

REVIEW ARTICLES

POLICY AND ADMINISTRATIVE CHANGE IN THE ARTS IN AUSTRALIA*

Sonia S. Gold

- * Review article of **Patronage, Power and the Muse**, Report of Standing Committee on Expenditure, House of Representatives, Parliament of the Commonwealth of Australia (Australian Government Publishing Service, Canberra, 1986) pp.vi + 198, ISBN 0 644 05380 1.

This report deals with many of the contentious issues which have arisen in all countries where governments are providing financial assistance to the arts. These issues include among others: whether government assistance should be given; where the answer is affirmative, whether assistance should be given at 'arms length' through an autonomous Arts Council or controlled directly by a politically responsible Ministry; what criteria should guide the allocation of funds, among art forms and regions and as between large and established arts organizations and small-scale or 'infant' organizations; and whether policy should be made and executed on a centralized or decentralized basis. The Report deals forthrightly with all these issues. It is severely critical of current policies and arrangements in Australia and offers some *thirty* recommendations designed to change both in fundamental ways.

The Report states that the "Committee's intention was to review the broad effectiveness and efficiency of the procedures for delivery of Commonwealth assistance to the arts" and that "the inquiry was not intended to review the state of the arts in Australia, but rather the administration of arts support" (p.16). Whatever the expressed intention, it is clear that the Committee was not concerned with technical efficiency within an established and unquestioned policy framework. Instead, the Committee was concerned with those administrative changes which in their view would best serve a set of redefined policies and objectives.

It should be noted that a large number of organizations and individuals, who gave written and/or oral testimony to the Committee are listed in the Report. But their actual submissions are not included. (Obviously it would not have been feasible to append such a mass of material.) The reader of this Report must therefore rely on the Committee's selective use of this material as indicative of the range

and quality of opinion and analysis provided to it. This review will focus on some of the salient issues and related recommendations in the Report, without attempting complete analytic coverage of all 30 recommendations.

Two propositions (presented as recommendations) are fundamental to the thrust of the Report. They are: (1) that government assistance to the arts is justified because the arts provide public benefits; and (2) a democratic cultural strategy should aim at cultural diversity.

PUBLIC BENEFITS

The Committee rejects the arguments that assistance to the arts is necessary because they are 'merit goods' or as a form of welfare for artists. After reviewing some of the economic and non-economic arguments for and against government assistance to the arts (the review is minimal and analytically inadequate), the committee concludes that "there is no prospect of any consensus on these complex questions in the foreseeable future" (p.36). Nonetheless, the Committee recommended that government should assist the arts because "there is almost universal agreement that the arts provide public benefits" and that "it would be foolish to forego the additional public benefits. . . . merely because we cannot agree on their precise nature or the best way to maximize them" (p.37). The statement is also made that "the only role of government in the arts is to maximize those benefits" (p.4) and that there are general principles which can guide a government "to maximize public benefits when there is no agreement on the nature of those benefits" (p.37).

It seems fair to ask how can one design policy to maximize what cannot be identified as a target? How will the wisdom and effectiveness of policy be evaluated? How determine whether the objective has been achieved? The Committee approach implies that diffused benefits exist; that assistance, like seeds sown broadcast, will somehow augment specified benefits. Surely, *some* of the presumed benefits can be identified and policy ought to be designed to achieve defined benefits that are in fact sought.

It is puzzling, given the excerpts above, to note many references to specific benefits made by the Committee. For example, the Committee supports overseas cultural activities because they contribute to a "distinctive cultural identity" and recommends that funding should "aim to maximize the foreign policy and trade benefits" (p.189). It is also difficult to reconcile the material quoted above with another Committee statement that "the nature of the benefits perceived as arising from the arts is crucial in determining the direction of arts assistance" (p.29). This statement clearly makes rational policy making dependent on identification of some of the benefits of arts

assistance. Even more troubling is the Committee's stress on the subjectivity of judgment about perceived benefits and "what is best in culture" (p.34) combined with the sharp criticism "that many witnesses had lost sight of the fundamental link between public expenditure and public benefit" (p.39). The Committee has not explained whether and how specific expenditures can be linked to specific benefits, nor whether a unitary or plural view of benefits should be allowed. Clarification of the public benefit concept and its application would seem to be essential.

DIMENSIONS OF A DEMOCRATIC CULTURE

In approaching this question, the Committee boldly redefines arts policy as it has evolved under the Arts Council. The Committee distinguishes three categories of arts activity: heritage art; new art; and innovatory art. Heritage art is defined as that which "has survived of previous artistic activity, *high and low* (italics added) elite and folk". New art "is the mass of contemporary art work that falls into the mainstream of cultural activity". And innovatory art "provides new, often shocking, methods of expression or interpretations of culture" (p.39). The Committee acknowledges that these three categories are arbitrary and in some cases (perhaps many?) not neatly separable.

More important than the taxonomy is the employment of these categories to make empirically unsupported assertions with enormous implications for policy. Heritage and innovatory art are declared to be "by their nature generally minority tastes" (p.40) which nonetheless should be supported because they provide public benefits. The benefits identified are: heritage art provides a "storehouse of themes, techniques and human experience"; innovatory art is necessary as the equivalent of "research and development for much of the cultural sphere" (p.40). The Committee concludes that for these two categories, public benefits do not depend on majority access, whereas new art provides public benefit "to the extent that it is experienced by the public" (p.40). Government policy, in the Committee view, should therefore aim at achieving "the widest possible access" to new art, but "need have less regard to access for heritage and innovatory art", (p.40). The Committee also believes that "it is easier and safer to rely on expert judgments in deciding support" for heritage and innovatory art, but finds that "excessive reliance on experts" in the case of new art might "result in the imposition of their views on the public" and thus limit public access to artistic experience (p.41).

Committee judgments as to what the public wants are not buttressed by any empirical evidence. It is difficult to accept as fact that heritage art — for example, an exhibit of Monet paintings,

artifacts form the tomb of Tutankhamen, or performances of a visiting Shakespearean Company — would draw smaller audience response than new art by unknown artists. Indeed, it may be equally plausible to assert that it is precisely in the area of heritage art that there is great unsatisfied public interest in more access and that it is new art which commands the smaller audience response, although there are likely to be significant differences among art forms. But surely these are empirical questions.

If the Committee is correct that new art might approach majority status given adequate “dissemination”, they ought to provide some examples in addition to their advocacy of serious rock music, which admittedly does command a very large audience. Conjecture on this question of ‘demand’ in the arts ought to be replaced by data based on field research if Committee judgments are to be validated. Yet, the Committee does not call for further study of this area despite its critical relevance for policy. If such studies were undertaken, they should differentiate among art forms, since it is unlikely that generalizations would be fruitful. New architecture and new music are likely to evoke quite different responses.

It may be that innovative art initially commands a minority audience and that there is no great clamor for public access. The difficult question is whether innovative art can be so neatly separated from the other two categories. The Committee indicates that there will be difficulty in some cases (p.42). How classify an innovative production of an old play? Is a Verdi opera sung in English innovative? Are producing units to confine themselves to one type of art? If the repertoire of a theatre or musical group includes all three types, is assistance to be given to the company or only to the innovative project?

The de-emphasis on expert opinion with respect to new art would seem to require more explanation. The Committee has stated that, “there is no public benefit in producing wide access to inferior art” (p.42). But if judgment is not to be rendered by experts, then by whom?

The concept of ‘access’ is not clearly formulated in the Report. Two aspects are developed: one, the relationship between access and the range of artistic activity to be included as vital to a democratic culture; and, two, the problem of ‘dissemination’ and ‘distribution’ of artistic production.

With respect to the first aspect, the Committee explicitly rejects any invidious distinction between high and popular art (and also questions any watertight differentiation as among art, entertainment and recreation) as a basis for arts assistance. The Committee opts for the widest possible range of experience, noting that the definition of “what is art” can not be static; it is likely to vary over time and among

countries. This stress on providing access to activities preferred by the majority is not unique to this Committee. It is an issue which has arisen in many countries. The Committee's view has received endorsement from many advocates, including ardent supporters of high culture. Keynes, for example, admonished the British Arts Council not to play the "schoolmaster" and urged them to provide "ephemeral ceremonies, shows and entertainments in which the common man can take his delight and recreation after his work is done."¹ The balance between high and popular art to be sought transcends (or should) political party differences. It necessarily confronts policy makers with difficult choices given the resource constraints which will not go away.

However, there has been virtual consensus that only those activities — high or low — which cannot be financially viable and therefore will be undersupplied by the market, deserve consideration as candidates for governmental assistance. The Committee has expressed "grave reservations" about this point of view, however, arguing that an adequate supply of popular arts and entertainment by the market does not preclude "significant increases in public benefits accruing from subsidy" (p.167). The rationale for public subsidy would thus seem to be unclear, given the Committee's reluctance to accept market performance as a relevant criterion and given the Committee's view that the precise nature of the public benefits are not easily identified. Committee advocacy of rock music as an art form which merits governmental assistance is likely to elicit much criticism because it has so clearly demonstrated its commercial success in the marketplace. The Committee has not recommended any substantial allocation of funds to rock music, but has focused on the problems of new entrants in arranging for recording facilities and the need for business training which both new entrants and established groups require. It seems strange to single out rock musicians in this regard, when new entrants in all the arts are also confronted with a variety of educational and financial problems in gaining recognition and maturing as professionals. It is interesting to note that in the case of rock music, the committee focus was directed solely to producer access to government assistance and not to audience access.

The second aspect of the Committee discussion of access involves 'dissemination' or 'distribution'. This aspect can be approached from either the demand or supply side. The Committee analysis and recommendations center on the supply side. These include consideration of regional equity in the allocation of subsidies utilizing a principle which closely approximates a per capita approach in devolving grant decisions to the local level — thus opening up opportunities to relatively obscure arts organizations currently overshadowed by the large, and especially the Sydney-based,

organizations. The plan assumes that there is an existing arts base in most localities so that a per capita formula could be applied. The reality, however, may well be a very uneven distribution of arts activities viewed from the producer side. The report cites the views of some that "new entrepreneurs" — e.g. trade unions, schools (p.87) — could serve to fill the vacuum where it exists. Will such entrepreneurs act merely as sponsors of art events desired by their constituencies, but provided by arts organizations from outside the locality, or will they act as sponsors of new producing units? What allowance will be made for amateur and semi-professional organizations which may engage the participation of sizable numbers and elicit large audience response? These questions are not clearly answered in the Report. The relevance of electronic media as a means of promoting access is mentioned with approval, but the further potential of this instrument is not probed.

The conspicuous weakness of the Report with respect to the issue of 'dissemination' is its failure to examine the state of demand and the obstacles to its increase in all art forms. For example, there is no discussion of price as a barrier to arts participation. The potential obstacles to access, as seen from the demand side, that need further study include such variables as demographic and residential patterns, competition from acceptable substitutes, and others. The nature of these obstacles as determinants of demand in any community is an empirical question. In the absence of secure knowledge about such obstacles, access which is cultivated from the production side alone faces the real possibility that local arts activity in a number of areas will not elicit the desired consumer response. It would be dangerous to assume that sufficient latent demand exists for any specified art form without verifying that it does. If it does not, access promoted from the supply side may prove disappointing and wasteful. No discussion of strategies aimed at audience building for any of the arts is offered.

THE ARTS COUNCIL: REDEFINING ITS ROLE AND POWERS

Recent arts policy has been rooted in two principles. One is that an 'arms length' relationship with government is essential to protect the independence of the arts community from political pressure. A second is that allocation of funds among applicants within given art forms is best decided through a peer review process.

Given the Committee desire to adopt a broader definition of the arts to provide for a heterogeneous population with diverse tastes, preferences and previous cultural exposure, the Committee found it necessary to suggest how "objectives" and "structures" of an earlier era in arts assistance should be changed. The Committee Report is severely critical of the Arts Council because it has "failed to adapt to

important changes in the arts and society and has become a captive of its clients" (p.5). Further, it has "labored . . . at many tasks which are not properly its responsibilities. Other tasks which ought to be primary responsibilities . . . have suffered" (p.112). The indictment is quite severe and is not mitigated by the passing reference to "impressive achievements" (p.111). Other flaws in Arts Council performance which are cited include: its emphasis on the high arts, which in the Committee's view "represents a small corner of the cultural field" (p.55); unduly favoring "the culture of Sydney over that of the rest of Australia"; and "urban culture over rural" (p.56).

The Committee concluded that a single arts council could not, or should not, "set policy for the diverse and ill-defined field called the arts" (p.56) and therefore, that "an arts council on the traditional model" is not "a proper body to be granted significant autonomy in arts support policy" (p.57). The Committee, therefore recommended "a new approach" which allows for the continued existence of the Council, but with substantial change in its structure and functions. While the proposals are intended to "reduce the level of damaging controversy surrounding the council" (p.61), they are very likely to contribute to continuing controversy instead. It is unlikely, given the state of dissensus, that any set of proposals would satisfy all parties at this stage.

The most important single change proposed by the Committee involves the shift of responsibility for policy development from the Council and its Boards to the Ministerial level, including the power to allocate funds among art forms. The Council could continue to make policy proposals in an advisory capacity, but its role would essentially be transformed from an autonomous policy-making and administrative body to an administrative body directly responsive to and bound by Ministerial direction. The Committee does not see this recommendation "as involving any significant derogation of the arm's length principle" (p.79) because Ministerial powers would not apply to specific grants. Moreover, the Committee recommends that the Council should delegate authority to appropriate local agencies for making grant decisions "between applicants for small grants in ongoing programs" (p.10), thus further reducing the scope of Council authority.

Obviously, these two recommendations are dictated by the Committee's concern, diffused throughout the report, to promote a democratic cultural strategy. Looking at other countries operating under the Ministerial model, the results do not seem to be significantly different from those achieved under a Council model, insofar as diminishing emphasis on high culture and increasing access. Perhaps it is not solely the council or Ministerial model which determines the desired outcome, but the opinions and objectives of the leadership and

staff of either type of organization. Moreover, political environments change and Ministers as well. Hence, there is no reason to assume that the sentiments of the political incumbents at the present time will persist into the future without change. Thus, the Arts community may be confronted with unsettling policy discontinuities.

The Committee has accepted the peer review principle, although it has expressed some doubt about the ability of review bodies to cover the range of organizations and projects before them. Two recommendations (made for a number of other reasons as well) would simplify the task by separating the major clients from the smaller ones. Thus, the Committee would require the Council to delegate responsibility for choosing among small grant applicants to local bodies and to create a Major Companies Program under Council control — on the grounds that the problems presented by the two groups are different and call for different kind of expertise.

The peer principle would be modified to some degree by the recommendation that Council Boards and Council itself include some non-artist members who could bring needed business skills or who could represent broader community interest. The possibility of conflict (and how it should be managed) between economic and managerial criteria on the one hand and artistic criteria on the other is not explored in this Report. The problem has arisen within arts organizations in other countries and is likely to do so whenever two different sets of criteria have to be reconciled.

Many other policy and operating issues and recommendations not covered in this review include: need to achieve better coordination among all levels of government and all agencies with some responsibility for arts assistance; the role of tax policy; the achievements and problems of the special independent programs — Artbank, the International Cultural Corporation of Australia and the Public Lending Right Scheme — as alternative models for arts assistance organization; the desirability of holding some Art Council meetings outside of Sydney, of opening some meetings to the public, on reduction of Council Boards and their staffs, a three year freeze on funding for the 'flagship' arts organizations combined with triennial funding in the future, and others.

In summing up, credit should be given to the Committee for recognizing and speaking out on some of the central issues in arts policy. The Report is a powerful political statement. As such, it deserves careful study within and without the arts community. One subject, vital to consideration of an optimal cultural strategy, is missing, namely: the "state of the arts". It may have been expedient to limit the scope of the inquiry. But the reader may wish to withhold final judgment about the wisdom of some recommendations pending a deeper examination of current achievements and problems in the

several art forms under consideration. Since such an effort did not precede the present inquiry, it would be constructive if such a report were made available in the future.

NOTES AND REFERENCES

1. *The Listener*, August 6, 1945, p.32.