

## The Cost Opportunity of Creative Writing - Some Examples for Italy -

Lara Gitto<sup>1</sup>

### Abstract

More than just a pastime for literature lovers, dedicating yourself to creative writing allows you to realize the dream of considering yourself/being considered a writer. The costs to sustain in order to dedicate oneself to creative writing, which, in recent years, has become increasingly widespread, in Italy and abroad, even in the context of university courses, are not negligible, and do not guarantee that they can be recovered quickly as soon as the goal of succeeding in publishing one's own book has been achieved.

This contribution presents some economic reflections on the subject, assuming the elements to be taken into consideration, when applying an economic evaluation tool such as the cost-benefit analysis, to estimate the expected benefits and the opportunity cost of dedicating oneself to learn creative writing techniques.

**Keywords:** Creative writing; benefits; editorial publication; free time opportunity cost.

**JEL Codes:** Z11; Z13; I31; D04.

### 1. Introduction

When we were younger and still students at school, on the days when a written assignment had to be carried out, a sinister fear meandered among the students before taking the test. The fear of the blank sheet in front of the track proposed by the teacher, represented a pitfall such as to cause huge anxiety.

Years later, the situation is reversed: the very young students struggling with the drafting of a text have become adults, and writing is no longer a fear for them, but, rather, a diversion, a passion, a hobby to be cultivated with interest and, if possible, to make profitable.

According to data released by AIE (*Associazione Italiana Editori*), the Italian Publishers Association, in 2018 the percentage of the population that read at least one book is, in Italy, equal to 60%. Italy loses significantly in the international comparison. In fact, during the same year, 90% of Norwegians, 86% of British and 84% of French people read at least one book. Although not all Scandinavian countries are ranking first, they are at the top of the readership rankings. On the other hand, the proportion of Italians who habitually dedicate themselves to reading is 60%, a lower percentage than Spain (62.2%) or Germany (68.7%)<sup>2</sup>. An interesting aspect concerns the percentage of readers in different age groups. Sixty per cent of Italian readers are, in fact, a mean value among very different realities. Forty per cent of the school-age population (aged six and over) reads at least one book per year; 77.2% of readers opt for paper books while 7.9% prefers only e-books or online books [1].

In spite of the scanty population of readers, the number of people joining creative writing schools, cultural movements that place the exercise of writing as their goal, is growing larger. It is estimated that, in Italy, the total number of students enrolled in creative writing programs (according to a definition attributed them in the US, in the last century) is between 30,000 and 50,000 (see <https://www.inchiostronero.it/letteratura-come-diventare-scrittori-il-boom-dei-corsi-di-scrittura-creativa/>).

Creative writing, born abroad and widespread in many countries as a spontaneous manifestation, has become a custom phenomenon, sometimes even with satisfactory editorial results; there is the flourishing of schools that propose the learning of narrative techniques [2-3].

<sup>1</sup> Associate professor of Political Economy, Dipartimento di Economia, Università degli Studi di Messina. Piazza Pugliatti, 1, 98122 Messina (Italy). E-mail: [Lara.Gitto@unime.it](mailto:Lara.Gitto@unime.it)

<sup>2</sup>See <https://www.truenumbers.it/lettori-di-libri/>

The principle behind these courses is simple: participants learn to write by measuring themselves, concretely, with the elaboration of a text. These courses should be taught by a teacher with proven skills in writing practice, for example, a lecturer of literature, or be interested and competent readers.

## 2. The origins of creative writing

Creative writing comes from non-European countries: at the beginning of the twentieth century, the American pedagogue John Dewey developed the concept of “active school”, connotating education as a constantly changing process, in which practical experience has a decisive value [4-5]. It is on these premises that, in the context of university courses, in the first decades of the twentieth century, the first narrative writing courses started, which, not long after, transformed into creative writing courses, as autonomous teachings [6-7].

In general, creative writing courses have an experimental character and leave room for innovative literary trends: some great contemporary American writers have discovered and cultivated their narrative talent within these “workshops” (for example, Saul Bellow, Jack Kerouac, Francis Scott Fitzgerald, Raymond Carver, John Irving or, more recently, Jonathan Safran Foer and Ian McEwan<sup>3</sup>).

