COMPARISONS ACROSS COUNTRIES:
Public Policy and the Performing Arts
in the 1980's

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Paper submitted in partial fulfillment for Honors in Sociology
April 22, 1988

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INTRODUCTION

State involvement in the performing arts has led a varied life at different times in different countries, but rarely has it existed without controversy of some kind. The present time is no exception. The 1980's have witnessed a serious attack on public funding of the performing arts. While the previous two decades can be characterized as periods of growth and expansion both in the public sector and the world economy, the 1980's have been characterized as a period of economic austerity and restraint in the public sector. Concerning the actual amount of money involved, the arts seem to generate a disproportionate amount of political controversy. President Carter's comment that he was spending as much time choosing a new Chairman for the National Endowment for the Arts as on the SALT talks is illustrative. Changes in public policy toward the performing arts often reflect a great deal about the government involved and the present political context. The arts can function as an important symbol for the state, as a symbol of national identity or of a "cultured," high-minded state. More importantly, the almost marginal situation of the arts within the scope of state activity make it a kind of meter to the political culture within a particular country. This paper asks many questions. It is descriptive: What can we understand about the nature of arts
policy in general? What are the existing policy structures for the performing arts? It is exploratory: What has occurred in the realm of public policy toward the performing arts in the 1980's? Perhaps most importantly, however, it is explanatory: Why have these changes occurred in the specific and different ways that they have? What has been the impact of these changes upon the performing arts? What is the likely impact upon the future? It seeks to identify the major elements in arts policy that influence and determine policy changes and to find a more general understanding of how these elements interact within the policy framework and within the constantly changing policy environments. I do not intend to completely account for public policy toward the performing arts, the nature of which would be unending. I intend rather to discuss what I perceive as the major elements affecting changes and important to an understanding of public policy in the 1980's. Different countries have offered different solutions or options to what at least often appear to be similar problems. Four very different countries - Yugoslavia, the Netherlands, England, and the United States - will be examined. These four countries provide a broad spectrum of different structures, traditions, responses and goals, yet it is my belief that these countries are faced with a similar and comparable situation and that their responses share similar elements. Comparative analysis raises questions of its own that will be explored in this paper: what does it mean to compare public policies? How can different countries be compared well? It seems to me that the richness of understanding lies in the full understanding of precisely these differences, out of
which a fuller understanding of public policy can grow.

Before beginning to explore these questions, definitions are in order to clarify precisely what is being explored. Public policy, for my purposes, will be defined in terms of state or governmental action. Actions by corporations, private organizations or individuals can and do play a role in public policy, but for clarity and simplicity I will focus only on state action. These actions can take many forms. The most prominent are policy statements of intent and legislative and executive acts designed to affect a specific issue. Most often, public policy is designed to influence the financing of a particular item, group or issue. Policies can be direct, such as the funding of an organization involved in the performing arts by the state, and indirect, such as tax incentives for charitable giving, influencing choices made by others in the performing arts. Public policies can also be active, designed to accomplish a desired goal of the government, such as increased access to performances for all citizens; reactive, responding to needs of the arts constituency, such as creating or increasing funds for newer, modern art forms; and even intentionally absent, designed specifically so that the government will not be involved in the issue at hand, such as many governments aim to be not involved in decisions of artistic quality. This study will try to include central, regional, and local policy, as well as direct and indirect policy. When studying public policy, the impact in terms of achieving set goals or effects upon the field it is attempting to influence is crucial to its evaluation.
Operationalizing policy impact, however, can be extremely difficult and must be documented carefully. The actors involved in public policy vary from political system to political system. In Western countries, the actors are primarily elected or appointed officials. In socialist countries, the workers at large may be involved in decision making. In other countries, monarchs or family leaders may be the policy makers. It is important to identify as closely as possible who makes the policy decisions affecting the performing arts, how they came to make such decisions and the nature of their decision-making. In each case I will strive to provide as clear a portrait as possible.

When conducting a comparative study, as I am seeking to do, it is essential to define explicitly the elements involved, for comparative study has the implicit assumption that the two or more things being compared truly are comparable. Different countries, people and even levels of government define their policy boundaries vastly differently, which can lead to false comparisons. This delineation is further compounded because many countries simply have no explicit policy. We can only infer the boundaries of such a policy from the actions and structures of the government set up to deal with the performing arts. (see Schuster, 1986:12) This is most often true of countries who seek to achieve a purely responsive policy. Anyone attempting to explore public policy toward the performing arts will first encounter the often nebulous distinction between "the arts" and "culture." While to most Americans these terms may be practically synonymous, this is not the case to most Europeans. Different things are meant by the term culture when speaking of
Yugoslav culture and of Yugoslav cultural policy. Culture can be defined as the whole of human activity relating to a particular group of people - their language, lifestyle and expression of their identity. In the words of Roland Barthes: "Everything is culture, from clothing to books, from food to pictures; and culture is everywhere, from one end of the social scale to the other." (1978) The arts can be defined as a subset of culture - the creative expression of a group of people in the form of but not limited to painting, sculpture, music, dance, theater, and literature. Cultural policy, however, tends to adopt the narrower definition of the arts in its concerns, although these are importantly then seen as part of the larger context of culture. Another, more difficult distinction, is often raised between the arts and "entertainment." Assumably the arts contain an aesthetic element that entertainment lacks. This paper is not the proper place to explore these differences. Different countries include different things in their definition of "the arts," which can make comparisons difficult at best if not inaccurate. (see Schuster, 1985) Different countries speak about public policy toward the performing arts differently. Yugoslavia defines its concerns toward the performing arts as cultural policy, while England speaks almost exclusively of arts policy. In this paper, I will use the language appropriate to each country, while clearly defining the boundaries where possible.

To improve comparability, I will be concerned with the non-profit, professional performing arts. The non-profit performing arts are perceived as distinct from the so-called arts
industries, such as rock music and Broadway theater, which exist almost completely without public funding. It is the non-profit performing arts which most often claim a special need for public support to carry on their activities due to an inability to support themselves otherwise. This distinction is often unclear both in theory and in practice, as is the case between the so-called professional and the folk and amateur arts. Inevitably this raises the question of the distinction between "high art" and "popular art." (See Herbert Gans, 1974, for further discussion) Suffice it to say, by whatever criteria governments make distinctions as to what art forms are professional and what forms are not. The performing arts can be distinguished from the so-called "heritage arts" of museums and historical visual art, although contemporary visual artists share similar concerns. I will accept the traditional definitions of the performing arts used by governments - theater, dance, opera, music, and multi-media performance art - with the recognition that these boundaries as well are often not clear cut. In so far as policy is concerned, however, governments create broad categories under which diverse art forms receive support. These categories will form the basis for this study.

When examining public policy toward the performing arts, it is important to keep in mind certain elements that distinguish arts policy from other policy arenas. Unlike, for example, military hardware, it is extremely difficult for a government to quantify, mass produce and evaluate the production of the performing arts by any single standard. Paul DiMaggio (1983a) discusses two principles of cultural policy in his paper "Can
Culture Survive the Marketplace?": the uncertainty principle and the constraint principle. The uncertainty principle deals with the nature of the evaluation of art itself. History has shown that what one group of critics dismisses as garbage may come to be seen as the height of artistic expression at some later time. The experiences of the Impressionists and composers like Brahms, who were severely condemned when their work was first created, is illustrative. If, in today's world of high costs and large scale production it is desirable for the Impressionists and the Brahms of our day to survive, public policy must allow for the uncertainty that the knowledge of those making decisions will always be incomplete. As DiMaggio says, this does not mean a system of arts policy should be completely relativistic, but it should have some looseness, some room for chance, as multiplicity of autonomous funding sources and principles allows. The constraint principle is based on the belief that no one should have complete control over why and how the arts should be supported. This principle assumes multiple funding sources, each of which is faced with different limitations and agendas under which it operates, none of which should control. The applicability of the constraint principle, which is framed in DiMaggio's discussion of the U.S., to international study is limited. Many countries begin from very different assumptions concerning the existence and role of multiple funding sources, which will be discussed in this paper.

These definitions set the stage for a comparative discussion. For a fuller understanding of the elements involved,
however, it is important to explore the wider issues raised by such study, including the role of the state, patterns of reasoning behind public support for the performing arts, different models of support, different policy goals, and the relationships between different sources of funding. To begin, we must ask: what information exists on comparative public policy toward the performing arts?

The existing literature on public policy toward the performing arts is problematic. First, there is very little data available on such studies. Milton Cummings and Richard Katz (1987:359) conclude even now that the available data is scarce and not complete. Many studies that claim to be comparative simply present case studies of different countries, ignoring the issues involved in comparative analysis. Comparative arts policy is a relatively new field and much of the needed data simply does not exist, although projects through organizations such as UNESCO are underway to remedy this situation.

