

What can be done?

Challenges for the performing arts in Europe

Epilogue by Hans Onno van den Berg

The volume *State on Stage* offers a rich description and thorough analyses of the varied relationships between the state – in all its national, regional and municipal manifestations - and all kinds of performing art organisations. It describes huge differences between countries and regions. But at the same time it makes clear that differences *within* countries are as big as those *between* them. Old legitimisations of Government interference based on the alleged contribution to civilising people exist alongside newer arguments for supporting the (performing) arts for arts sake and more recent notions of the value of the performing arts for economic, tourism, social and educational purposes. In some countries, Government support is restricted to the ‘classical’ performing arts like opera, spoken theatre, ballet and symphonic music, or the ‘high’ arts, whereas in other countries it has been expanded to some extent to include ‘low’ arts, such as comedy, musical and rock music, even though the formally rigid boundaries between high and low are rapidly disappearing. State-supported producing and presenting organisations (companies and venues) are sometimes part of the Government itself, where politicians are directly responsible, and in other cases state or municipal support is given to more or less independent bodies (foundations or even commercially operating agencies), where the relationship is based on subsidies or direct commissions.

ANYTHING GOES, BUT MOST OF IT IS SMALL AND LOCAL

This fast-moving and dazzling variety in the relationships between Government and the performing arts is set against some very particular characteristics of the performing arts market. The first one is that being an artist, or working for artists, is one of the most attractive professions there is. As a result, there is hardly any shortage of labour. Many are willing to work on very low pay or for nothing at all, just to get the opportunity of being on or around the stage. As a consequence, the market is characterised by a huge number of small and very small groups (to avoid the word organisation) trying to enter the market, and a very small number of bigger ones, which in size and scope can be called a company. This applies to Government-supported productions, where many graduates apply for a short-term contract or small grant, as well as to pure commercial initiatives, where rock and pop or stand-up comedy ventures are started by semi-amateurs or volunteers hoping to gain fame and income in the nearby future. There is only handful of bigger national enterprises, mostly in integrated Government or semi-Government theatrical organisations like opera, ballet and spoken theatre; the typically East-European and German *drei* or *vier sparten* theatre. Internationally operating companies are only to be found in dance, classical music and some commercial musicals – like Cameron Macintosh in the West End of London or Van den Ende in the Netherlands, Germany and Spain. There are only a handful of full-blown globally operating performing arts companies in the touring arena of the big international rock stars. So the performing arts operate mainly in a setting of small enterprises in local, national and international areas. The top of the performing arts operate globally, but the number of companies and artists involved in this worldwide playing field is very small. They do so against a media landscape that is engaged in heavy transition. All national state-supported broadcasting is challenged by commercial and internationally operating conglomerates that have little or no interest in staging or promoting the performing arts, and record companies are under siege from the rapidly expanding internet channels that make old forms of publishing and dissemination obsolete.

At the same time, there are massive audiences for the performing arts. In the midst of an overwhelming supply of leisure activities, from home entertainment to outdoor sports and adventure, bars, restaurants and film theatres, the performing arts retain their attraction for old and young, and natives and immigrants, although the Government-supported performing

arts seem to encounter some serious obstacles in connecting with the young and recently settled citizens. International tourism is often promoted by theatre performances (as well as museums and exhibitions), which can be experienced by visiting the big cities of Europe.

NEW WAYS OF THINKING AND ORGANISING

In all the EU countries, there is a lively and sometimes fierce debate going on: is there a new and convincing *raison d'être* for Government support for the performing arts; what old and new mission and objectives should the performing arts fulfil; what are the best policy settings and legal arrangements to structure Government support; and how do we combine democratic social and economic policy objectives with the inner nature and dynamics of the performing arts themselves? Alongside these new challenges, there is the permanent struggle for developing new ways of artistic expression and finding new audiences for our artistic heritage and contemporary developments. Last but not least, the live performing arts in all European countries have to find new ways to deal with the rapidly changing scene of the cultural industry; the fast evolution of internet and online consumption of music and theatre as opposed to the crumbling structures of broadcasting and recording (audio and film) companies and publishers.

CHALLENGES: A NEW DEFINITION OF CULTURAL ENTREPRENEURSHIP

Whereas the relationship between Government and the performing arts varies widely from east to west and from north to south, in legitimisation, mission and objectives, formal organisation and funding, the challenge is the same almost everywhere: to develop new ways of entrepreneurship that are able to deal with all these changing landscapes. For the Government, whether state, regional and local, we have to find a new language of legitimisation, in which arguments of general civilisation, art for art's sake and the social and economic relevance of the performing arts are integrated in a new framework for democratic support for the arts. We have to develop new institutional relationships where the performing arts do not have to ask

(beg) for state support and be grateful for getting it, but find grounds for *negotiation* about Government expectations and the delivery of expected services. This new framework must make it possible to be more precise in the things that the performing arts can contribute to Government objectives, i.e. more than just the production of beautiful and convincing performances. The power of the performing arts in economic terms, as well as in the social and educational field has to be translated in structured projects in which the contribution of the performing arts in these fields can be demonstrated and accounted for.

The new cultural entrepreneurship has to combine a business-like attitude towards Government funding with a flexible marketing power towards public and audiences.

