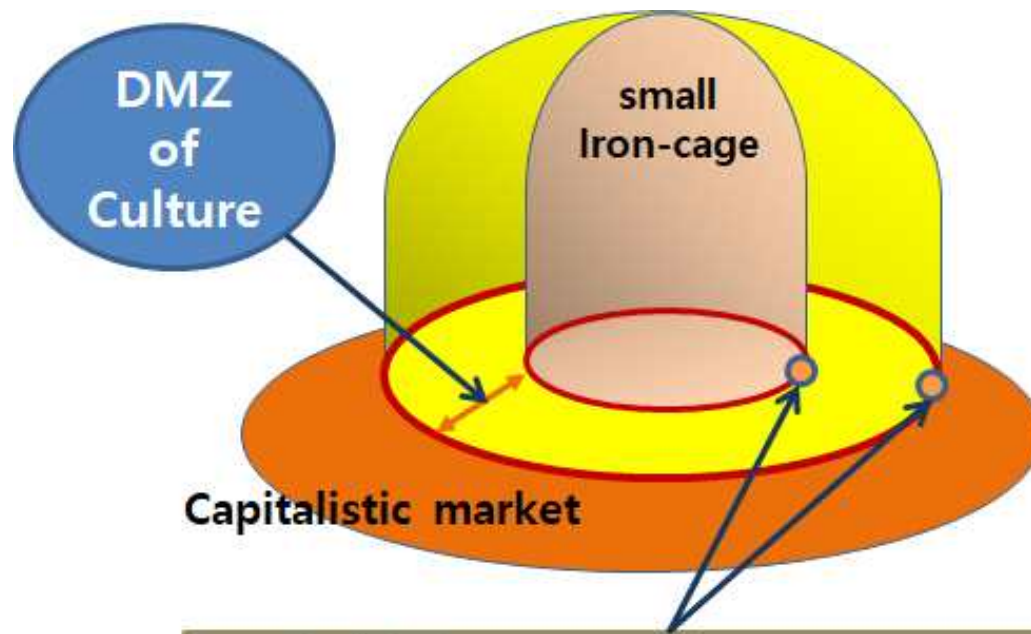


Form & utility of Culture in Trading	Change in Presence of culture	Change in Characteristics of culture	Changes in Trading methods
	De-materialization	De-culturalization	De-monetization
Cultural Symbols	↑		↑
Cultural Services	Digitization Institutionalization Artistic representation and symbolization	Paid Subscription Services Commoditization of culture	Spending for non-monetary value 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
Information Management of credit + Alternative tokens	Membership	Membership Services
	Mileage rewards	Airline miles, multi-level marketing...
	Recommendation	SNS, IOB Platform
	Credit-based transactions	Credit card
	P2E	Online games, subscription economy services...
	Fintech services	Kakao Pay, NAVER Pay...
	Crypto Digital Currency	Bitcoin, NFT...
	CyberMoney	various online game money
	Securities issuance	Department store gift certificates

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

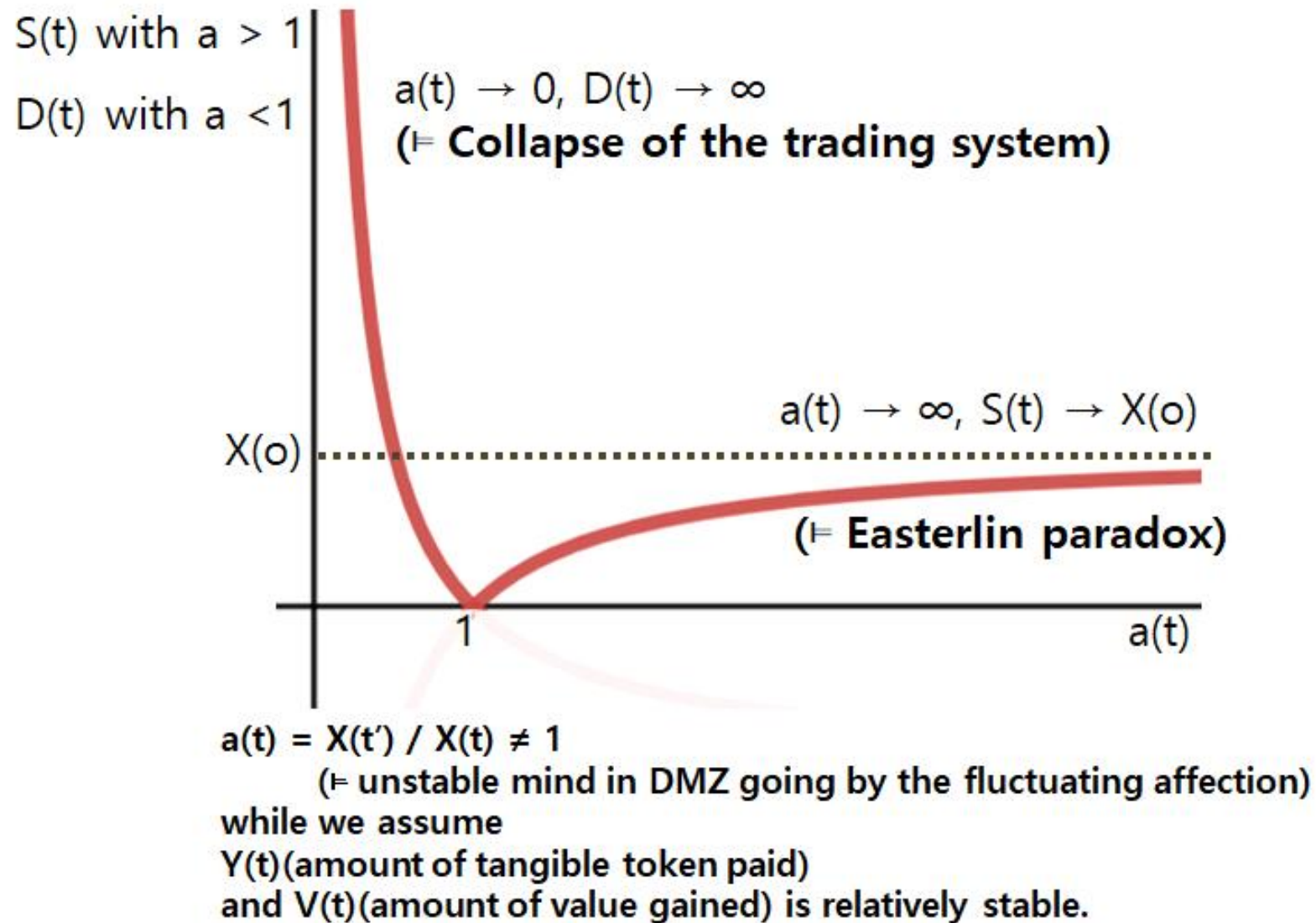
"...(NFT is...) the emergence of a market for something that hasn't been possible to value before: emotion."

