

# Public subsidies for public interest

## The case of the arts

Neo-liberal ideology is increasingly questioning government funding of the arts. A look in the situation in Europe as a whole and the Netherlands in particular, where there is no coherent policy.

Several months of exhausting political lobbying reduced the proposed cut of 30 million euros from the Dutch government's culture budget to just a few millions. Cultural organizations, interest groups and members of parliament all made an effort to find alternative savings and ease the pain of the culture sector. In the process, the principle of divided responsibilities for cultural policy has been damaged. The advice of the Council of Culture was ineffective and inconsistent, the ministry ignored its advice and haphazardly slashed budgets, and members of parliament rushed to demonstrate their generosity and, instead of approving a comprehensive policy for the next four years, rescued individual subsidy recipients. The damage has been reduced but all involved have lost some credibility. The cultural world enters the next four-year subsidy cycle with a seriously eroded cultural system.

This was the first effort to reduce the culture budget in the Netherlands in 15 years. The erosion of the welfare state has affected public support for culture all over Europe. Governments seek to reduce taxes and public expenditure in the name of competition. The EU Stability and Growth Pact prevents them increasing national debt, while the graying of the population demands more expenditure on social care. The overwhelming obsession with security since 9/11 also has a price. Cultural expenditure, never a major budgetary item, is being marginalized further as national governments seek to decentralize the subsidy burden. Public authorities at all levels invoke the mantra of 'public-private partnership', hoping that sponsors and benefactors will ease government responsibility. New programs and initiatives in the arts and emerging arts and artists are in a much weaker position than the established artistic institutions and the politically driven investments in the capital infrastructure. Politics frequently confuses public cultural institutions with profit-making corporations and saddles them with inappropriate commercial expectations. The arts are being confused with leisure and entertainment, which are expected to make money and often actually do.

**Potentially dangerous** A few years ago I was invited to take part in a symposium organized by trainee civil servants. Contaminated by business mumbo jumbo, they saw themselves as future managers of a mega-corporation (the state), not as servants of the public interest, which is more complicated to define than shareholders value in a corporation (Oostveen 2004). They were not only ignorant

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of Dutch cultural policy and its rationale but even questioned the logic of government intervention in the arts. Why not leave it entirely to the market? If Joop van den Ende, the well-known theater producer, can make a profit, why do others need government support? They were brainwashed by the neo-liberal ideology of a retrenching government and free market and therefore potentially dangerous, since they would probably reach influential government positions in the near future.

Two VVD (liberal) members of parliament recently published an article (Blok & Rijpstra 2004) opposing all government subsidy of the arts: let theater companies and orchestras find their buck on the market. I expected an avalanche of protests and counter arguments but there were hardly any. At the time, the arts world was lobbying parliament, which seemingly did not have time for discussing matters of principle. Such discussions are, however, rare in the Dutch Parliament. If public support for the arts cannot even be taken for granted in the Netherlands, a country that developed a sophisticated and efficient cultural system after World War II, one must conclude that public financing of the arts is in trouble everywhere in Europe.

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These negative attitudes surpass the divisions of traditional party politics and are manifest on both the left and the right of the political spectrum. Last year a Christian-democrat member of parliament stated that government subsidies should only be granted to professional artists if they spent their spare time helping amateurs. The left often expresses a fear of elitism and undermine the excellence of artistic organizations when they embark on an innovative course. In some countries, right-wing nationalists are outraged whenever a subsidized arts project dares to take an unexpected, radical and critical stance. In co-operation with Demochristians, they recently launched an attack in the European Parliament on a Rem Koolhaas exhibit in front of the European Commission building in Brussels as an affront to Europe's Christian fundamentals. Moreover, the left and right wing anti-Europeans are working closely to prevent the EU developing a common cultural policy and the renewal of its meager cultural program.

Consumers aggravate these prejudices of civil servants and politicians. Many consumers increasingly devour the products of an explosively growing culture industry without realizing that some cultural products cannot be sustained by the market alone. They are not interested in the role of government support in overall cultural production and the small proportion of cultural capital stemming from the largesse of public authorities. This concerns citizens, not consumers. Nowadays the consumer identity is dominant to that of the civic one Europe-wide.

