

Arts and Artists in Europe: New Challenges

A briefing paper about trends, issues and questions for arts policy in Europe commissioned by the International Federation of Arts Councils and Culture Agencies (IFACCA) for a meeting of its European Members and its Board in Athens, Greece, on 2-3 November 2007.

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This short paper provides a sketch of some of the main issues for arts policy makers in Europe. The intention was not to address each of them in detail but to present them as points for discussion during the IFACCA meeting.

1. European and Transnational Cultural Issues

- 1.1 The *Role of the European Union* (EU) in European cultural policy and funding has long been seen as being somewhat ambivalent:
 - On the one hand, the actual levels of funding provided by the EU to the culture sector through the new EU Culture Programme are meager: its ca. 57 million € annual budget (same as the annual budget of the Dresden Opera House) is to be shared among the 36 countries included in the Programme. Generally speaking, the EU is blocked from formulating an official cultural policy, which member states should consider in their national policy frameworks by the "subsidiarity" clause in its Constitutional Treaty.
 - On the other hand, the influence of the EU on national economic and legal frameworks cannot be underestimated and has led to, for example, changes in national film funding schemes.
- 1.2 *Adjusting national legal and political frameworks to the model prescribed by the EU, particularly in the context of the recent enlargement*, generally led to a much more important role for the private sector in Central and Eastern Europe, with consequences for the arts and media. Former state-financed cultural and media institutions were privatized and many did not survive the stiff competition coming from Western companies. Emerging NGOs or foundations (which are often more money-seekers than money-providers) still operate on a weak economic fundament.
- 1.3 *A debate on a potential "cultural component" in the EU foreign policy* was recently initiated by the European Cultural Foundation. The failure to adopt a new EU Constitution giving the Commission more flexibility to address such issues, casts doubts over whether such proposals will be implemented in the short to medium term. Another obstacle is that foreign cultural policy or cultural diplomacy is an important element of the national cultural policy agenda of member states to promote their national cultures and identities abroad.

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- 1.4 There has been a recent increase in the number of *official trans-regional cooperation networks* (altogether over 20), especially in Central and Eastern Europe and in the Mediterranean region. They are often designed to give smaller countries a stronger voice in the overall European concerto or to find new terrains for action, which are less dependent on the rules set by big players such as the EU or NATO (which nevertheless, influence their agendas). While focusing mainly on political, economic and technical cooperation, trans-regional organisations are also developing new cultural exchange programmes and meeting places for artists e.g. the new Visegrad Artists Residency programme, Baltic Young Artists Biennale etc.
- 1.5 The adoption and ratification of the 2005 *UNESCO Convention on the Diversity of Cultural Expressions* has been hailed as one of the biggest success stories of pan-European cooperation. The implementation of its principles and articles into concrete action on the European and national levels remains unclear, as does its applicability in the face of WTO rules and regulations.

2. Political and General Societal Issues

Among the many issues that are currently being debated in European societies and media, the following are particularly relevant for the arts:

- 2.1 Intellectual debates on *freedom of expression and "European values"* were inspired by, for example, the "Danish Caricature Conflict", threats against writers and intellectuals, the murder of Theo Van Gogh in the Netherlands or Anna Politkovskaya in Russia, a perceived new role of Islam and/or Islamist radicalism in Europe and immigration trends during the past three decades. Positions taken range from cosmopolitanism (mainly by intellectuals in Netherlands, France, Germany) vs. multiculturalism (e.g. Sweden, UK), vs. cultural nationalism (e.g. Poland, Czech Republic);
- 2.2 Debates about *migrants, traditional minorities such as the Roma and (cultural) citizenship* in general have led to a number of intercultural strategies or programmes in the arts and education, most of which are more concerned about integration and social cohesion than about an open exchange of different values and world views. The introduction of "national cultural canons", e.g. in Denmark or the Netherlands, can also be seen in this context as well as increased concerns about protecting national cultural heritage.
- 2.3 *Demographic and generational issues* are now playing a large role in Europe, also in the context of recent migration trends. Among the results have been new campaigns or studies addressing cultural education of children (e.g. in the UK, Belgium, Germany, France) or arts participation of the "50+ generation" (Germany, Finland).
- 2.4 Debates and policies on the (survival of) *national and regional languages* in the face of an increasing Anglophone environment are frequent in the fields of business, science and communication, as well as in discussions on the production and distribution of literature, music and cinema.
- 2.5 Finally, there is an ongoing debate on new technologies and their relation to the arts including interactivity with users ("Culture 2.0") or media literacy programmes (Germany, Netherlands).