In Europe, creative writing has developed differently across countries. In the UK and Germany, creative writing initially found its way into academia, with specific degree courses, compared to private organizations in Southern Europe.

Over the last decade, associations that brought together schools of creative writing were developed. Founded in 2010, the EACWP (European Association of Creative Writing Programmes) is the most representative creative writing association in continental Europe, comprising of 29 institutional members from more than 15 European countries. The main purpose of the EACWP is to strengthen and improve collaborative programmes, pedagogical training and exchange between institutions involved in the field of creative writing, located, in Europe, although not exclusively. To this end, the activity of the EACWP focuses on all forms and possibilities of creative writing, also carrying out a “mapping” of creative writing schools in Europe, considering multimedia and digital tools (see <https://eacwp.org>).

Experience, methodologies, and practical applications are presented differently from one school to another. Some schools teach more properly the narrative technique; others have the ambition to make their members take an introspective “journey” to learn more about themselves through writing. Yet others believe that the primary objective of creative writing schools should be to improve their writing style, by teaching them to read more consciously and critically<sup>4</sup>.

The exponential growth of this phenomenon in the last decades, has been “institutionalized” with the inclusion, in university courses, of creative writing programs. The debate is also enriched by critical observations on its real usefulness (see, for example, <http://www.spazinclusi.org/news/caleidoscopio/sono-utili-i-corsi-di-scrittura-creativa/>, but also <https://www.giacomoschuller.it/corsi-di-scrittura-creativa-sono-utili/>, <https://www.alessandraperotti.com/a-chi-sono-utili-i-corsi-di-scrittura-creativa/e> <https://www.tecnicaldellascuola.it/le-scuole-scrittura-creativa-un-imbroglio>).

## 3. The economic value of creative writing and the possibility of applying the cost-benefit analysis

If, from a subjective and emotional point of view, writing has an undoubted value, the estimation of the economic value of creative writing has never been realized. There is a lack of reliable data on the population enrolled within a creative writing course: it is known that many of them are the participants in cultural movements that usually organize readings and writing workshops, distinguishing, among them, occasional participants, who only occasionally use to dedicate themselves to such activities, and more frequent attendants. A question, therefore, is how to evaluate the costs and benefits of engaging in such activities.

The economic theory has made extensive use of cost-benefit analysis for the evaluation of investment projects [10-11]. Even in the case of creative writing we are in the presence of an investment project, even if with atypical characteristics: it is a long-term investment, from which a very personal and immaterial product can arise, which is the production of a text, an output that can be converted into (and usable through) material supports (a book, a cd-rom, etc.).

<sup>3</sup>Some interesting insights concerning the content of creative writing courses have been provided by Manera, 2009[8].

<sup>4</sup> In Italy, creative writing has been taking hold since the '80s, thanks to the initiative of some writers: Giuseppe Pontiggia in Milan [9]; the Homer School in Rome (see [www.mercatocentrale.it](http://www.mercatocentrale.it)), which counted Vincenzo Cerami among its teachers; Alessandro Baricco in Turin ([www.scuolaholden.it](http://www.scuolaholden.it)).

From an operational point of view, the cost-benefit analysis compares all the costs and benefits directly and indirectly related to an investment activity [12]. The effects, whether positive or negative, direct and indirect, must then be expressed with a homogeneous unit of measurement so to allow aggregation<sup>5</sup>.

The calculation of the monetary value of costs and benefits is carried out through a procedure that constitutes one of the distinctive features of the analysis methodology [13]. Amartya Sen argues that cost-benefit analysis is based on the idea that it is useful to undertake an activity only if the benefits outweigh the costs; further, this technique allows costs and benefits to be added, considering all the consequences of the activity in question to be assessed without requiring ethical norms or principles [14].

In more recent formulations, however, the cost-benefit analysis explicitly takes into account distributional problems on the basis of the Hicks-Kaldor efficiency criterion [15]. The enhancement of the benefits through the use of the maximum sum that can be spent by the beneficiaries for the acquisition of the benefits, implies that the same individual is the best judge to quantify the utility obtained from the investment. This value is a subjective attribute, linked to the individual utility.