**Reinventing the arguments** It is necessary to rethink the arguments for public authorities' primary responsibility to support the arts, whilst accepting the valid arguments and positive examples of private donors and sponsorship's impact on the arts. Traditionally, public support for the arts has been seen in Europe as a specific response to the devastations of World War II to foster cultural renewal, international reconciliation and global conditions of peace and prosperity. Public means were expected to ensure socio-economic and cultural emancipation of underprivileged social groups, ethnic and linguistic minorities, and people living in more remote areas and small towns. Government subsidies were seen as an investment in democracy, by guaranteeing the plurality and diversity of artistic

expression and access for all to cultural goods, events and processes. It was hoped that subsidies could correct the uniformizing and one-sided impact of the market and enhance the quality of citizenship. Throughout Europe cultural policy emerged as an integral part of public policy, supporting culture, including the arts, for the public benefit.

These arguments still seem quite valid 50 to 60 years later but are perhaps less convincing to today's politicians, civil servants and moody consumers. A new factor is intensive migration that has changed the demographic map in most European countries and redrawn the profile of underprivileged groups, but their participation in culture has become a more pressing issue and a precondition of integration. Cultural decentralization and the ICT revolution have weakened the limitations of geography and the impact of place on the richness of cultural opportunities, yet the diversity, quality and continuity of cultural offer cannot be taken for granted in many parts of Europe. Many excellent cultural institutions have been set up to stimulate artistic creativity and reflect on its impact on audiences, yet many artists lack basic working conditions and struggle to reach even minimal audiences.

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**Governance of creativity** Artistic career patterns have been changing because of artists' dependence on the culture industry and its need to be fed artistic ideas and talents. Nevertheless, many artists remain dependent on government grants, prizes, residences and facilities because of the nature of their art or at least in an early phase of their careers. Later they become exposed to the exploitative nature of the culture industry, which is supposed to make them rich and famous but usually benefits from their artistic input more than they do. The blockbusters, bestsellers and stars the culture industry strives to produce and exploit (Smiers 2004) make public support for the diversity of artistic expression more important than ever. Governments mainly finance innovation and experiments in the arts because the culture industry prefers to play safe and to adopt and exploit only those art forms that can count on mass interest and thus make profit. Now that gigantic oligopolies control large parts of collective know-how and imagery, fusing information and entertainment into infotainment, it seems even more important to pump public money into the arts. This is necessary to ensure the richness, diversity and reflective and critical dimension of the collective imagination, and to preserve room for the dissent and iconoclasm that are proper to the arts. This is essential to engaged and creative citizenship.

In the last 15 years these political and civic arguments for public investment in the arts have been weakened by neo-liberal assaults on civic values and an effort to convert citizens into consumers and public cultural institutions into businesses. At the same time public space was privatized, most symbolically by replacing the function of the agora, the open urban square, with the shopping center. It is perhaps time to reiterate the civic arguments for subsidizing the arts whilst recognizing that they can benefit consumption and employment and certainly make a locality more attractive to tourists.

Richard Florida recently stressed the importance of cultural infrastructure to the appeal of a place to the 'creative class', owing to the opportunities it offers for networking and socialization (Florida 2002). Art subsidies have also been rationalized



Acties FNV KIEM 2004 voor behoud van het Radio Symfonieorkest **Fotograaf Peter Heesakkers**



in terms of 'governance of creativity', whereby the arts are expected to permeate society and enhance its creativity (Cliché & al. 2002). Ultimately, the changed demography of many European cities has prompted the 'social cohesion' argument for public support of the arts, seeking to alleviate social fragmentation and ghettoization of religious, linguistic and ethnic communities by broadening their opportunities for artistic self-expression, participation and intercultural communication.