The data that is available, however, is frequently politically oriented in origin, by design and in conclusion. It is the governments themselves who frequently commission, conduct, and present data on comparative arts policy, which can bring the authority of this data into question. This bias reveals a fundamental tension between social research, which is in theory scientifically conducted and objectively presented, and public policy, which is intended to inform specific policy decisions in an often limited amount of time. The danger in public policy studies is that what studies conclude frequently has more to do with what the examiner was looking for than with
what the data indicated. The use of other countries as a yardstick against which one can evaluate oneself can and has led to studies designed to either incite change or assuage one country's international self-image regarding public support of the arts. Frederick Dorian's *Commitment to Culture*, published in 1964, the year before the National Endowment for the Arts was created, paints a rich picture of public patronage for the arts in all the European countries studied, concluding that the United States should 'learn from Europe' and become a patron of the arts. (p. 2) Mark Schuster (1986:5-6) claims that much of the comparative studies of the 1960's and '70's were intended to demonstrate that the United States was behind its European allies in funding of the arts and encourage the U.S. to increase its funding, but not too far behind so that it couldn't hope to approach the European standards. Studies in the 1980's, on the other hand, are often designed to show that, in spite of the cutbacks in public spending, the country in question has not completely fallen behind other countries. With an understanding of the strengths and weaknesses of the existing literature, we can begin to explore questions concerning the nature of comparative arts policy in general.
REVIEW OF LITERATURE

The "positive state" (Leichter, 1979), out of which support for the performing arts has grown, evolved in the West around the turn of the century in response to the effects of industrialization and urbanization. While in the 19th century, the state generally adopted a policy of laissez-faire, allowing almost unlimited growth and expansion, the dangers and abuses resulting from uncontrolled industrial expansion led to a change in the perceptions of the appropriate role of the state. Through programs of industrial legislation, health care and education, the state increasingly began to involve itself in ensuring and improving the social well-being and quality of life of its citizens. This process, among many other factors, led to the emergence of the Welfare State, notably to different degrees in different countries, under which the performing arts came to find support. Socialist states emerged at this time as well, it could be said in response to similar concerns, although with different goals. It seems that most developing countries, in the process of increasing industrialization, adopt the model of the active state to protect their citizens from harm and to increase their social well-being. By the end of World War II, however, in many countries, the performing arts had become a part of the new state's responsibility.

Crucial to an understanding of these changes is an understanding of political culture, which has been defined by Howard Leichter as:

the set of values, beliefs, expectations and attitudes
concerning what government should do, how government should operate and what the proper relationship is between the citizen and the state. (1979:60)

While the influence of political culture on public policy may vary from issue to issue, it plays a crucial role in setting the context in which public policy toward the performing arts exists. Comparing indirect policies in support of the arts, Mark Schuster has found that, although many countries have tax systems that benefit the arts, this form of indirect support plays an major role only in the U.S. He concludes that, while tax laws may be critical to encouraging private contributions, the most important factors are the "historical patterns of patronage and the modern important of the public sector," which are part of political culture. (1985:52) The role of political culture in public policy will continue to be seen in the discussions of the countries involved in this study.

Public support for the performing arts has been closely linked with the state's role as educator. Support for the arts has often been located under the same Ministry or department as education until recently, when the arts have emerged as an important concern with unique qualities of their own. Educational concerns involving the performing arts have often contained a highly moralistic element, having to do with the perception of the "spiritual enrichment" associated with the arts. The social benefits associated with the performing arts, which are closely tied to the educational benefits, making one who experiences the performing arts a more productive, active member of society, are often part of rationales for government subsidy of the performing arts. State involvement in the
performing arts has been justified in terms of the role of the performing arts in fostering national prestige and the expression of ethnic identities, particularly in countries which lack a dominant culture, as we will see in Yugoslavia. In socialist countries, the performing arts are perceived as playing an important role in the development of "socialist culture," although the constraints upon artistic expression as a result of this are notable. Changes in the social status of artists in some countries to that of workers like other industrial and agricultural workers has led to the expansion of workers benefits and compensation to artists.

Economic arguments for state involvement in the performing arts are an important element in an understanding of public policy. There are three primary economic arguments used to justify public support for the performing arts: the merit-good argument, the theory of market failure and the theory of public externalities of the performing arts.

The merit-good approach is based on the belief that certain activities are intrinsically meritorious and thus it is in the public interest to support them. David Cwi (1982:59) claims that European countries view the arts as "especially meritorious" and an essential state function, while "English speaking nations" tend rather to view the arts as another set of special interests that should only be supported if the market fails to provide for them. The merit-good approach is problematic in several ways. It provides no guidelines to what level of public support in what form and to what end is desirable, offering little assistance to
policy makers involved in planning and allocating limited public money. It simply states that the arts are good. Spending more is by definition better. Further, a definition of the "arts" as meritorious is problematic because that definition can vary so tremendously and is often highly dependent on the needs and tastes of the speaker.

The market failure argument rests on the belief that state involvement is justified when the market fails to produce something in sufficient quantity or quality that society values highly. In the case of the performing arts, many argue that state involvement is crucial to correct the deficiencies of the market, which provides for neither the quality nor quantity of the performing arts desirable. This is justified as necessary to ensure the survival of the national cultural legacy for future generations and the equal opportunity for all citizens, regardless of income or geography, to enjoy the benefits of the performing arts. The principle theory behind this argument is Baumol and Bowen's thesis, published in Performing Arts: The Economic Dilemma in 1966. Baumol and Bowen argue that public subsidy is necessary to sustain any level of artistic production due to the nature of the performing arts, which cannot be expected to support themselves through ticket sales alone. This argument is based upon an analysis of the performing arts as labor intensive. In an economy of rising wage rates, the performing arts will have special difficulties supporting themselves. While other sectors support rising wages through increases in productivity, the performing arts "[permit] no substitution of new technologies for labor." (Cwi, 1982:75)
Assuming that live performance can not be replaced by audio or visual reproduction technology, it will always require the same number of dancers to perform Martha Graham's "Appalachian Spring." Therefore, without subsidy, ticket prices will have to rise to cover the cost of increasing wages, and, unless audiences are completely insensitive to these rises, income to arts institutions will decrease as costs increase. Kevin Mulcahy adds that for the most part, audiences cannot be substantially increased without incurring further costs: larger hall or extra performances; and that since the performing arts are "live" the organization cannot easily build up an inventory for the reduction of risk. (1982:36) This argument has been critiqued by many, (Cwi (1982), Netzer(1972)) primarily concerning whether deficits in performing arts organizations can be traced solely to their inherent nature or to their own business and organizational inefficiencies. The amount of potential increases in efficiency through new production technology appears to have been seriously underestimated. Private contributions appears to have risen at a higher rate than Baumol and Bowen predicted, and consumer sensitivity to rising ticket prices appears to have also been overestimated. (Cwi, 1982:76) Dick Netzer, in The Subsidized Muse, argues that performing arts companies requesting subsidy must first demonstrate that they are operating at maximum cost efficiency. He argues public subsidy may promote inefficiency by inhibiting arts organizations from economizing or seeking other sources of funding. Conditions for public funds, however, can ensure that this need not be so. Increasingly, arts
organizations receiving public funding are being evaluated in terms of business and cost efficiency as well as artistic criteria. This has been a consistent concern of those providing funding. Periodically major performing arts organizations such as the Metropolitan Opera in New York and the Royal Shakespeare Company in London are investigated regarding their financial efficiency. While this can not be prescriptive, in both cases the investigation concluded that these organizations were both operating at maximum efficiency and in need of continued if not increased public funding. Like the merit-good argument, the theory of market failure fails to offer any guidance to policymakers in terms of how much support is desirable and in what fashion. While Baumol and Bowen's thesis alone may be too simple to justify public subsidy of the performing arts, it is not without validity. Baumol and Baumol (1980) argue that recent data supports the thesis that costs for the performing arts will rise consistently higher and at a faster rate than the economy as a whole except in periods of inflation. It also reveals important characteristics that distinguish the situation of the performing arts from that of other claims for public spending.

The externalities associated with the performing arts are another justification for public support for the arts. A pure public good is a service that neither allows the exclusion of another nor affects the quality or amount of the provision of another as a result of the use of the service by one. National defense is the classic example. The performing arts are seen as a quasi-public good, with a mixed private and public nature. While attendance at a concert can be sold to a particular
individual, this concert is seen as bringing desirable benefits to the community as a whole. It is argued that the market does not provide for these public externalities and that it is the responsibility of the state to support these activities. Baumol and Bowen (cited by Cwi, 1982) use the analogy of education: educated individuals are seen as more productive, likely to have better educated children and better able to participate in the democratic process. Similarly it is argued that individuals who experience the arts, in a way similar to that of education, contribute to their community, future generations and society as a whole. Others argue that the performing arts also increase the attractiveness of cities to growing corporations and to corporate executives choosing a home and workplace, improve the quality of life in these cities and attract money into the community through tourism. Like the merit-good argument and the theory of market failure, however, this argument offers no advice to policy makers who must decide between competing claims. The benefits to the community are frequently challenged as limited, often by people citing the unrepresentativeness of audience surveys, leading to public subsidy being branded "unrepresentative" or "undemocratic." Even without considering the influence of public externalities, however, it can be argued that all public subsidies are undemocratic in that they are not used equally by all social groups. Kevin Mulcahy suggests surveys of users of public parks and public libraries would confirm this. (1982: 38) It seems an unreasonable policy goal to ensure that all citizens utilize all resources equally. In fact, this seems to indicate
that the state should dictate what its citizens do, a position I think few would accept. A more reasonable goal would be to reduce inequalities of opportunity to experience these public resources.

Recently public support for the performing arts has been justified as a vital part of programs of urban revitalization. Important in many such programs is the building or renovation of a concert hall or theater. The prime examples used are the Lincoln Center in New York and the Kennedy Center in Washington D.C. These programs often refer to the role of the performing arts in increasing civic pride, as well as the externalities resulting from supporting the performing arts discussed above.