The distinctive feature of this evaluation technique is the principle of Willingness to Pay (WTP), which is the maximum sum that an individual considers fair to pay to obtain the effects of a given choice. This can be meant as a “compensatory variation”, which benefits those who make that choice. Instead, the “equivalent variation” corresponds to the Willingness to Accept (WTA) and is measured *ex ante*, being the maximum sum that an individual would be willing to accept instead of having to make a choice.

The WTP and the WTA, both theoretically computable, are not necessarily the same. While the former is limited by the maximum amount of resources available to the individual, the latter, theoretically, has no limits [16]. In the light of these considerations, the possibility of attributing a real or symbolic value to writing could be realized with the application of the cost-benefit analysis.

The estimation of costs must take into account the costs that can be monetized: they are direct and indirect, tangible and intangible [17]. Direct costs are the resources directly consumed for the realization of the project: an aspiring writer, fond of the old methods of writing, will disdain the use of the personal computer; his/her tangible direct costs will include the cost of paper and stationery (pen, pencils, eraser, etc.).

Among the indirect costs it is possible to include the cost of time to devote to writing. In the event that he/she would decide to pick up pen and paper and put pen to paper in the hours that would have otherwise been dedicated to idleness, there are no problems of measurement (even if it could be considered the opportunity to attribute a value to free time).

What happens, however, if the aspiring writer decides to interrupt work to write, or chooses to postpone work commitments – assuming that they are not too burdensome – to attend creative writing classes? The opportunity cost of the time spent in literary activity increases: for its quantification it can be considered, approximately, the average hourly remuneration that is renounced in view of a personal satisfaction given by writing.

If, then, the product of the author’s hours of reflection and writing is an original and interesting text, which is worth sharing with other aspiring writers or potential readers, the manuscript can then circulate within groups, cultural movements, within creative writing meetings, and it will receive consensus and criticism, but it will require more time, beyond that already spent, for reading or listening by other readers/players.

The benefit obtainable by the author is the knowability of his work, the approval by an audience, albeit limited, of readers. In turn, this small community of readers/critics of the work benefits from the pleasure of sharing a literary work, which will probably remain unknown to a wider audience. However, readers have to bear a cost, which is indirect and intangible, since, as it has been said, they have to devote time to reading.

Reflections can go even further. Let us assume that the text is so compelling and interesting that it is published and made available to the public: the first effect is, again, on costs, which will tend to increase. Costs, borne mostly by the author, in the event that he cannot count on a sponsor, are due to the “conversion” of the text into a real literary work (see [https://www.letteratour.it/teorie/A05\\_criteri\\_di\\_letterarieta.asp#:~:text=Un'opera%20letteraria%2C%20si%20sostiene,scopi%20non%20sono%20opere%20letterarie](https://www.letteratour.it/teorie/A05_criteri_di_letterarieta.asp#:~:text=Un'opera%20letteraria%2C%20si%20sostiene,scopi%20non%20sono%20opere%20letterarie) to select the criteria likely to identify a literature work).

A “book in progress”, to become a final editorial product, must go through many phases [18].

<sup>5</sup>See, for Europe, *Gazzetta ufficiale dell'Unione Europea*, 13.2.2015, *Metodo di esecuzione dell'analisi costi-benefici*.

The new writer, first, has to contact an editorial agent, who will evaluate the potential of the manuscript, submitting it to careful editing and then starting the promotional activity at various publishers, in search of the publishing house willing to insert the work in one of its series.

Not infrequently, the author will be asked for a contribution towards printing costs. At this point, even before being printed, the book of the aspiring writer, and, in general, the whole creative writing activity, have already determined a certain amount of costs: the cost for attending the writing course where the inspiration has matured, the cost of the instruments used for writing, the cost of the time dedicated to the activity, the costs for the “package” of the product (editing, expenses for the consultancy rendered by the editorial agent, time spent on the evaluation of the editorial proposals received and for promotional activities for the manuscript, etc.<sup>6</sup>).