— *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.

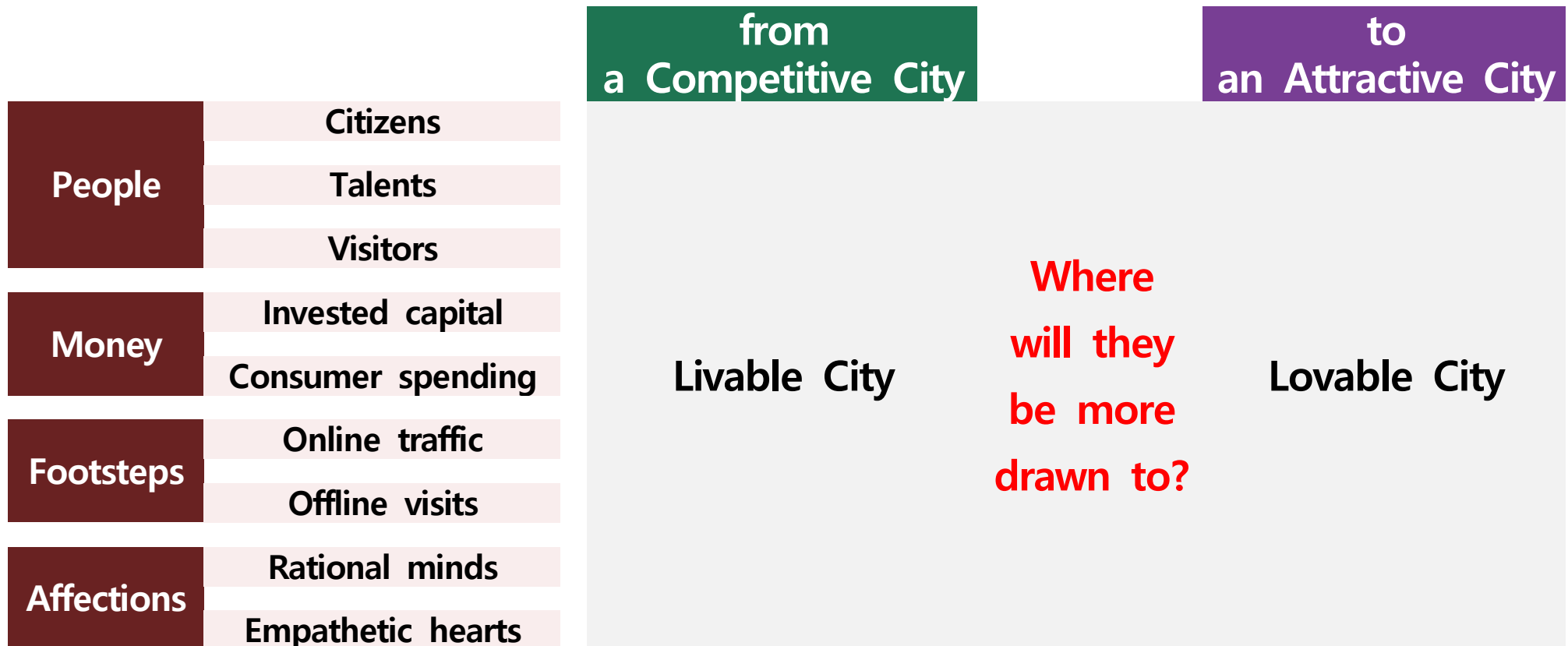
New Proposal and Case for Cultural Investment

