Foreword

In 2006, the internationally renowned cultural economist, David Throsby, published a paper called, ‘Does Australia Need a Cultural Policy?’ Its reception might have been relegated to minor coverage in the arts section of the print media except for the fact that it was launched by actress, Cate Blanchett. The occasion was initially covered enthusiastically until it was made clear that the Howard government was not amused by this cultural intervention. Sensing governmental unease, perhaps, an editorial in The Australian newspaper turned on the arts community with some vengeance, accusing it of not appreciating the Howard government’s initiatives in cultural policy. Titled ‘The Fine Art of Outrage: The Arts Industry are Unhappy – So it’s Business as Usual’, the editorial raged:

There are times when arts industry insiders should take a bow for their contempt for everybody who does not agree with them. [They believe that] our lack of [government] support for artistic and cultural values has established us as a ‘cultural pariah’ … It is easy to ignore arguments like these as mere masks, disguising demands for more funding. But they are also based in an assumption that anybody who argues against the opinions of arts industry leaders on political issues is a philistine, or opposed to any critical questioning of our national identity, generally both … And saying some artforms are underfunded, according to their own estimates, does not mean we are irretrievably lost in a cultural desert. (Editorial, The Australian, 10 February, 2006, p. 17; my italics.)

Once again, the arts were on the front page and the subject of strong polarised opinions as to their intrinsic and national value. A recurring lament in public discourse in Australia (via talkback radio, letters to the editor or pub talk) is the claim that government expenditure on art and culture is a profound waste of money. Yet, such declarations prompt virulent defences of the status quo of arts funding, namely, that the arts and culture are public goods that create cultural vitality and national identity and, therefore, deserve adequate government support. This polarisation of opinions is the starting point of this monograph. It also has framed debates within government about whether to support and, if so, what kinds of support should be given to, the arts and cultural sector.

The consequence of this polarisation has been a tendency to treat the arts and cultural sector as a special case when it comes to analysing the profile of government support over time and between jurisdictions. In fact, the majority of analysts in this area have an a priori belief in the intrinsic value of the sector. Those who challenge existing support arrangements are dismissed as economic rationalists, philistines and hostile cynics. But is this justified? Why isn’t the critical evaluation of current policy approaches seen as a valuable exercise? Why
are disinterested analysts assumed to be against the sector? This monograph attempts to go some way towards persuading the sector, and its various analysts, to engage in a less partisan and more robust investigation of contemporary policies and likely policy prospects for arts and culture.

In short, the aim of this publication is to apply policy analytic approaches to the area of arts and culture. While some areas of public policy are well served by relevant policy literature, the arts and culture area has generally not received much attention from public policy analysts. The reasons for this may have to do with the intrinsic ‘merit good’ nature of arts and culture, or its relative lateness in developing as a policy sector, or even the marginality of arts to mainstream government agendas (O’Faricheallaigh, Wanna and Weller 1999: 273-289; Gray 2004). Whatever the reason, the sector is virtually neglected in public policy literature while most cultural policy literature (including cultural economics) is loosely disguised special pleading.

This monograph examines options for governments to respond to public debate about involvement in enhancing, fostering and shaping the artistic and cultural production and consumption of their jurisdictions. It explores the emerging bifurcation in national cultural policy directions. This bifurcation is characterised, on the one hand, by a regression to forms of old-style government patronage in supporting arts and cultural production, and, on the other, by the trend towards pushing arts and cultural practitioners to the marketplace with public taste becoming the raison d’être of creative practice. Policy discourses say to the sector: be excellent, be subsidised and be budget-dependent and/or be marketable, commercial and self-funding. But is this schizophrenic approach to arts and cultural policy sustainable? Are there viable alternatives? And, what are the long-term implications for policy-making in this sector?

The arts and cultural sector constantly battles a real dilemma in terms of policy attention. Arts and culture are often relatively minor concerns to government, yet they receive an inordinate amount of attention in the media and are frequently the focus of heated public debate (e.g. Carey 2005). Many governments from the late 1970s onwards adopted rational economic mantras derived from a stable of economic ideas variously called economic liberalism, neo-liberalism or, somewhat pejoratively, ‘economic rationalism’. In essence, economic rationalism holds that the ‘market’ is a more effective mechanism to deliver choice and satisfy consumer preferences. While the market did not guarantee the absence of market failure, it was argued that it performed better than policy ‘meddling’ by politicians, bureaucrats or controllers.