Within the institutional set-up of the performing arts, related companies in the chain from art education through production towards final presentation have to reorganise themselves. They have to find new alliances between art education and production, between production and presentation and between live presentation and multi-channel dissemination through TV, publishers, record companies and the internet. In facing the complexities of a changing market and shifting Government legitimisation, they have to ask themselves if their mission, organisation, size, quality and working procedures would not be better served by rearranging the often fragmented and small scale on which they operate. Mergers, fusion, and well-formulated cooperation between different links in the chain might be among the possible solutions. As far as the media are concerned, we are experiencing the first examples of performing art institutions entering the internet market by setting up their own channels or buying (local) TV stations or publishing companies.

As regards audience development, the performing arts face a shift from the old steady and reliable annual season tickets towards more instant and ad hoc visitors, who have to be found, informed and served in new ways.

CHANGE HAS TO START WITH THE PERFORMING ARTS THEMSELVES

Of course other players have their own responsibilities. Reframing the legitimisation for Government support of the performing arts is also a challenge for the Government, as the search for productive projects in the social and

educational field demands the involvement of social agencies and educational institutions, and organising new outlets through TV and internet must be done with the support of those organisations. But one of the main features of the new cultural entrepreneurship will be that Government-supported performing arts no longer wait until others take the initiative, but act on behalf of their own strength and self-esteem. So the biggest question arising from this study is one directed at ourselves: how should we develop new ways of thinking, acting and organising our profession to deal with the challenging changes encountered by the performing arts in the EU?

The Utrecht conference *State on Stage*, in June 2007, confirms the description and analyses above, but has been not so productive in offering concrete solutions. The chapter 'Not one single truth', offers best practices in a wide variety of topics, from keen educational programmes to practical 'performance contracts' between the state and companies or venues, but there still is a long way to go before this new cultural entrepreneurship is effectively established in a broad area of our business.

WHAT THE GOVERNMENT CAN DO: CONSISTENCY AND PERSEVERANCE, REMOVING OBSTACLES

Although the main challenge is focused on the entrepreneurial capacities of the performing arts themselves, there are some things that can be done by the Government to facilitate the necessary transition process. This effort involves not only local, regional and national Government, but also the EU. Within national boundaries, the performing arts are too often confronted with conflicting demands and regulations from local, regional and national Government. The democratic autonomy of each layer gives them the opportunity to develop their own policies towards the performing arts. Especially when local and regional or national Government all take an interest in the funding and development of the performing arts, they should avoid conflicts of interest and try to negotiate common ground in the things they want the performing arts to achieve. Of course the easiest argument for the performing arts is more funding, and of course many visitors of the conference asked for the obvious. But just as important is the argument for more *consistent and persistent* funding. To succeed in the field of the performing arts, the new cultural entrepreneur also needs a more or less clear and con-

sistent view of all the Government agencies involved and a persistence of more than one Government period in the funds that are attributed to him.

As far as the EU is concerned, the most important contribution it can make to the flourishing of the performing arts is to remove existing obstacles to international touring, exchange and cooperation. Of course, extra money from the EU for culture and the performing arts is more than welcome, but a much bigger and far less costly contribution can be made by removing some major obstacles to necessary development.

The first obstacle is in the area of *copyright*. Publishing companies are experiencing a decline in income from record sales, but instead of developing new business models for the internet, they try to compensate their losses by raising the price of live performances. Copyright nowadays runs to 15%-25% of total revenues and is paid to all sorts of copyright owners who are far removed from the original composer or poet, including publishers, set designers, TV and production companies, and relatives of authors who have been dead for 70 years. Every sort of copyright owner sets up their own collection society and they all seem justified by the international law on intellectual property. Copyright has become the sand in the machine of the performing arts, rather than the oil it is meant to be. This problem needs to be addressed, but certainly not by further expansion of copyright to 95 years, as proposed by the European Council.

Touring is the lifeline of the performing arts. It creates innovation by exchange and confronts audiences with the cultural diversity of Europe and the world. Touring is also an economic necessity. Unfortunately, touring in the EU is hampered by unnecessary obstacles in national and international regulations. The biggest obstacle that can be removed by European (OECD) action is the *'double taxation'*. Internationally operating artists (and sportsmen) are obliged to pay their income tax and sometimes a contribution to social schemes in the country where they are performing. In some countries, this adds up to 20% or 25% of their total earnings. Most often, these artists are also obliged to pay income tax in their home state, so they pay twice. And although they are entitled to ask for retribution at the end of the fiscal year, this demands a huge administrative effort that is counter-productive and unnecessary. Europe (or more precisely the OECD) has to stop this discriminatory tax regulation for artists (and sportsmen) who live in a tax-paying country.

A third obstacle to international touring and exchange in the perform-

ing arts is the administrative burden associated with paying (different amounts of) VAT in different countries, arranging an internationally valid social insurance for performing artists and, last but not least, arranging the working permits for third country artists. All these fiscal and legal procedures have to be managed on a national level instead of at a *'one-stop-shop'*, in which all these obligations can be dealt with for all EU members at once.

The performing arts in Europe are vibrant and very much alive. They contribute to the well-being of half of the population of the EU. Government funding helps the performing arts to nourish our cultural heritage, to express our cultural diversity, to develop new experiences and to visualise our dreams. The necessary transition they are encountering in a changing world has to be dealt with first of all by the entrepreneurship of the orchestras, producers, venues, artists and intermediate organisations themselves. But along the way, they could use the help of local, regional, national and European Government by reframing our relationships on new visions and legitimisations and new institutional arrangements. From the EU, we ask a firm contribution in removing unnecessary obstacles to international touring, exchange and cooperation.