– 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>

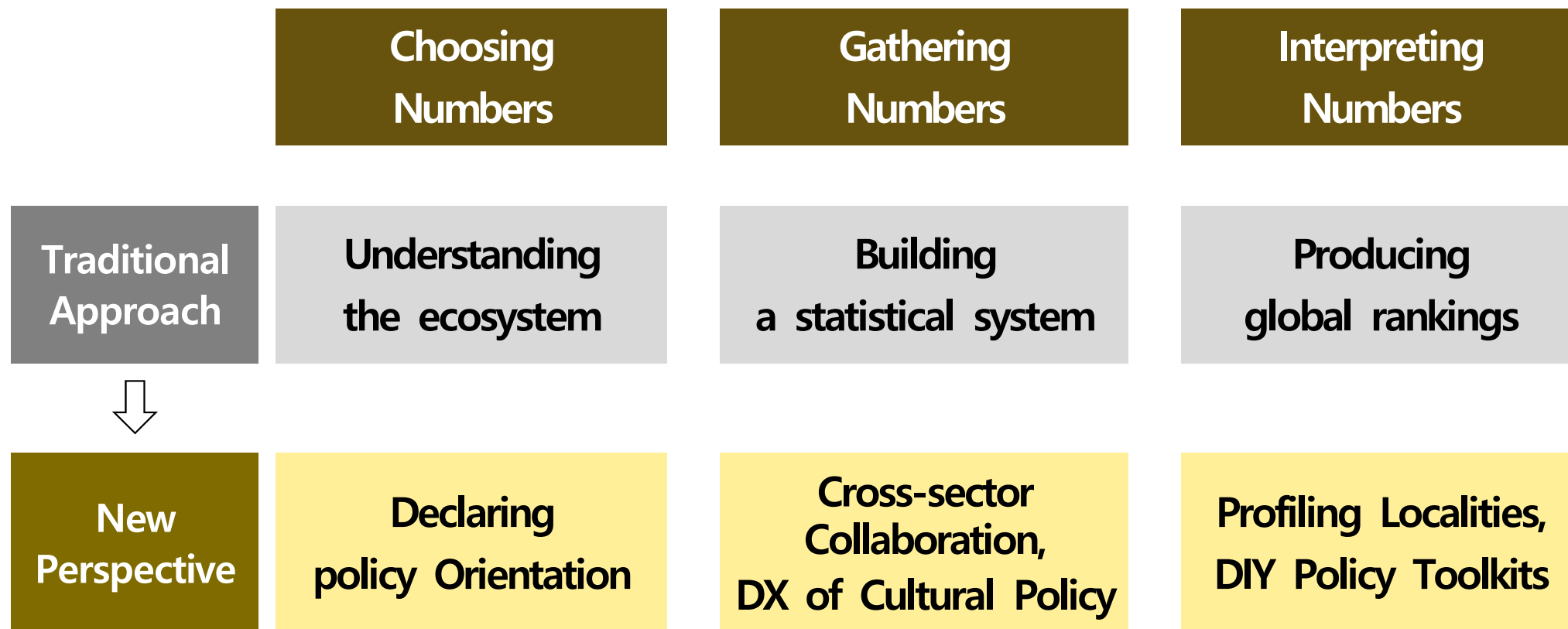
Shifting from <Global Competitiveness> to Locally Rooted <Cultural Attractiveness>



Initial Conceptual Framework for the World Cities Attractiveness Index

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

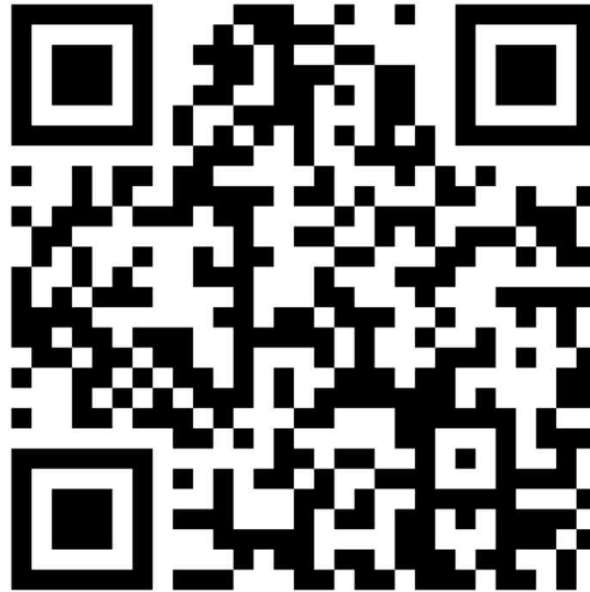
The Attractiveness Index seeks to
broaden the focus of urban policy

- 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