The spectre of ‘economic rationalism’ has haunted the discussion of numerous public policy arenas, including the arts and cultural sector. In reality, the creation of market-oriented policies has resulted in a range of strategies designed to, inter alia, set limits to private legal and institutional activities, support competition,
facilitate initiative, provide efficient infrastructure and provide a social safety net. At the very least, as Blandy noted, government retains a small role in the management of a society:

This sort of involvement by government is different to what the anti-rational critics have in mind. In particular, laws and processes should be of general applicability and benefit and not tailor-made to suit the special pleading of various vested interests. If there is a case for a law to be changed, it should be a general case with a general applicability. (Richard Blandy, cited by Whitwell nd; my italics).

In other words, the theoretical objectives of economic rationalism have not been to throw governance to the wolves of the marketplace but to make laws that are general, not specific, and to use market mechanisms to change behaviour (e.g. via vouchers, tax incentives, commercialisation and/or partnerships).

In practice, however, governments have retained previous patterns of support while, at the same time, introducing new performance regimes and accountability measures. Although these have worked more or less effectively in some portfolio arenas, the arts and cultural sector has generally resented and resisted such perceived intrusions. Such ‘patronage-with-strings’ policies have been denounced vocally as examples of ‘neo-liberalism’, when in fact they are no such thing. Although government may wish to redefine or reduce its policy role with respect to the arts, a growing recognition of the contribution made by arts and culture to civic culture and national well-being drives increasing levels of policy engagement in this area.

So, although it can be argued that government policy since the 1970s has been suffused with the mantra/ideology of economic rationalism, the term has been erroneously applied to a multitude of policies, only some of which have truly been instances of economic rationalism. But the rhetoric has been powerful in re-defining the changing role of governments and the associated idea of the ‘new governance’.

Moreover, as the cultural sector has been increasingly re-defined as cultural or creative industries, the potential economic benefits of cultural participation and practice have become a lure for governments keen to encourage new industry sectors. As a result, most governments feel that they need to be seen to be supportive of and engaged with the culture industries. But how do they do this without creating long-term dependency and nurturing industries based on permanent subsidisation?

As political commentators become preoccupied with the outcome of the upcoming 2007 federal election, arts and culture has once again come into focus with the Commonwealth Arts Minister, George Brandis, and Opposition Arts Spokesman, Peter Garrett, trading familiar insults and accusations at a University of Sydney
forum on the future of arts funding in Australia (ABC 18/04/07, http://www.abc.net.au/lateline/content/2007/s1900941.htm). The government confirmed its preference for supporting elite arts organisations by announcing a one-off grant of $1 million to the Bell Shakespeare Company to fund its national Shakespeare education program. In effect, Bell was joining the Major Organisational Fund (the elite group of performing arts companies that are generously funded by the Australia Council in perpetuity) by the backdoor. While the elite arts sector has been the beneficiary of de facto government largesse, critics still decry the lack of support for second tier companies, grassroots companies, new artforms and individual artists.

In this monograph I am not advocating ‘economic rationalist’ or ‘neo-liberal’ policies. Instead, I am interested in investigating options that combine forms of government support with market-oriented measures in more imaginative and productive ways irrespective of the broad governmental agenda. Such strategies will inevitably involve a ‘mix-and-match’ composite of objectives, mechanisms, outcomes and evaluation measures. To achieve this, it is essential that strategies reject the ‘old school’ arts and cultural hierarchy that give rhetorical support to popular culture but insistently focuses schemes for government support into traditional, elite and non-popular forms of culture. This ‘arts club’ seeks to reproduce earlier forms of patronage under the guise of new governance, relying on self-serving arguments reminiscent of old-style lobbying. Alternatively, non-elite culture is treated as part of a general platform of cultural sustainability (that I prefer to call ‘eco-culture’ or ‘pan-culture’) and addressed in 'whole-of-government' or 'joined-up' governmental approaches.

This monograph addresses these questions and offers possible solutions to these dilemmas by taking a constructively critical view with an eye to the longer-term sustainability of the sector. While situating the monograph in an international context, specific reference is made to arts and culture in Australia, examining the role of government policy, specialist agencies, interest groups and cultural practitioners. I welcome the debate that should ensue.

Jennifer Craik
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