This argument does not, however, make an argument for the performing arts per se. Other programs may achieve this end at least as well at a lower cost or perhaps more efficiently. None of the above economic justifications for state involvement in the performing arts is conclusive by itself. Nor is this list exhaustive. All of the above rationales for state involvement - educational, social, cultural and economic - form the network of interdependent policy justifications for public policy toward the performing arts. Awareness of their strengths and weaknesses provides a lens through which one can evaluate policy debates. Few countries have any one policy rationale, although different countries place emphasis on different rationales for countless different reasons. Perceptions of the performing arts by the state and the society play a crucial role in determining public policy and policy structures. If the performing arts are seen as leisure activities, which in a democratic society are the
prerogative of the individual, the state will most likely be highly hesitant to do anything that might be perceived as infringing on an individual's right to make her own choices. If the performing arts are viewed in terms of the artists involved in a context of state responsibility to workers, then a program of support for artists rather than arts organizations may follow. Differences in economic and political structures inevitably lead to differences in policy rationale. In countries with market economies, economic rationales may dominate. In developing countries the performing arts may play an important role in national and ethnic identity, which may lead to a program emphasizing cultural heritage.

Differences in rationales is closely linked with differences in the values policies hope to maximize. Paul DiMaggio (1983a) suggests several general values that policies should seek to maximize: excellence - meaning the state should encourage the best, by whatever standards, in the performing arts (he importantly notes the misconception that certain art forms are intrinsically "more excellent" than others); conservation - pertaining to the state's responsibility to ensure the continued sharing of its cultural heritage; access - by which the state strives to increase the number of citizens who have the opportunity to experience the performing arts; innovation - recognizing the need encourage the growth and development of the performing arts; pluralism and diversity - recognizing the needs of different artistic, ethnic and minority groups to express themselves through the performing arts and the dangers of
selecting one art form or field of support; and participation — referring to the encouragement of the development of the skills needed for people to make art, as well as enjoy or appreciate viewing art. DiMaggio speaks of public policy in the U.S., but the values he speaks of appear in different form in most countries. These obviously are not the only options, and even within this framework, differences in emphases lead to extremely different policy choices. No state has one policy goal for the performing arts, in fact, a state may strive to maximize all of the above values, even though these multiple goals sometimes pull public funds in seemingly opposing directions. Not only do different states have different goals for public policy toward the performing arts, but different levels of government often strive to maximize different goals. Central government may emphasize the promotion of artistic excellence, while local government may focus on increasing the participation of its community. Often this results in different levels of funding acting to serve different needs. A delineation between these levels and goals is important and will follow in the discussion of each of the countries in this study. These differences reveal a great deal about the political culture of a country, the policy structure set up to meet perceived needs and responsibilities and how a country is likely to respond to change.

These differences are also reflected in the different types of funding or support for the performing arts each country uses and emphasizes. The two primary forms of direct state support for the performing arts are the subsidizing of artists and the distribution of funds to organizations involved in the performing
arts. Artists may receive one-time funding for a particular project, such as a new composition or production, or they may receive ongoing support, resulting in a kind of state patronage. This ongoing support can be approximated through regular project funding, which amounts to regular income. The distribution of funds to arts organizations, such as the Metropolitan Opera or the Netherlands Dance Theater can take several forms: block grants for operating expenses from either one or more levels of government; subsidies for a percentage of projected expenses, or deficit financing; and matching grants, which grant state dollars only after additional funds of a specified ratio have been raised from other sources.

While these direct forms of support are the most visible forms, indirect support for the performing arts has recently been recognized as an important factor in state support for the arts. Indirect support primarily takes the form of tax expenditures, or taxes foregone by the state to encourage activity of the performing arts and charitable giving by private individuals or corporations to the performing arts. Arts organizations in some countries may become "non-profit organizations," which are exempt from certain taxes. Incentives for charitable giving primarily take the form of deductions for such giving. Typically the donor may subtract either the entire or a percentage of the gift from her total income before calculating her income tax. The deed of covenant is another such form by which an individual or organization agrees to contribute annually out of after-tax income to a recipient, who can recover from the government the
taxes that have been paid on that sum by the donor. These are not, however, the only types of subsidy available. Mark Schuster also identifies:

Loans, loan guarantees, conditionally repayable loans, guarantees against loss, advances against receipts, parafiscal taxes created to provide enforced self-financing and reinvestment in various sectors of the cultural industries, direct purchase of artwork, issuing of treasury bonds to retire accumulated institutional deficits, a variety of guaranteed income schemes for artists, public lending rights, public exhibition rights, and the wide implementation of % for Arts legislation. (1985:41)

The possibilities are tremendous and vary significantly in each country. These differences can be largely explained by differences in the deemed appropriate roles of the state and private sector toward the performing arts. Put simply, if the performing arts are seen as the appropriate responsibility of the state, then direct forms of support are likely to predominate; if it is the perceived appropriate role of the individual to support the performing arts, then indirect forms of support will probably play a much larger role.

Public policy has been labelled "an extraordinarily imitative [art]," (Leichter, 1975:65) and in that vein, we can see two broad predominant models of support for the performing arts in most modern countries: the Ministry of Culture and the Arts Council. The Ministry of Culture refers to "a central government agency, headed by a Minister, who typically has Cabinet status," (Schuster, 1985:14) and the Arts Council refers to a quasi-autonomous governmental body which receives its funding from central government but is insulated as much as possible from central government political influence through its autonomy of
decision making, which is referred to as the "arms-length principle." Both models have grown out of different political traditions: the Ministry of Culture from the tradition of royal and court patronage of the performing arts and civil law associated with France and Austria, and the Arts Council from the democratic tradition of common law associated with England. Both models are perceived as having certain benefits and drawbacks.

The advocates of the Ministry of Culture argue that the arts gain political strength to argue for their budget within the government and are able to influence and work with other governmental agencies. The strength of a ministry can ensure that policy objectives are carried out, and the Minister is better placed to confront challenges to public funding of the performing arts. Opponents argue the danger of the arts becoming subservient to political goals of an administration, stifling artistic creativity and potential. With a Minister making decisions, some worry that artists' input will be left out and that the ministry lacks methods of assessing artistic quality.

Advocates of the Arts Council trumpet the freedom from political control of the arts through the arms-length principle, although its critics claim that this freedom is illusory at best, that Arts Councils are subject to central government control like all government agencies. Some argue that the Arts Council is politically weak due to its position on the periphery of budget-making decisions.

These two broad models are not the only way of looking at systems of support. The Canada Council (1985) suggests four alternative models of state involvement in the performing arts:
facilitator, patron, architect and engineer. The U.S. is the example of a facilitator state, which functions primarily through tax benefits encouraging individuals to donate to the performing arts, relying on individual and corporate tastes and preferences. Its strength is identified in its diversity in funding sources created, and its weakness in its inability to set standards of excellence or target areas of national importance, and its random policy dynamic. Great Britain is the example of a patron state, which funds the arts through arms-length agencies. Government decides how much to spend on the arts but not which organizations or artists should receive support. Its strength is its ability to foster artistic excellence and its evolutionary policy dynamic. Its weakness lies in the controversies inherent in defining excellence, especially regarding claims of elitism with respect to types of art and audience served. The Netherlands is its example of an Architect State, which funds the performing arts through a Ministry or Department of Culture and tends to support the performing arts as part of larger social welfare objectives. The art supported tends to meet community rather than professional standards of excellence, and its policy dynamic tends to be revolutionary as a result of bureaucratic inertia. Its strengths lie in the relief of the arts from dependency on popular success at the box office and the recognition of the artist in the programs of social assistance. Its weaknesses lie in the potential for creative stagnation as a result of long-term guaranteed direct funding. The Soviet Union is the example of an engineer state, which supports art that meets political standards
of excellence. Decisions are made by political commissars and intended to further political education, not artistic excellence. Its policy dynamic tends to be revisionary. The Canada Council lists no strengths of this model, and its weaknesses are linked to the subservience of art to political objectives and the potential repression of the creative energies of artists.

Obviously these are not the only existing alternatives. In practice, few countries have any of these theoretical models in pure form. The United States relies heavily on tax benefits for its arts policy, yet it also has an arms-length Arts Council, the National Endowment for the Arts. England's primary form of support for the arts is the arms-length Arts Council of Great Britain, but it also has a Minister of the Arts which lobbies for the Arts Council's budget. The Netherlands's Ministry of Health, Welfare and Cultural Affairs controls all public funding of the performing arts, but there also exists an advisory national arts council involved in decisions of artistic quality. Several people have suggested a kind of convergence theory or hybrid approach to arts policy structures, occurring to take advantage of the benefits of each model and accommodate changes in public policy. (Schuster (1985), Cummings and Katz (1987))

Important to any study of state involvement in the performing arts is an examination of the relationships between the state and other sources of funding. Other major sources of direct funding include private and corporate donations and foundations. The arrangement between existing sources varies widely between countries. Different elements in different countries, especially the state, function in tremendously
different ways. Furthermore, some public policies are designed specifically to influence the existing relationships with other sectors. An exploration of possible relationships and how the nature of these sources can influence these relationships can provide a background against which public policy functions and interacts.

Four possible relationships are suggested by Paul DiMaggio (1983a): the government as leader, the private sector as leader, a partnership between the various sources of funding and a natural division of labour. Both the government as leader and the private sector as leader violate DiMaggio’s constraint principle identified earlier, whereby no one force should dictate the policy direction of the whole, since each has different limitations and goals. A partnership assumes consensus is possible and desirable, both of which can be seen as highly unlikely. Mark Schuster suggests this could be seen as limiting the possible actions of various funding sources and suggests that it would be difficult to imagine any partnership that would not neglect "important yet unglamorous aspects of artistic and cultural activity." (1984:82-83) The natural division of labour model suggests multiple sources of funding, each of which has certain characteristics that predispose it to act in one particular function better than others can. An exploration of both the patterns of support of the various sources and the basis for these patterns can provide a guide to evaluating how the different sources might interact at best.