Even though multiculturalism has recently been widely criticized and declared an utter failure as a policy in the Netherlands, it cannot be effaced as a social reality. Neither in the Netherlands nor in the rest of Europe. The development of mutual respect, tolerance and communication between different cultures and social groups remains an urgent task, both culturally and politically. For many minorities, public funding of the development of an artistic infrastructure for minority groups and broadening their opportunities for expression remains an essential first step towards emancipation and integration. It is also equally important that artistic institutions, which owe their excellence to public funding, remain open and accessible to the most talented artists from different minority groups.

With these intercultural tensions in the background, it has become difficult to discuss arts policy in isolation. It is necessary to encompass other related cultural issues, including mobility, institutional development and enhancement of intercultural competence, all of which are dependent on some sort of public support. There is nothing inherently wrong with the old arguments for public subsidy of the arts but they do make more sense if rephrased and advanced within the broader conceptual framework of a cultural policy and civil society. The arts must not be conceived as a self-enclosed isolated realm but as a dimension of the creative, reflective and polemical public space, as a common societal value to be reasserted against corporate usurpation.

**Escape from the pigeonholes** In the last 60 years industrial reproduction, digitalization and the myriad of methods of communication have made the arts and artists far more mobile, even nomadic. Simultaneously, the national state and its boundaries have become much less important for artistic creation and distribution. Artistic domains are increasingly constructed as a local constellation of interdependence, mutual influence in proximity and a shared social sphere or as a European dynamic movement. This movement relies on the dense network of festivals, residences, platforms and the media that are interrelated to the production of trends and styles. Market elements are more dominant in some sorts of film, music and visual art than other art forms. Globalization has changed the traditional list of centers of artistic creativity (e.g. New York, London, Paris, Berlin and Milan) by adding new vibrant places (like Shanghai, Johannesburg, Sao Paolo and Moscow).

Artistic production and distribution have become more dependent on technology and hence definitely more expensive. Traditional institutional frameworks from the 18th and 19th centuries and some from the 20th century have become increasingly inadequate, limiting and lacking propulsive energy. The dialectic of institutional and institutionalized arts versus non-institutional reflects the tensions of status, initiative, power and prestige. Institutions benefit more than individual artists from public

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support and act as gatekeepers, arbiters and distributors. Their influence as mediators between the public authorities as subsidy givers and artists, and between the artists and the audience, has only increased and become more complex because of the involvement of commercial corporate interests as sponsors, re-packagers and distributors. The artistic market has become internationalized, and it is often difficult to differentiate between institutional (public, non-profit) and corporate (private, for profit) interests.

To consolidate their professional position and strengthen their case as recipients of public support, artists and artistic organizations need to develop local alliances and international networks as a basic collaborative infrastructure. They should also claim education, not just as an affiliated field, but as their own natural domain, where all sorts of learning processes deserve an artistic component. Furthermore, artists and artistic organizations need to penetrate the realm of cultural heritage and perceive it as their primary creative terrain rather than as a competing domain in soliciting public subsidy. Finally, they should dare to explore the community context and their possible contributions within it, including and emancipating various underprivileged groups. Trans-sector links with various social services and social advocacy causes would broaden potential sources of financing from public authorities and their specialized non-cultural agencies, NGOs, corporate sponsors and private foundations and benefactors. This would reduce artists' excessive dependence on the ministries of culture and regional and municipal culture departments and help them to escape the pigeon-hole of arts subsidy and arts policy, marked by an exhausted rhetoric of quality, originality, authenticity, craftsmanship and experimentation that increasingly leaves politicians, bureaucrats and consumers indifferent.

Setting the arts budget is a political decision and should be accomplished by political arguments. The budget should primarily be allocated on the basis of policy objectives and thematic priorities (Bennett 2001) rather than according to the traditional subsidies to particular sectors and disciplines. It is better to favor certain kinds of programs, measures and interventions rather than making, for example, music compete with mime and visual arts with design. In their Lisbon Agenda, EU leaders pledged to make the continent the leading knowledge-driven economy in the world, so far an empty promise. While the Bologna Declaration progresses in making the European universities transparent, mutually compatible and competitive, a major boost in public support of the arts would enhance Europe's overall creativity and awareness of being an integrated cultural space.

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