The profile of the benefits can also be considered, which, as well as costs, are divided into direct and indirect, tangible and intangible [19]: arrived at this stage, no tangible direct benefit (profits for the author) can still be accounted for. The writer, until now, has enjoyed only intangible direct benefits, consisting of gaining a virtual popularity, fame and prestige. However, these factors have not yet been fully realized. The work has circulated as part of creative writing meetings and seminars, and the author may have gained limited popularity. However, it is nothing, going beyond personal satisfaction, or a benefit that cannot be quantified in monetary terms. It is true that tangible indirect benefits could also begin to be attributed to the author, such as invitations to conferences, to hold seminars: it is not certain, however, that a remuneration can be obtained from these activities.

In a final phase, the literary work is published, distributed, purchased, read by admirers and critics. The author is invited to presentations, can receive the proposal to transfer the rights for the realization of a movie [20] or for the sale of the book on various supports (not only paper reprints, but also realization of e-books or audio books, [21]). If this optimistic scenario was realized, the costs incurred to give substance to the aspirations of the willing writer who has cultivated his narrative talent in schools of creative writing would finally be offset by the benefits related to it. Indeed, there could be intangible indirect benefits, capable of extending to other economic sectors: think, for example, of a novel set in a certain place and the fallout in terms of popularity for the same territory, measurable considering the increase in tourist flows by those who want to see the scenario in which the story is set [22].

The terms of the cost-benefit analysis are complicated: it is necessary, in fact, to consider all the possible categories of costs and benefits, to give a value to the incommensurable variables, necessarily consider an adequate time horizon for the benefits to manifest themselves (and of course, select an appropriate discount rate). For how many years can the costs and benefits of writing extend? It would also be the construction of a “capital” that acquires a value gradually increasing over time, so it will be necessary to formulate forecasts.

Or it could be the case of an author whose works, for which he has invested time and money, are published posthumously: in this case the benefits would belong to the heirs of the author, who has supported, in life, all the expenses of the project.

In the construction of the analysis scenario, the choice of an appropriate value for the opportunity cost of free time is crucial: in fact, only those who attribute a low value to their time – who, in other words, cannot count on a more profitable use of their time – can benefit from an activity uncertain in the outcomes such as creative writing. The same situation applies to those who are particularly lucky to be able to count on certain funding for their literary activity, likely to compensate them for the risks of economic loss.

#### 4. Conclusions

The scenario that emerges from the application of the economic logic to a recreational activity from which an undefined *quid pluris* could arise is not encouraging.

It would seem that writing, and, in particular, creative writing, whose techniques are learned in schools, is destined to remain an exercise in style for its own sake<sup>7</sup>. The costs of time and resources with little or no probability of obtaining a quantifiable monetary benefit from the practice of writing are too high.

How to curb, then, the enthusiasm of aspiring writers who, at least once, wish to try their hand, and put pen to paper to “see what effect it provokes”?

<sup>6</sup>See <https://www.bookblist.com/2016/01/21/prezzo-di-un-libro/#:~:text=Oggi%2C%20in%20proporzione%2C%20realizzare%20un,copie%20%20%20difficile%20a%20vedersi>

<sup>7</sup> The costs of enrolment and attendance at writing courses should also be considered. If it is true that many schools are financed thanks to contributions or donations, it is also true that most of them impose on their members participation fees of significant amount (quantifiable in several hundreds, if not thousands, of euros).

In summary, the costs of investing in one's literary talent are substantial, far outweighing the benefits. Undoubtedly in the market there is an excess of supply: the increase in literary production clashes with a demand that, in Italy, is rather limited<sup>8</sup>.

Yet people continue to write and are willing to do anything to get published, even pay substantial amounts, just to hold in their hands an editorial product of which, most of the time, the users are the authors themselves.

An economically irrational behavior, therefore. Psychology has shown, however, that human decision-making processes systematically violate the principles of rationality [23]. Thus, even so, it can be argued that there is no opportunity cost so high to discourage the expression of one's literary skills or that any literary lover or aspiring writer may be unwilling to pay.

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<sup>8</sup>It has been calculated that, if nothing were published from now on, a reader who reads four books a week would take two hundred and fifty thousand years to deal with all the books already written, without taking into account the length of the text, but based exclusively on the number of published texts [24].

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