Patterns of private patronage vary, but patronage is
frequently a result of solicitation from a respected or familiar organization. Thus, private giving tends to support large, prestigious organizations in big cities or smaller but locally prestigious organizations in smaller cities. In the United States, the arts have traditionally received 8.2% of all private giving (Schuster 1984:86). Small, modern, and innovative organizations that may lack the recognition of their large, traditional, mainstream counterparts tend to receive little support from private giving.

Corporate patronage of the arts is closely linked with the prestige and advertising that results from the association of the corporation with the arts organization. Thus, corporations aim to reach as wide a public as possible and are likely to be conservative, hesitant to associate themselves with anything that might be a possible source of embarrassment. Corporations will tend to support large-scale, visible, traditionally popular projects. Corporate giving is directly linked to corporate profits, which vary yearly, so corporations are much more likely to be one-time projects or performances rather than ongoing support for arts organizations.

Foundations, which appear to be a particularly American source of funding, are endowments created by a wealthy patron and run by a board of trustees with the purpose of donating money to selected charitable organizations and worthy causes. The variety of foundation missions and trustee orientations seems to suggest the possibility of supporting diversity in the performing arts. The amount of funding available through foundations, however, is small. In 1980 the arts received approximately 15.3% of total
foundation donations, which in turn made up only 5% of the total private philanthropy toward the arts in the United States. (DiMaggio, 1983a:75)

Government support of the arts plays a tremendously different role across countries. It has been particularly important, however, to small innovative and minority arts organizations that may lack commercial appeal yet may have quality that the government wishes to encourage. The small scale sector functions as a source of new ideas and technology that are later adopted by large scale productions and used with great success. (Nordheimer, 1984) Richard Contee suggests that government policy should be "sensitive to the fact that survival of the economically fittest does not guarantee survival of the artistically fittest." (1983:105) Government can act to increase access and provide funding for ethnic groups and minorities who lack the political and financial strength to support themselves. Central government often has a greater opportunity to be more experimental than local government, which is frequently more conservative, since it is more directly accountable to local pressure and tastes.

Reviewing the existing literature raises three general questions with which the case studies can be approached: What has been the impact of different policy structures upon change in the 1980's? How has change in the 1980's affected policy rationales for public support for the performing arts? What role has different sources of funding for the performing arts played in the 1980's, and how have the relationships between different
sources changed? These three questions can frame the discussion and set the context in which the case studies can be understood.

The literature also raises questions about the nature of comparative arts policy research. What are the difficulties involved in doing comparative analysis of public policy toward the performing arts? We can begin by asking, what are the goals behind such studies? Comparison is perhaps most frequently used as a way of evaluating the performance of one country vs. another or others. The difficulty with this lies in the lack of any substantial data or theory concerning a model policy system or ideal standards against which policy systems can be evaluated. This use of comparative analysis can lead to misunderstandings, resulting from comparing different policy systems with substantially different goals, which are part of substantially different historical and political contexts. The results of such studies vary, depending on what the examiner is looking for and from what perspective the study is occurring. Often, it boils down to the assumption that spending more is better; the country which spends the most must have the best public policy. This can lead to faulty conclusions, as a result of the confusion between quantity and quality, and of the lack of understanding of a level of funding and form of policy appropriate to each country's unique situation.

This use of comparison seems to suggest that it would be possible and desirable for all countries to strive to emulate one ideal, model policy structure. This is ridiculous. Differences between countries should and will persist. Policy structures can not be seen, can not exist independently of the historical and
political traditions out of which they have grown. Comparisons which do not take these differences seriously can lead to potentially dangerous misunderstanding and policy decisions. As Mark Schuster has noted:

In the field of arts policy we have witnessed the awkward juxtaposition of arm's length arts councils on top of highly centralized governmental structures, the implementation of matching grants in situations much more constrained than those where matching grants have been most successful, and the adoption of tax incentives in systems where there is little tradition of private support and little reason to believe that incentives will have much impact. (1985:7-8)

The countries in this study will be presented as case studies precisely to emphasize and clarify the differences between countries. Before understanding can occur between countries, one must have understanding within countries themselves. These four countries provide a kind of spectrum of differences: at one end is socialist Yugoslavia, followed by the Netherlands and England, and at the other end, the United States.

With as full an understanding as possible of the uniqueness of each country, comparisons can provide alternative solutions or options to similar problems when seen in light of each country's individual context. I would suggest that the four countries in this study are faced with a similar economic and political dilemma. The costs of the performing arts continue to rise, due in part to their labour intensive nature, while there is an overall trend of economic austerity in the world. The growth and expansion which characterized the 1960's and early '70's has at the very least slowed considerably. Further, there is a general trend of political conservatism hostile to public spending, which
has threatened the funds available to the performing arts. Comparisons ultimately can hope to explain why changes have occurred in the fashion they have. By identifying major elements within the systems involved, we can compare the impact and effects of these elements across different countries, hopefully illuminating something about both the countries and the elements involved.
METHODOLOGY

Comparative public policy toward the performing arts faces methodological difficulties that must be discussed and accounted for in all studies. As discussed, the boundaries of arts policy studies must be carefully documented to ensure that what is being compared is truly comparable.

In this paper, I use data from Mark Schuster's *Supporting the Arts*, a 1985 study conducted through the NEA in the United States. Schuster's data is recent, well-documented and thorough. Its figures, however, are for the "arts," defined in terms of "U.S. expenditures," or for categories that the United States considers within its definition of the arts. This obviously is problematic for any study that intends to concern itself with the performing arts. I have chosen to use Schuster's data due to constraints on my part concerning time, money and skills. Schuster's data includes estimates of indirect support for the arts in the form of tax expenditures. This element of support is relatively recent in the field of arts policy research and involves access to information, time and skills that I do not have. I have decided in favour of using Schuster's data which includes indirect support over using my more recent data, which is solely of direct, central government expenditure and, thus, much more limited in depth and explanatory power. This data must be used carefully: Schuster concludes that museums are the most highly subsidized sector of U.S. expenditures, thus these figures will be weighted in favour of museums. (1985:69) Furthermore, it would be highly difficult at very best to separate tax
expenditures on the performing arts form those on museums and the visual arts. Tax expenditures in the form of charitable donations are most likely to go toward large, traditional arts organizations and companies rather than smaller, experimental groups (see discussion of Paul DiMaggio earlier), but whether they are toward the Metropolitan Opera or the National Gallery is difficult to tell. While appreciating the strengths of Schuster's data, its limits in terms of this study must as well be considered.

Data for Yugoslavia poses special difficulties. First, the available statistical data concerning the performing arts in Yugoslavia is very limited, and the data which does exist frequently conflicts with other sources. The Handbook on Yugoslavia, published in Belgrade, states that only 10-15% of arts budgets come from the SCI, the rest from commercial income. (1987:190) My interviews in Yugoslavia with, among others, the Director of the Cultural Assembly of Slovenia, indicated precisely the opposite - that 10-15% of arts budgets come from commercial income, the rest from the SCI for culture, education and youth, and from enterprises. (Janez Lah, Stane Mazgon)

Furthermore, as explained above, the differences in development between republics is so vast that any "Yugoslav" data on cultural spending would seem to be a poor indicator of cultural policy.

The methods of comparison used in most studies also have serious difficulties. Difficulty in comparison of statistics arises beginning with the definition of what is included in the figures used. I have attempted to control for this by anchoring
the comparison to the performing arts as defined above, but problems still arise. It is relatively easy to total expenditures directly marked for the performing arts, but if a complete picture is to be obtained, how do we not also include money listed as arts housing that may include the building of a new theater? Funds for the arts take many different forms in government expenditure, and a full financial account of government expenditure can be tremendously complex. Distinguishing between tax expenditures on the arts in general and on the performing arts is extremely difficult. Furthermore, central government funding is relatively straightforward compared to local government, which varies widely in definition and in form. One of the most prominent attempts to provide comparison is per capita expenditure on the performing arts, which is intended to control for the differences in population between countries. That is, however, all it controls for. Depth of funding (level of financial commitment) can not be distinguished from breadth of funding (variety in types and forms of subsidy). Different conclusions would arise from a country that funds many institutions or organizations with small subsidies, such as the United States, than from a country that funds few organizations with large subsidies, such as England. Each country also has one or more "national" theaters, operas, orchestras or companies, the costs of which are divided across the population. A smaller country then might mistakenly seem to have a greater public commitment to the performing arts than a country with a larger population. Per capita expenditure also does not take into account differences in price levels in different countries.
Due to its distance from the capitals of Western Europe, it may be more expensive to produce opera or theater in Yugoslavia than in London, where the necessary technology is easily available.

Comparing expenditures across countries also runs into difficulties in selecting one exchange rate for comparison, when currencies' strengths or weaknesses at the time taken can distort the relationship between countries. For example, if U.S. dollars are used, the figures for comparison would be very different if the exchange rate was taken before the stock market crash in October 1987 than if afterwards. True, they might vary similarly, but nevertheless they would be misleading, especially if we took them to mean that all countries but the U.S. suddenly increased their public subsidy when the market crashed. Even over time, the dollar had been artificially high for a period before the crash, and annual exchange rates will reflect this distortion. All of these caveats serve to indicate the limitations of comparative studies, especially those without a carefully documented methodology section. With them in mind a more informed portrait of comparative public policy can be reached.
CASE STUDIES

Since the birth of Yugoslavia as a socialist nation in 1945, "culture" has been given a prominent role in the development and transformation of Yugoslavia from a rural, agricultural society to a modern, industrial nation with global identity. "Kultura" refers to culture in the largest sense of the word - human scientific, intellectual and artistic achievement - and has been seen as the manifestation and measure of Yugoslavia's progress and growth. The report of the 13th Congress of the League of Communists of Yugoslavia (hereafter referred to as the LCY) states boldly: "The implementation of the development objectives of our society is inseparably linked with the development of culture." (1986:158) Furthermore, the structural make-up of Yugoslavia, its six republics and two autonomous provinces, each of which has grown out of very different historical traditions, create a situation in which cultural identity plays a crucial role in the administration of the country. After an initial attempt at the promotion of a socialist, pan-Yugoslav culture, which notably lacked historical tradition, Yugoslavia was forced to recognize the persistence of regional differences. In 1965 the present system based upon the freedom of expression of republican identities was created. These differences must be seen in the context of each republic's history. Slovenia, the northernmost republic, traces its history and development to its Middle European heritage, as part of the Austro-Hungarian empire. Parts of Bosnia-Hercegovina were for many years part of the
Ottoman empire, and the Southern republics such as Macedonia and Montenegro are part of the Mediterranean tradition of small, independent states.

The recognition of the non-existence of a Yugoslav culture, as well as a desire to avoid the past of unequal distribution of resources for culture from the centre to the republics due to their uneven cultural development, led to the 1974 Constitution, which was based on the principles of decentralisation and self-management. There is no federal governmental body for culture. Each republic has complete autonomy in deciding its own cultural policy, although this is subject to the laws and regulations of the Constitution.

All policy codes in Yugoslavia have been reshaped with the goal of meeting the needs of the working class, and to this end the LCY is designated the ideological arbiter of cultural policy. The Handbook on Yugoslavia, published in Belgrade, the capital of Yugoslavia, states explicitly:

> the basic aims of the cultural policy of self-management are to promote activities which will bring the values created in culture and the arts closer to those social strata that have been alienated from them for centuries owing to their social and economic status. (Micunovic et al., 1987:198)

The traditional pattern of public policy in the form of raising taxes through a government body which redistributes this money according to its policies does not in theory exist in Yugoslavia. As a result of the Law on Associated Labor in 1974, money for all social services, including culture, is raised through individual enterprises. Workers Councils, elected by the members of each enterprise, decide how to spend the surplus or gross income, the
money earned over production costs. A percentage of this surplus is almost inevitably devoted to cultural activities by each enterprise. Some of the money earmarked for culture may go for specific cultural activities concerning the enterprise such as a visiting theater company, but a majority of this money from all enterprises is allocated to the Basic Organisation of Associated Labour, which is made of members elected from the enterprises, and then directed to Self-Managing Communities of Interest for Culture. Self-Managing Communities of Interest (hereafter SCI) were created to pursue the ideological commitment to reducing the role of the state and increasing the amount of decision making made directly by the workers. Some public services such as education have a constitutional basis for their provision, reinforcing their status and support from the SCI. Culture notably lacks this constitutional status, despite its prominence in the theory of Yugoslav socialism.

The SCI consist of a two house assembly, one half of which is made up of representatives from the Basic Organisation of Labour and one half of which is made up of representatives from the workers in the appropriate field, in this case of culture. This assembly usually meets annually and, through a process of bilateral bargaining between the two houses, decides how to spend the cultural budget for that year and discusses policy and planning issues. SCI exist on the levels of the republic, the city and the local community. Each level is in theory devoted to supporting activities or institutions relevant to its sphere of influence. For example, an opera house might be the concern of the republic, since there may only be one opera house in the
entire republic and it may assume significance for the entire republic. Theaters might be the concern of the cities in which they are based, and community arts centres would be the responsibility of the local communities. This division of responsibilities is not as clear cut in practice, however, and multiple funding of organisations and institutions does exist. The opera house of concern to the republic is also the concern of the city in which it is located and will certainly receive funds from both levels of SCI for culture.

This arrangement is designed to eliminate the role of the government as intermediary between the workers and the satisfaction of their interests. In theory it sets up a direct exchange of labour between the producers of culture and the users of culture and allows the workers to decide their own cultural policy. It is further intended to raise the public services, particularly culture, to an equal level of that of productive work, traditionally limited to industry and agriculture.

Positions similar to that of a Minister or Secretariat for Culture do exist on the levels of the republic, but their functions and powers are exclusively administrative and concerned with legal issues. They have no financial or funding powers whatsoever. Culture is further supported through the SCI for education, which is involved in the professional training of artists through the Academies, and through youth organisations, involved in supporting activities which often take the form of performing arts activities. Monies for culture, such as for the building of a new concert or performance hall, can also be raised.
through city or republic referendums, which take the form of self-imposed taxes, whereby the people vote to set aside an additional percentage of their income for the projects on the referendum. There also exists a special arrangement by which artists can apply to obtain the status of, loosely translated, "people's free artist," (Kos, 1987: Interview) which gives full welfare and health benefits to the artist, who receives income honoraire, by specific performance or project.

This structure leads to tremendous differences between enterprises, cities, and republics in their financial support for culture. Figures on each of the republics were not available to me, but the differences between the republics can be seen through other figures. The average income in Slovenia, the northern most republic, is two times higher than the Yugoslav average income; the average income in Kosovo, the southermost autonomous province, is four times lower than the Yugoslav average. (Lavrac, 1987: lecture) Obviously these figures cannot be said to be the same as financial support for culture, but they may act as guidelines for understanding the differences between the republics which also exist in cultural policy.

The LCY sets explicit standards for cultural policy in Yugoslavia. The party treads a thin line between a commitment to creative expression and to forceful opposition of "episodes of anti-socialist ideological and political action under the guise of cultural, scientific, and artistic achievement." (1986:167) The question of censorship of artistic activity arises. Censorship of the performing arts in the conventional sense of a party or government apparatus actively and openly preventing a
performance is rare in Yugoslavia. This can be traced to the post-World War II break with the Soviet Union and subsequent pattern of appeasement rather than punishment of artists and intellectuals by Josip Broz Tito. Presently, controversial artistic expression is permitted but receives no financial support or recognition from the party or the government. Leibach, a Slovenian group of musicians, dancers, actors and visual artists with the aim of protesting governmental oppression through their art forms, receive no financial support from the Slovenian SCI for culture. They did, however, perform a sold out concert in Ljubljana this past fall at Cankarjev Dom, the major performance hall in Slovenia, with the English modern dance company of Michael Clarke. Their work is not censored, nor are they prevented from performing, but they continue to receive no official recognition from the Yugoslav or Slovenian government.

The ideological standards for culture do lead to a tendency toward inflexibility and an inability to respond to changes in the art world. While the director of the SCI for culture in Slovenia claims that artistic quality is the sole criterion for financial support for cultural activities, (Lah, 1987: Interview) the funding choices made reflect a neglect of most modern art forms. The National Theaters perform an almost exclusively classical repertory. Modern dance is not taught at the Academy for Dance in Belgrade and receives no professional funding. All money for modern dance comes through funding of the amateur arts. This is slowly changing, but it suggests the difficulties of policy makers in reconciling the ideological commitment of the
party and artistic quality in light of changes in the performing arts.

While the 1960's have been characterized as a period of relative creative freedom and prosperity for Yugoslavia, the 1980's have witnessed a period of serious economic and political crisis. Yugoslavia suffers at the present writing an annual inflation rate of 80-100%. Its international debt is the equivalent of $20 million, and as a result the International Monetary Fund has become involved in the management of the Yugoslav economy. This has been accompanied by the revelation of major corporate financial scandals, such as the Agrocomerc corporation's revealed millions of dollars in debt and their subsequent declaration of bankruptcy. The inability of the Yugoslav government to act decisively to resolve the crisis, as a result of the need to achieve republican consensus for action, has created a situation described in apocalyptic terms.

The need to reduce the international debt and solve the economic crisis has had an inescapable effect on the monies available for culture. A recent law passed in Belgrade, which is due to go into effect 1 January 1988, will fundamentally alter the way money is appropriated for culture. This law will change the sum out of which a percentage is devoted to culture from the gross income, the surplus after production costs, to the net income, the money remaining not only after production costs but after salaries and all other expenditures are taken out. This will drastically reduce the money available for culture. As of October 1987 the Cultural Assembly of Slovenia had demanded the right to contest the legality and constitutional nature of this
law, attempting to change or at least amend the law, so as to reduce its effect upon the money available for culture. At present I do not know the outcome of this challenge. The people I interviewed, such as the director of the Cultural Assembly of Slovenia and the Information Officer at Cankarjev Dom, seemed to feel that the nature of the law was so drastic and extreme that it could not escape modification. Notably, these officials in Slovenia commented that they in Slovenia would be least affected by this law due to the greater cultural consciousness in Slovenia, compared to the Southern republics. The influence of this change will vary from republic to republic.

This crisis situation in Yugoslavia reveals the difficulties and problems of this complex system. Structurally, it has been argued that the responsibilities for culture are beyond the capabilities of the enterprises, which are seen as already having more than they can handle managing the operation of their own enterprises. (Lydall:124) It can be argued that the SCI fail to raise culture and the public services to the level of productive work, since decisions regarding budget allocations for culture must be made through a process of bilateral bargaining, unlike the decisions of enterprises, which are made by the members of that enterprise alone. (Lydall:101) The SCI are vulnerable to the charge that they fail to eliminate the role of government as intermediary and are simply a different form of government, made up of elected officials. Culture, lacking a constitutional basis for provision, also faces prejudices which highlight the difficulties culture faces in achieving status comparable to
productive work. Despite its special ideological significance, culture was described to me as a "step-daughter," (Lah, 1987: Interview) treated poorer than all other fields in terms of financing. This system codifies inequality in a situation of vast unequal development between republics, while it claims to seek equality.

In light of the tremendous problems facing Yugoslavia today, there is the sense of a need for serious change. Cultural policy is caught in this crisis, which seemingly must be resolved before cultural policy can find its new ground within the present changes. While it seems that the effects of the Belgrade law will not be as drastic as it proposes, at least throughout Yugoslavia as a whole, its effect could be tremendous. Cultural policy will continue to be an important indicator in the future to the nature of Yugoslavia's response to the present crisis.

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Since the emergence of the Welfare state in the Netherlands following World War II, public policy toward the arts must be seen as part of a comprehensive program of social welfare. Responsibility for the performing arts is located in the Minister of Welfare, Health and Cultural Affairs (WVC). This program of improving the quality of life of its citizens stressed the integration of the arts into the community, the educational value of the arts and the social well-being of artists. The arts as a whole receive support from other Ministries as well, in so far as
they function in other fields. The Ministry of Education for example provides further public support in terms of art education.

The arts budget is allocated by the cabinet to the Minister, who is responsible for policy matters and funding decisions. From the Minister, the budget is distributed to the Director-General for the Arts, who is directly accountable to the Minister. The budget is allocated as subsidies to arts organisations and artists upon the advice of Raad Voor de Kunst, the National Arts Council, which is made up of sixty "experts," appointed by Royal Decree upon recommendation of an independent selection board or by the executive board of the Arts Council. Raad Voor de Kunst receives requests for funding from the Minister and evaluates them in terms of artistic quality, which is in theory the primary criteria for subsidy. These decisions are passed on to the Minister, who in most cases and in theory simply enacts their decisions. This arrangement can be traced to the 19th century Dutch statesman, Thorbecke, who believed the government should never be involved in questions of artistic quality. Government officials may not become members of the Council, although they may attend its meetings. This, and the tradition of pluralism and tolerance in Dutch society, has led to a policy whereby the Dutch government sees its role as one of promoting an environment in which the arts will flourish. Further advice to the Minister comes from the Federation of Artists' Organizations, which represents the interests of various artists' associations, and from various specialists and trade
Unions.

Provincial and local arts councils and administrative and political figures exist to support the arts at their respective levels of government, which are also advised by specialists and individual artists. Local municipalities provide a nearly equal amount of financial support for the arts as compared to central government spending. This dates to the tradition of patronage for reasons of civic pride and of local autonomy from a central court and the church before the unification of the Netherlands as a nation. (Dorian, 1964:322)

Indirect support for the performing arts in the form of tax incentives for private contributions exist but are very small and play a very small role in public policy. (Schuster, 1985:57) This must be understood as part of the Dutch tradition of the role of the Welfare State. It is the appropriate role of the government, not of individuals, to provide for the performing arts. In recent years this view is increasingly being challenged.

The 1960's and early 1970's were a time of economic prosperity for the Netherlands, and the performing arts benefitted accordingly. The number of subsidized performing arts companies rose from 23 to 66 between 1959 and 1981. The number of performances in subsidized performing arts companies rose dramatically between 1965 and 1981: Theater rose by 47%, mime by 221%, symphony orchestras by 48%, ballet by 61% and opera by 55%. (Kolarikova, 1984:19-20) The emphasis on social welfare led to a policy focus on the social well-being of the artist. The system of subsidy for the performing arts was open-ended. One
could apply at any time during the year for subsidy, and if the subsidy ran out, one could apply for more with a reasonable expectation of receiving further money. There existed a system of matching subsidy, by which the central government made as a prerequisite for its funding a promise of equal funds from lower levels of government.

In the late 1970's and 1980's this period of economic growth slowed considerably and was succeeded by a climate of recession. The Dutch government began seeking ways to reduce its expenditures. In 1976 the central government introduced its blueprint for decentralisation, whereby money and responsibility for the performing arts could be distributed to the provinces and municipalities, relieving central government of the financial burden. This program, however, failed to reduce expenditures as desired, and spending continued as before. Beginning in 1983 with the policy report of the Sutherland Commission, in an attempt to get a hold on this open-ended system, the process of decentralisation was reversed.

Recentralisation began with a vertical reshuffling of 57 million guilders from the provinces and cities to central government concerning the subsidy of theater companies and orchestras. The system of matching funding was replaced by a program of exchange of subsidies between levels of government, designed to delineate clearly the responsibilities of each level of government and to eliminate waste and inefficiency in funding. Broadly, central government claimed responsibility for the subsidy of artistic organisations, and municipalities were made
responsible for the housing and maintenance of the concert halls and performance spaces. Provinces were given special responsibility concerning the distribution of art. This increased the financial control of central government over the artists and artistic organisations receiving subsidy. A horizontal reshuffling of money between art forms followed, from orchestras to new music forms and from theater to dance. Market and profit principles were introduced as criteria for subsidy, most notably in terms of quantitative audience figures and financial stability. The creation of the organisation, Sponsors for Art, with the support of the government gave form to the new emphasis on corporate sponsorship of the arts. The government's policy encourages large, traditional organisations to seek funding from corporate sources, while the government devotes more of its money to the less stable, more financially risky art forms. The government's new concern for market principles, however, has been seen as potentially most dangerous precisely for these smaller, more experimental, performing art forms that lack name recognition and financial security. A declaration base of the system of subsidy, as well as application deadlines and closed budgets, have been introduced. The repeal of the famous law on Plastic Arts, which provided support for visual artists, was seen as an important indicator in the changes occurring in public policy toward the arts in general.

With the recent Law on Creative Arts, special "Funds" were created for subsidy of artists such as composers, playwrights and film-makers, each of which receives a lump sum directly from the Minister and set its budget for expenditure independent of the
Raad Voor de Kunst, although the Minister does formally ask the advice of the Arts Council after the budgets have already been set. This distinction between the performing arts and the creative arts, reflects an important change in public policy in the 1980's. The Minister has particularly increased his control over the creative arts, which are part of the larger program of social welfare. Central government provides nearly double the subsidy for the creative arts of local government. This situation is reversed for the then so-called performing arts. (Fenger, 1987:117.) These special funds increase the control the Minister has over the how much money is allocated and how this money is spent, most notably in terms of new restrictions and the introduction of new market criteria for subsidy. This is part of the larger changing role of the Welfare State in the Netherlands. It is representative of the process of recentralization and is seen by many as an attack on the Arts Council's already informal power.

The new plan for 1988-92 includes a significant change in orientation from plans for "decentralisation" to plans for an efficient "distribution" throughout the country from the centre. Population figures have been introduced as criteria for size of subsidy in the name of introducing greater equality. This has in fact reduced the money available to the provinces and municipalities, while the control of central government increases. The example of orchestra subsidies is illustrative. Central government has introduced restrictions on the funding of orchestras in an attempt to provide a more appropriate system of
funding. To perform certain works of music, like Mahler for example, a larger orchestra is needed than for other works. It has been decided that it is not reasonable for every region to have an orchestra of the size needed to play Mahler, requiring an appropriately larger subsidy, when the Netherlands is so small that one can easily go to see Mahler in Amsterdam or wherever the large orchestra performs. Thus orchestra subsidies have been cut.

The introduction of market and profit principles, geographic and financial criteria for subsidy and emphasis on corporate sponsorship represent a major change in the policy of the Netherlands away from concern for the social well-being of artists. This change has been described as a move from a concern for the producer to a concern for the consumer and has been heralded as the beginning of the end of the Welfare State. (Smithuijsen, 1987: Interview) The financial allocation for the arts in the 1988-92 plan, however, has not been cut. In response to the economic difficulties of the 1980's, the priorities and context in which decisions are made have been changed. The system has been rationalised in an attempt to promote efficiency, but the Dutch commitment to the performing arts remains one of the highest in Western Europe. This continued commitment, which can be explained by the high status of public subsidy for the arts in Dutch society, remains admirable in this time of economic recession.
Prior to World War II, England had virtually no policy or support for the performing arts. This can be understood in light of the political and social traditions of England, which differ considerably from the continental European tradition. England lacked the transition from royal court patronage of the arts to state sponsorship found in much of Europe. Government in England prior to World War II was assigned the role of watchdog. This laissez-faire approach based upon the democratic belief of individual choice for so-called leisure activities was combined with the religious ethic of puritanism and protestantism, which looked down upon the arts as frivolous and the work of the devil. The utilitarian, materialistic ethic of capitalism further led to staunch inertia against public support for the performing arts. (Ridley, draft:3-4)

In 1939, however, the Pilgrim Trust set up the Committee for the Encouragement of Music and Art with the expressed purpose "to prevent cultural deprivation on the homefront." (Netzer, 1978: 197) This program of touring and performing throughout wartime England found remarkable success and has been credited with the creation or discovery of new audiences for the performing arts. In response to the success of this private initiative, the Government began to contribute to the funding of the Committee and in 1942 took over complete responsibility for the program, which was renamed the "Council" for the Encouragement of Music and Art (hereafter CEMA). Following World War II, the work of CEMA was continued in the form of a Royal Charter for the Arts.
Council of Great Britain, founded in 1945 and chaired by the famous economist, John Maynard Keynes. It is important to note that it was only in the crisis and upheaval of wartime that the inertia of tradition against public support of the performing arts was overcome. The report of the Arts Council of its first ten years comments:

the effort to create such a body would have been arduous and protracted in peacetime. Even if the sponsors of the project were able to agree amongst themselves about the aims and constitution of such an organisation, that would only be the beginning of their task. They would need to persuade or reconcile to their case the scores of bodies concerned with the arts, many of them vigorous adherents of conflicting policies and practices, and some of them hardly on speaking terms with each other; they would have to run the gauntlet of press criticism, build up a body of support in Parliament; endure, perhaps, the scrutiny of a Royal Commission or similar enquiry. (quoted by Ridley, draft: 10)

Lord Keynes' comment concerning the creation of the Arts Council is illustrative of the nature of this development: "state patronage of the arts crept in: it happened in a very English, informal, unostentatious way - half-baked if you like." (Ridley, draft: 10) Public support for the performing arts was a part of the emergence of the Welfare State in Britain as well. The arts were included in the government's policy of improving the quality of life of its citizens for their perceived nature as educator and moralizer.

The Arts Council is composed of 20 specialists, appointed by the government, and of advisory panels for the artistic disciplines. At its founding, it received a block grant from the Treasury, which it was free to allocate as it saw fit. Its stated policies were the promotion of quality, availability and
housing of the arts, and it was designed to be responsive to changes in the arts world, encouraging an environment of artistic expression rather than setting an artistic agenda. This marked the creation of the now famous arms-length principle. This freedom from accountability to the government is based upon the belief that politicians should not be responsible for artistic decisions and that the arts should be insulated from political interference. The Arts Council is considered a Quasi-Autonomous Non-Governmental Organisation (QUANGO), and employs a double arms-length principle: not only does it have complete artistic autonomy concerning how its budget is spent, but the clients who receive funding from the Council have no responsibility in theory to the Council regarding the artistic quality of their work. This arrangement is based upon the principle that artistic quality can not be judged by any universal standards and that even for the Arts Council to apply such criteria would risk stifling potential artistic creativity. This has led to some of the most virulent debates concerning the role of the Arts Council, usually by people or politicians outraged by a subsidized performance that they find offensive in some way. The overall consensus, however, is that the benefits in terms of artistic freedom and freedom from political intervention far outweigh the draw-backs of occasional controversy. Importantly, clients are evaluated by the criteria of financial efficiency and the degree of availability of their work to the public.

A large percentage of the Arts Council's budget (35%) was devoted to the support of the four national flagship companies -
the Royal Shakespeare Company, the English National Opera, the National Theatre and the Royal Opera House - which were to act as models of excellence. Many see this as an important change in function from that of the CEMA, a popular touring program, designed to meet the needs of the people. (Beck, 1987: Interview)

The Arts Council is charged with elitism, concerned primarily with national prestige and pride. Further public support for the performing arts comes from the British Council, which was created explicitly for the promotion of the British arts and British culture abroad. Similar motivations for this form of public support can be seen.

The Arts Council’s budget remained quite small until 1965, with the election of the new Labour government led by Harold Wilson and the creation of a Minister for the Arts, who runs the Office of Arts and Libraries. It is the Minister’s responsibility to negotiate the budget for the arts between the Arts Council and the Treasury. The money for the budget is sent from the Treasury to the Office of Arts and Libraries, which funds a considerable number of activities other than the performing arts, to the Arts Council, which maintains complete autonomy in the allocation of its budget. This move was intended to give the arts a voice in government, to move the Arts Council from the periphery closer to decision making.

There is a negligible tradition of support for the performing arts by local authorities. It wasn’t until 1948 that local authorities were authorized to spend money on the arts, and the amount spent by local authorities remains small. Regional Arts Associations grew in England out of varying circumstances
and initiatives; some were formed by artists, some by governments. They are independent in theory from the government and receive income in the form of block grants from the Arts Council. In the 1987-88 plan the grant from the Arts Council to the Regional Arts Associations was 15.5% of its total budget. Indirect support in the form of tax benefits to encourage private contributions also is very small. (Schuster, 1985:50) The deed of covenant, a contract whereby the recipient of a donation could recover the taxes paid by the donor to the government, has been a particularly British element in indirect support for the arts. In 1986 the government enacted legislation allowing the donor a tax deduction for such charitable contributions, which has been seen as a crucial move to encouraging private support for the arts. Like local authorities, however, there is little tradition for private patronage.

In 1979 Margaret Thatcher’s Conservative government was elected. The cornerstone of the new administration was cutting government spending and replacing government programs with private initiative. In this period both of economic austerity and Thatcher-ite, market-oriented ideology, the Arts Council was faced with "reduced increases" in its budget which were smaller than the rate of inflation and resulted in budgetary cuts in real terms. Central government proceeded to cut all levels of government expenditure. In 1985, the local Labour government of Liverpool was removed from office because of their spending policies which did not conform to central government’s plans. The milestone of this policy in terms of the performing arts came
in 1986 with the abolition of the Greater London Council (GLC) and six Metropolitan County Councils (MCC), which were major sources of funding for the performing arts and resulted in a direct cut of 25 million pounds for the arts. The government proposed that local and regional governments should pick up the financial commitments of the GLC and six MCC, which was seen as ludicrous since before abolition their spending was twice that of local authorities. The major issue was the spending of these bodies in the face of government policies of cutting expenditure. In an analysis of the proposal for abolition by Cooper and Lybrand Associates, this was stated in the form of the question "whether there are or could be other ways which government could ensure the close adherence it is seeking to its policies on local expenditure." (1983:6) The abolition was seen as particularly disastrous in terms the minority, experimental groups, who received three times as much funding from the GLC than from the Arts Council. (Nordheimer, 1984)

A majority of the money needed to replace that of the GLC and six MCC was found: two thirds was provided by local government; the other third was provided by central government. (1987:ii) This has led to a major change in the understanding the role of the performing arts in society and in government. The performing arts find justification for funds in local government in terms of their role in urban renewal and community benefits. Subsidy to a minority theatre company is justified in terms of easing race relations; support for youth theatre is seen in terms of easing problems of vandalism. There is a new interest in the arts as a source of job training and
employment. This has led to a new situation for the performing arts and an apparent division of responsibility for the performing arts - the professional performing arts are the responsibility of central government, and the amateur arts are the responsibility of local authorities, although this distinction is becoming less and less clear.

A major emphasis of the Thatcher program is on increasing private and corporate sponsorship, reflected in the creation of the Association for Business Sponsorship of the Arts. The Arts Council has introduced Incentive Schemes for matching grants from corporations to arts organisations. This has been accompanied by the introduction of market criteria for subsidy. Luke Rittner, Secretary-General of the Arts Council, has said of arts organisation that with the frail state of England’s economy, "the art they produce must be justified by measuring standards and box office receipts." (Nordheimer, 1984) Central government has furthermore begun a process of earmarking from above the funds given to the Arts Council, such as for the South Bank region, which was created to replace the work of the GLC. There has been a proposal following an inquiry into the Royal Shakespeare Company’s accounts that the government should take over the funding of the four flagship companies. These developments have been seen as major threats to the arms-length principle. The changes can be seen as part of an overall program of centralisation in terms of financial control over the funding of the performing arts.

In November 1987 Richard Luce, the Minister for the Arts,
announced that the Arts Council will now receive its funding in terms of a three year plan, a move applauded by many as long overdue. Previously the Arts Council had received its budgets on an annual basis, which prevented the Council from any kind of stability or long-range planning. This can be seen not as a change in central government's policy toward the performing arts, but as a response to hard campaigning for the arts by private organisations, such as the National Campaign for the Arts. The Economist described this move as "a careful political move to silence the noisy arts lobby." (14 November, 1987) The increase in funding for the arts of 17% over the next three years is accompanied by the earmarking of a portion of this increase to the Incentive Scheme Plan, and also introduced box-office criteria for new subsidy, which worries many concerned about artistic criteria. It is also pointed out by many including the Labour spokesman for the Arts that this increase comes at a cost to local governments, which are faced with a cut in the expenditures for the arts. (The Guardian, 6 November, 1987)

The three year policy statements of the Arts Council due to come out in January 1988 will be important indicators to the future of public policy toward the performing arts in England. In light of threatened funds, controlled expenditures, the institution of financial criteria for subsidy and the centralisation of financial control by a government hostile to public spending, the arts lobby appears to have won a small victory. The extent and effect of this victory will remain to be seen.
The United States is the latest country to begin a positive program in support of the performing arts. Substantial elements of political culture act against the creation of such a system: the U.S. lacks any tradition of court patronage of the arts which might create a pattern of such support. The puritan tradition hostile to the arts as frivolity and utilitarian ethic demanding material returns for all spending create an environment for which public support for the arts is at best a suspicious match. Supporting the arts in the United States is still proclaimed to be primarily the responsibility of the private individual. The arts are predominantly seen as leisure activities, which in a democratic society government should be left to the choice of individuals. Fear of central government control of the arts is a primary reason behind the small national support of the arts. Furthermore, the federal system of the U.S. by which the states have the right to decide their own policy agendas adds to a situation whereby central, national spending on the arts walks a thousand delicate tightropes at once.

Since the turn of the century the U.S. can be seen as having a kind of indirect policy in support of the performing arts through the creation of tax deductions for charitable giving to non-profit organizations and other benefits. This system of indirect support, dependent on the actions of private individuals, still remains the pillar of U.S. policy for the arts. Before 1965, however, the only direct form of government
support for the arts came during the Works Progress Administration's New Deal programs to employ artists. Despite its relatively small expenditure the program was wracked with controversy from its beginning, as opponents attacked it for everything from mismanagement to Roosevelt propaganda to the encroaching of communism. (Mankin, 1982:111-140) The program was ridiculed as government's involvement in "show business," revealing a lack of clarity regarding the definition of the arts and the proper relationship of government and the arts, however defined. The program was cut off completely in 1943, leaving government involvement in the arts a tainted issue, which would take twenty years to change.

With the election of John F. Kennedy in 1960, the issue of government support for the arts resurfaced. Motivations behind Kennedy's support for the arts are claimed to range from the enhancement of his public image to using the arts as a symbolic element in his programs of change. Regardless, the Inquiry into the Status of the Arts commissioned by Kennedy led, albeit haltingly, to the National Foundation on the Arts and Humanities Act of 1965, which established the National Endowment for the Arts (NEA). The NEA provides grants to artists upon the advice of the National Council on the Arts. The NEA's stated goals were to foster excellence, diversity, vitality and the accessibility of the arts. Government's role had been changed substantially to "give full value and support to the other great branches of man's scholarly and cultural activity in order to achieve a better understanding of the past, a better analysis of the present, and
a better view of the future." (1965:1)

The budget for the NEA is appropriated through negotiation between Congress and the President annually. In 1966, the NEA's budget began at $2.5 million. All funding decisions are made by the peer panel reviews of the NEA, following the British arms-length principle of insulation of the arts from political pressure. As seen in England, this insulation is partial at best. Robert Hutchison has suggested that the arts can best be seen as free to act as they choose "within the grain" of central government policy. (quoted by Schuster, 1985:24)

From the beginning the NEA was not intended to be a leading force in the field of arts funding. Its pattern has always been that of funding projects rather than operating expenses. Some organizations may however approximate regular ongoing funding from the NEA through annual applications. In theory, this funding is never guaranteed. The NEA by statute may not fund more than 50% of any one project. In fact much of the activity of the NEA is geared toward increasing funding from other sources. Challenge grants, one of the more prominent NEA programs, fund one dollar of federal support for every three dollars of private support already obtained by an applicant. Some have suggested that the NEA should act by placing its "stamp of approval" upon arts organizations or artists demonstrating merit, which would indicate worthiness for funding to other sources.

In theory the NEA acts responsively to the needs and desires of the arts constituency and voters, rather than acting as a trend or policy setter. Paul DiMaggio attributes this policy of
response to a wider understanding in the appropriate role of government in American society, to "a belief that the state should not, in a democracy, become a major force in the marketplace of ideas." (1983:246) This policy becomes difficult to accept in practice due to the regulations on application procedures and acceptable types of funding, which influence the types of arts funded.

By statute 20% of the annual budget of the NEA is passed directly onto the states. Although the first state arts council was established by Utah in 1899, the first state grant making agency to provide significant state support for the arts was established by New York in 1960, before the creation of the NEA. After 1967, the NEA began to promise the states funds if there existed a state arts agency, which led to their rapid growth.

These state arts agencies take various forms from state to state, from small scale NEAs with a state version of the arms-length principle to arts departments within larger state agencies. State support for the arts plays an important role in the geographic decentralization of decision-making policy pursued by the NEA. The amount spent on the arts varies tremendously from state to state as well, which has raised issues of how to best and most fairly allocate NEA funds to the states: whether the limited national money should be spent in states that either appear to lack commitment to the arts or that already spend a considerable amount on the arts. In 1983 the total spending of the state arts agencies was estimated to be $124 million, compared with $144 million by the NEA. (Schuster, 1984:102)
Local support for the arts, not surprisingly, is highly involved in the building and maintenance of arts facilities which can be seen as directly benefitting the local community. Due to great variation in form and accounting for local money spent on the arts, an estimate of such spending is extremely difficult. It is further difficult to separate money spent on performing arts facilities and money spent on museums and visual art galleries. One estimate for total local spending on the arts in 1983 is approximately $300 million (Schuster, 1984:102), which more than doubles the total federal support. Indirectly, through the system of deductions for charitable giving and other tax benefits, it is estimated that in 1983-4 the U.S. provided $2,356 million in foregone taxes, almost triple the direct government expenditure. (Schuster, 1985:43) While private giving is clearly the predominant form of support for the arts in the United States, this figure includes donations by both individuals and foundations to the arts and humanities and is thus larger than actual expenditure.

One particularly American form of support in the U.S. is that of foundations. The Rockefeller and Ford Foundations are probably the most well-known of these private endowments, created to donate money from usually a wealthy patron or family to charitable organizations and worthy causes, such as the arts. In 1982, Schuster estimates that $349 million, 11.1% of total foundation giving, was contributed to the arts and humanities by foundations. Figures for the performing arts, however, are difficult to come by.

The 1960's and '70's were a period of rapid growth in public
spending on the arts. Between 1970 and 1972 the NEA’s budget almost doubled twice. In 1980 the budget had reached $154 million, a figure many have called unbelievable to have been attained in such a short time from its beginning. Kevin Mulcahy attributes much of this growth to the activity of Nancy Hanks, who chaired the NEA from 1969 to 1977. During that time period the budget increased tenfold. Her tenure was characterized by calls for broad support for the arts in all aspects and avoided the use of narrow policy goals, consequently avoiding the quick charge against the arts of elitism. These goals led to the creation of a substantial and vocal arts constituency, which would lobby in support of the NEA and furthered "a period of dramatic growth in its size, appropriations, political esteem, cultural impact, and public support." (Mulcahy, 1987:326)

This pattern of continued growth ended with the election of Ronald Reagan to the presidency in 1980. The Reagan administration was founded on the principle that the national government was too large, inefficient and the source of many of the country’s perceived problems. Cutbacks in public spending and a move toward the privatization of government programs were cornerstones of the Reagan ideology. In 1981, Reagan’s Office of Management and Budget Director David Stockman targeted the NEA for a budget cut from $158 million in 1981 to $88 million for 1982, almost a cut in half. Stockman argued that public subsidy was discouraging private and corporate sources of funding, which had historically been the primary sources of funding for the arts. The NEA was accused of striving to become a "financial
patron of the first resort." (quoted by Mulcahy, 1987:323)

The NEA responded by arguing not idealistic or moral principles for support for the arts but by an economic, "dollars and sense" approach. The Reagan claim of discouraging funds was disputed, citing rising corporate and private giving to the arts since the creation of the NEA. Chairman Livingston Biddle re-affirmed the NEA's role as a "vital catalyst" for funding of the arts. This approach also emphasized the economic impact of the arts and their role in programs of urban renewal and growth in smaller cities. This change in tactic from a broad support of the arts concerning how they improve the quality of life for Americans to the economic benefits of public funding of the arts was clearly necessitated by the change in political climate in the 1980's.

The arts lobby, built up under the tenure of Nancy Hanks at the NEA, was very vocal, capturing the attention of the media with celebrity figures such as Beverly Sills. Congress approved $143 million for the NEA for 1982, a cut of 10%, yet also a seemingly remarkable defense against the Reagan attack. In fact, since 1982 the NEA's budget has continued to grow to where by 1984 it had surpassed in absolute terms its previous high under the Carter administration. The diversity of decision making which has characterized arts policy in the U.S. in this case appears to have prevented a serious cut in the public funds for the arts. Some have seen this abrupt change as healthy in the long run for the arts world, which had been growing complacent in the 1970's, as continued growth in public spending on the arts seemed likely. (Mulcahy, 1987:322)
Comparative studies have long shown the U.S. to be far behind other European countries in their public expenditure on the arts, yet the U.S. continues to boast some of the most popular, innovative and successful artists today. As the U.S. appears to be edging toward increasing public support for the arts, other countries are increasingly turning to the U.S. model of diverse sources of funding. As is the case with all radical changes, the policies of the Reagan administration are coming under sharp critique as the Reagan presidency comes to a close. The arts have remained relatively quiet, as the NEA appropriation slowly rises.
COMPARISON

This study is set in the context of the 1980's, a period that has seen important changes in arts policy. This period is a loose time frame with particular characteristics, as I have argued above. The logical starting point of such a study is to examine change (or lack thereof) in public policy in the 1980's from the periods that preceded it. This may proceed from our definition of public policy: changes in policy attitude toward the performing arts and in legislative acts both affecting the performing arts and the state structures that support them. Changes within each country have been presented in the case studies. Before comparing such changes between countries, it is important to lay the groundwork for comparison between countries. How does each country compare with the others in this study on a more general level than on a specific level set in the 1980's?

A starting point for such comparison is government expenditure. Keeping in mind the previously stated caveat concerning the misconception that spending more is inherently better, how much does each country spend on the performing arts? The most prominent figure used for such comparison is that of per capita expenditure, which divides the total expenditure by the population, controlling for the size of a country. This figure is designed to eliminate misunderstandings in comparison that reflect more about the size of a country than about public policy, since we would assume that larger countries would spend more than smaller countries (although this certainly is not
always the case). Per capita expenditure has important difficulties as an explanatory figure, which are explored fully in the methodology section of this paper.

My data for England, the Netherlands and the United States will be drawn from Mark Schuster's *Supporting the Arts* (1985) to provide internal consistency. The available Yugoslav data is scarce. When used, the sources will be appropriately documented. