VIEW OF THE SECTOR

The cuts to the budget for culture which were announced two and a half years ago became a reality when the new Memorandum for Culture came into effect on 1st January 2013. The full extent of the consequences will only become visible in the course of 2013.

In order to anticipate and analyse the effects of the cuts, Kunsten ’92 asked a number of specialists from all parts of the culture sector to investigate what the terrain will look like in 2013. The analyses do not concentrate on which organisations have closed or are threatened with closure (that is not yet entirely clear), but on the consequences of the measures, which often interact with each other, on the system as a whole. The analyses, which can be found on the website of Kunsten’92, will be supplemented in the course of next year, but we can already draw some general conclusions:

- The government has withdrawn itself significantly and it has done so without taking the consequences into account for local and provincial government. Municipalities and a couple of provincial governments have taken on responsibilities which were not theirs, the municipality of Amsterdam, for instance, has taken responsibility for talent development and medium to small companies in the performing arts, and there is a lack of coherent policy as a result. The Association of Dutch Municipalities [Vereniging Nederlandse Gemeenten or VNG], has drawn attention to the discrepancy in policy between the various layers of government in a recent letter to Parliament.

- The government is making cuts without regard for a more independent sector in the long term. This intrinsic lack of direction has meant a great deal of uncertainty and confusion: To what extent will charitable donations be deductible? Do we have to charge 6, 19 or 21 percent sales tax? Will the organisations be able to attract enough visitors/audience? The future for many organisations was also uncertain for a long time because decision-making took so long. The Hofplein Theater only found out in November that it will still be open in 2013, Theater Bonheur only found out at the end of December that it will definitely be closing, and the Metropole Orkest was saved at the last minute by an intervention of the VVD and the PvdA in Parliament. The cultural policy of government is still primarily focussed on subsidy, albeit less subsidy, and there has also been insufficient thought about alternative policy or the best ways of supporting a reorganised and smaller culture sector. The cultural sector has had to rediscover itself with regards to a number of points, and that can go very well, as in the case of young theatre directors who look for social partners with whom they can work, but in a number of cases it has yet to be seen if business models and income expectations are realistic. The limits of policy are also being tested, Museum Gouda’s decision, for instance, to sell a painting by Marlene Dumas in contravention of regulations has opened the debate about the management and preservation of collections.
• The government has talked a lot about ‘magical’ solutions like more of the market and more cultural entrepreneurship but few questions have been asked as to whether that market really exists or if that entrepreneurship is possible, with strange contradictions of policy as a consequence. The most glaring example was increasing sales tax on theatre tickets while making audience figures and self-generated income important criteria for subsidy. A similarly unfortunate situation is about to arise with the proposed abolition of the tax allowance for the self-employed, and the abolition of the artists’ supplementary benefit scheme, a proven means of encouraging artists to build up a remunerative practice, and which generates more income for the state than it costs.

• There are sectors which are directly affected by the market, such as archaeology, the film world and e-culture. Less ground is being investigated for archaeological remains because of the crisis in the construction industry in any case but the government is thinking of helping the industry by dropping compulsory investigation altogether. Politicians have rejected a tax shelter for the film industry, while a similar system in Belgium demonstrates that it can generate a lot of money. And e-organisations are being cut which have more influence on the creativity of other sectors than the policy of the Ministry of Economic Affairs.

• Then there are the sectors which perhaps should not be left to the market, like our archives. Cuts to budgets can often only be absorbed by making people redundant, because you cannot make cuts in climate-control. But archives cannot be made accessible and there cannot be exhibitions without qualified staff. And do we really want our museums to sell-off our cultural heritage on the free market in order to deal with the cuts?

• It is not only the withdrawal of subsidy and the increase in the [self-generated] income requirements which is setting the culture sector as a whole new challenges, but the combination with an economic crisis and a changing demographic. The Centres for Culture Education are expected, for instance, to tap new markets which may not be found everywhere, and performing arts venues are also having difficulties: The audiences for large-scale commercial productions are not coming any more which many of the large venues need to balance their budgets. And the small-scale productions for loyal audiences in the smaller theatres are also disappearing. Earning extra income by hiring out space is proving impossible for the smaller venues and difficult for the larger ones, not just because of the crisis, but also because they have to compete with all the other venues, museums and heritage sites which have also thrown themselves into the shrinking event and congress market. Nevertheless, people still keep turning up en masse for events, museum blockbusters and festivals so there are still visitors and audiences, but they have to be appealed to in a different way, now that the leisure industry has to fight for every euro that the consumer is prepared to spend in a time of crisis.

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1 *Wet werk en inkomen kunstenaars* or *WWIK*. Artists could claim benefit to supplement their income for up to four years in a ten year period, tr.
The government has not handled supporting organisations in various sectors and their collections with care, to put it mildly. The function of the ‘sector institute’ came into being four years ago with the Basic Infrastructure [Basisinfrastructuur or BIS] which brought centres of expertise and services together under one roof. Scrapping this role will lead to a loss of expertise and an end to the dissemination of that expertise. The consequences of the closure of the Netherlands Media Art Institute and the Netherlands Institute for Animation Film are as yet unknown. Valuable collections, such as those of the Theater Instituut Nederland and the Music Center the Netherlands, have been saved at the last moment, but it cannot be said that the government has been very helpful with regards to the preservation of cultural heritage.

While it is clear is that the dissemination and diversity of what is culturally on offer have been negatively affected, other gaps in the cultural infrastructure are less visible. Structural problems in a number of areas, such as talent development and culture education are looming, however.

The discontinuation of production houses and post-academic organisations in all sectors will have an unmistakable effect on the growth of a new and vital generation of artists. One or two organisations that have been hit will, fortunately, be maintained by municipalities and subsidising and charitable bodies but important facilities for culture education have been plundered and a large hole will appear in cultural education if the subject Cultural and Artistic Appreciation [Culturele en Kunstzinnige Vorming of CKV] in schools is abolished. In the meantime, while making cuts in libraries, many municipalities are also making cuts in cultural centres in the hope that the courses they offer will be able to pay for themselves, but precisely when clients are also staying away due to the crisis.

Cultural organisations are trying to find a new role and establish a new relationship with regards to the public, other social organisations, the business world and the government and new forms of collaboration are emerging at a local level within segments of the sector. It cannot be denied that the sector is in action and that that is matched with a great deal of passion, but there is also a danger. Many organisations that have had their subsidy reduced are fusing with each other, either at their own initiative of under pressure from the government. But all too frequently, these fusions are only taking place because of financial considerations and while there has been too little regard to begin with for what the core mission of a new organisation should actually be - definitely if there isn’t time to implement real change - the expected savings are often in no way realistic.

New forms of increasing visitor and audience numbers and of sponsorship are also being tried out. There is a lot of energy and creativity, but little time for reflection and sometimes that is at the cost of quality.

It can generate interesting creative solutions if organisations know how to combine artistic quality and entrepreneurship effectively: there is, for instance, a new underground of theatre directors who seek means of making themselves as independent of subsidy as possible, by looking, per artistic project, for relevant social partners. A good example from the library world is an experiment with lending points at Albert Heijn supermarkets.
The government, and not just the cultural sector, has to redefine its role with regards to the arts. A healthy cultural sector can still be supported with less government money, but government then has to take action to make sure that culture policy is more than just subsidy policy.

Interest groups, the business world and the public will invest in art and culture if they are convinced of its value. The culture sector will pay a lot of attention to that in the future but a constructive, positive attitude from government will also be very important. A new start has been made with the appointment of the Secretary of State for Culture Bussemaker. The cuts will not be reversed in the short term, but the cultural sector will have to receive more support in the form of interdepartmental policy on cultural entrepreneurship. Cultural entrepreneurship demands an encouraging fiscal climate and consistent legislation. The abolition of the special supplementary benefit scheme for artists and the tax allowance for the self-employed are just two examples which hit large groups of self-employed people in the cultural sector.

National, provincial and local government will have to see the cultural sector as a collective responsibility. Many organisations have felt themselves ground down between national, provincial and local government, municipalities have absorbed a lot of the cuts from national government and the disappearance of local facilities such as the centres for culture education should be a cause for governmental concern.

Finally, there is the question what impact the cuts, and the accompanying crisis of legitimacy with regards to subsidy itself, have had on the arts themselves. It has in any case forced the arts world in the Netherlands to examine itself and compelled organisations to rethink their relationship with the public. It may well be time to look a little further than ourselves again, to join new artistic developments in the rest of Europe and beyond, and to discover a new self-awareness that is not only based on the support for culture in society but on the enriching and visionary power of our arts.

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