This leads to a *general question about the present and future societal role of artists in Europe*. What compromises are necessary AND acceptable in order to secure public funding for innovative artistic practice and "research" in the future? At present, two different lines of argumentation are prevalent:

Line 1: Affirmation of a more traditional role for artists and intellectuals as e.g.:

- ...creators of messages and processes with the ability to translate them into new forms;
- ...aesthetic innovators;
- ...mediators at the interface of human communication processes; and even
- ...inspirers of (political) movements in broader segments of the public (e.g. 1989 and what followed...)

Line 2: Re-interpretation and "political upgrading" of artists / intellectuals as e.g.

- ...agents of economic growth and competitiveness (cf. the 2007 communication of the EU Commission);
- ...facilitators of cultural diversity and intercultural dialogue (ibid);
- ...important contributors to scientific, economic and technological innovations (cf. Michael Hutter, 2002);
- ...providers of aspiration and other "means better to understand and engage with life" (Tessa Jowell, UK Secretary of State for Culture, 2004).

In their "70 cents for Culture" campaign, the European Cultural Foundation and the European Forum for the Arts and Heritage (EFAH) emphasize the second line of argumentation as a tool to encourage a substantial increase in EU budgets for culture; albeit without much success. Pursuing this line of argumentation has the advantage of communicating arguments about the economic and social importance/impact of culture and the arts in a language that is understood by the mainstream; in the hopes of bringing culture in from the margins of political decision-making. Such arguments, however, pose a danger of distracting from fundamental principles of freedom of expression and other essentials at the heart of professional artistic work. The risk is that art is judged on the basis of its economic or social outcomes, e.g. in terms of cohesion or as a societal "painkiller", rather than on the basis of aesthetic criteria (Mirza: *Culture Vultures*, 2006).

3. Arts and the Economy

3.1 The "Creative Industries" Debate.

Despite inconsistent definitions, the "creative industries" has become a buzzword in cultural policy debates across Europe leading to the measurement/assessment of many different artistic practices and institutions with the same (economic) yardstick. This has been accompanied by far-reaching expectations regarding changed forms of work and communication in society as well as economic growth and competitiveness (as promised in Richard Florida's concept of a "creative class"). However, the association of the culture and/or creative industries with continuous growth is misleading. Studies in various European countries show that the respective economic cycles of the cultural industries experience particularly strong market swings - both upwards and downwards (the latter at the start of this decade, for example). The start of a market trend is certainly marked by a vigorous upward swing, as in the case of

computer games. However, an end to the boom is foreseeable. In some fields, such as the music or film markets, European companies frequently encounter severe problems due to the dominance of a small number of global corporations and new distribution structures that are increasingly shifting onto the Internet. In terms of jobs, growth rates in this sector are nowhere near as high as they were in the 1990s.

A European definition of the *creative sector* should focus – in contrast to the current hype around Florida's “creative class” – on the arts, media and heritage with inter-connecting professional activities carried out in both public and private organisations and including neighbouring fields such as design, architecture etc; the focus to be placed on the thousands of *micro and small businesses* existing in Europe. One of the main challenges is the lack of investments into cultural SMEs that could support activities such as distribution or marketing or to purchase capital intensive equipment. In this context, traditional products and their indigenous market potential find new opportunities when combined with new (digital) “content”, trans-regional marketing and (inter)cultural competency building.

Artistic activities and cultural or heritage profiles are of great importance for the self-esteem and economic and social development of towns and regions, specifically in areas characterised by a (“post-Fordian”) decline of traditional industries and thus also for *urban development strategies*. They are a backbone for *cultural tourism*, which has become increasingly important. In Europe, private-sector firms, design agencies and other commercial enterprises can be seen in a – often still to be developed – “complementary relationship” with the services of public arts, media and educational institutions and those of foundations, sponsors or initiatives of individuals, increasingly also from migrant communities and traditional minorities. Research has demonstrated, that important “links” between, and inspiration or innovations for, the different actors in such a complementary setting (“Creative Sector”) are, above all, provided by artists and other “creative” cultural and media workers, who are active in all of these fields.

3.2 *Copyright and the Creative Commons Debate*

The *present copyright system* has a long tradition in Europe and has led to some powerful legal frameworks and administrative instruments such as collecting societies. However, studies show that, in its current form, copyright legislation provides little financial benefit to the average artist, creator or performer and disproportionately benefits a few famous artists and major enterprises. Copyright royalties are, for most artists, not an incentive to create. Representatives of copyright licensing bodies and artists' organisations have made proposals to amend existing legislation, in particular as a means to address the challenges posed to artists' rights in the digital age, as well as to modernise the management of collecting societies. *New models* have emerged in recent years, such as the Creative Commons, which aim to shift the balance of influence and power over regulatory and legal processes away from the economic interests of big business. Their overall aim is to give artists the tools to determine for themselves how their rights are to be assigned – for commercial and non-commercial use. Creative Commons is trying to achieve its goal by

establishing a series of licenses based on national contract law. More transparency and independent, in-depth empirical research is needed.²

4. The "Status of Artists"

4.1 *Recent Developments*

A set of recommendations on the *economic and social status of artists* was first introduced on the international stage over 25 years ago in 1980 at the UNESCO General Conference in Belgrade. Today, arguments continue to demonstrate that the income artists generate from their work, including remuneration from copyright schemes, is insufficient to sustain them in their creative work. One of the reasons could be the remarkable growth in the number of arts professionals in many European countries. On the other hand, a recent comparative study on the status of artists in Europe demonstrated that familiar issues remain unresolved.³ These range from:

- *the still atypical (project-based) nature of artists' work;*
- *irregular and unpredictable income;*
- *unremunerated research and development phases;*
- *accelerated physical wear and tear; and*
- *high levels of mobility*

which are not systematically addressed in existing legal, social security and tax structures across Europe.

In recent years, some solutions to these issues have been developed and can act as interesting models which provide social security insurance for self-employed artists such as: the "presumption of an employment contract" model for performing artists and a special status for "intermittent artists"⁴ in France or a "quasi-employed" status and a special social insurance law for self-employed artists in Germany. New administrative, contractual and financial services for artists such as the "*portage salarial*", the "*tiers-payant*", "*Pensions for Artists Portal*" have been developed in France, Belgium and the UK respectively.

4.2 *Particular Problems of Mobile Artists and Possible European Solutions*

In Spring 2007, the Culture Committee of the European Parliament made another attempt to address the social and economic status of artists by calling on member states to set up a legal and institutional framework to protect artists' rights. The "Gibault Report" provides an agenda for such frameworks with emphasis placed on the challenges posed to artists as they travel and work within the European cultural space as well as abroad. One of the main areas for action identified in the report is the better coordination of social security regimes. The intention is to address the differing employment status of artists

² A small scale survey was carried out by the Arts Council England in 2006 (UK Artists: Their Approaches to Copyright and the Creative Commons) and could serve as a basis for a larger Europe-wide initiative. See also, the results of a workshop "Artists Rights in a European Cultural Space" held in Genoa 2004, organised by ERICarts and the MARCEL Network for the Wimbledon School of Arts.

³ ERICarts Institute, The Status of Artists in Europe, study undertaken for the European Parliament, 2006 – see <http://www.europarl.europa.eu/EST/download.do?file=13248>.

⁴ "Intermittents du spectacle": are those artists that usually work on short term labour contracts, e.g. in film or sound recording, in theatre or music productions or in festivals.

(salaried worker, freelancer, self-employed) by recognising the integrity of all artistic activities undertaken by an individual artist during a given period (salaried workers), aggregation of insurance periods and social contributions (self-employed artists). The problem of artists making double social security payments in their host and home countries is also to be addressed. New proposals put on the EU table through the Gibault report call for:

- artists to have *easier access to information on their rights and on relevant legislation* through the creation of a new online contact point/system;
- the development of a *European Professional Artists Register* for employers to record the name of the artists, the nature of their work and the length of the contract; and
- the introduction of a *European Social Security Card* that will retrace the entire professional life of artists, their rights to health insurance, pension and unemployment benefits.

Proposals for short and medium term "artists visas" have also been made. The latter is contrary to current practice in many European countries, which have:

- raised the *cost of a visa* to levels which are beyond artists' means (e.g. in the UK, a £200 visa charge for visiting artists has been recently introduced); and
- changed the process for *touring companies* to obtain visas (from group visas to each member of, for example, an orchestra requiring an individual visa).

Trends from East Europe show that more and more artists are withdrawing their participation from international events due to visa problems. As long as there continue to be "visa handicaps", artistic mobility in Europe will be unbalanced and unidirectional from West to East or North to South.

5. Arts Funding

5.1 *A Difficult Situation in Central and Eastern Europe*

The landscape for arts funding and cultural expenditure in Europe can be very simply characterized as increasing in some parts of Western Europe, especially in Germany, Ireland and England and as decreasing in Eastern Europe. The country profiles presented in the ERICarts/Council of Europe, *Compendium of Cultural Policies and Trends in Europe*⁵ show that one of the reasons given for the decreasing public expenditure in East Europe is the *decentralization of responsibility for culture* from the central to the local authorities, i.e. local authorities are to be responsible for supporting arts and culture with resources derived from the own budgets and from state subventions. The decentralization process in many Eastern countries has been difficult for several reasons such as: regional/local administrative structures are still being created in many countries (e.g. Slovenia), lack of resources on the local level has considerably slowed down the process of decentralization and has left such plans unimplemented (e.g. Croatia), municipalities are not free to allocate local taxes as they see fit (e.g. Bulgaria). The consequences of decentralization have not always been positive. For example, the situation appears most grave in the Czech Republic, where the Prague City Council has recently suspended its financial support of cultural projects indefinitely.

⁵ <http://www.culturalpolicies.eu>

5.2 *In Search of Alternatives*

Over the years, different solutions to ailing public budgets for culture have developed, including, but not limited to, funding provided through:

- *National lotteries* (cf. the 2005 CIRCLE Report);
- the *EU Structural Programmes* (e.g. Regional Development or Social Fund);
or
- *private sector support*.

The formation of public-private-partnerships is becoming more and more visible across Europe, mainly from private grant giving foundations. Examples of successful commercial or corporate sponsorship are numerous and can be found from Albania (the National Opera announced a new partnership agreement with Vodafone) to Finland (sponsorship of the wood industry for the building of the Sibelius-House in Lahti just outside of Helsinki). However, the overall value of such contributions should not be overestimated. Available comparative data presented in the Klamer et al study on financing the arts and culture in Europe (2006), show that the share of private support for culture in relation to public funding can range from less than 1% (Belgium, Bulgaria, Denmark), less than 3% (Austria, France, Netherlands, Spain), to less than 7% (Germany, Hungary, Ireland, Italy, UK).⁶

6. **New Management and Policy Concepts**

6.1 *"New Public Management"*

Another solution to funding challenges has been to introduce management by objective or New Public Management approaches to the operation and funding of cultural institutions by forcing them to earn a certain percentage of their budget through e.g., ticket sales, merchandising etc. In some countries⁷, this has led to the changing legal status of national cultural institutions; for example, the legal status of the Vienna State Opera was changed from a purely state entity into a private limited company, making the director fully accountable for its financial management.

On the one hand, such changes are heralded as providing greater autonomy or artistic freedom in decisions over programming. On the other hand, there are fears that meeting financial targets will become more important than upholding a public style mission of cultural responsibility and those cultural institutions now face stiff competition from many other institutions trying to attract private sector donations/sponsorship. This could, in the end, even endanger public mission arts funding as a whole, which is one of the characteristic traits of European cultural policy.

6.2 *Performing Arts In Policy Focus*

The arts sector which has received a lot of attention from policy makers in recent years has been the performing arts.⁸ The result has been multi-fold from:

⁶ Arjo Klamer, Lyudmilla Petrova and Anna Mignosa: Financing the Arts and Culture in the EU. European Parliament, November 2006.

⁷ See: Council of Europe/ERICarts: Compendium of Cultural Policies and Trends in Europe.

⁸ Ibid, Council of Europe/ERICarts.

- a *concentration of funding on large-scale or high profile performing arts events* and festivals as tools to promote the image of a country/region/city ("lighthouse concept");
- *new audience development/outreach programmes* (e.g. Belgium, Netherlands, UK);
- funding schemes to *support new productions as well as co-productions*;
- preparation of *new laws on the performing arts* in East Europe addressing also questions of employment (e.g. Bulgaria, Croatia and Hungary); or
- the introduction of new *tax laws to attract sponsors* for larger events (e.g. Austria).

In July 2007, the new Spanish Minister for Culture announced plans to create a National Council for Music and the Performing Arts together with accompanying legislation. In general, one of the major priorities has been to make performing artists and their institutions more accountable both economically (justifying the spending of tax payers money) and socially (reaching socially diverse audiences).

7. Areas requiring more research

A short list of some major issues to be addressed in the near future:

1. A translation of international and transnational Conventions and political priorities into meaningful arts policy action and which could require transversal policy cooperation, for example:
 - the impact of the UNESCO Convention on the Diversity of Cultural Expressions;
 - EU priorities on intercultural dialogue;
 - reconciling the EU Lisbon Agenda on competitiveness and economic growth with the EU Social Agenda on equal opportunities
2. *Artistic mobility* within the European cultural space with a focus on overcoming barriers to cooperation, co-productions, touring of individual artists and groups
3. *Cultural diversity strategies* addressing
 - the *governance and management* of arts/cultural institutions;
 - *audience development*;
 - support for the *provision of diverse content/new cultural expressions*
4. Artists rights including
 - challenges facing the existing *system of rights protection*;
 - *remuneration schemes*; and
 - *management of collecting societies*.

Information and data is required on the functioning of *new models* that have emerged in recent years.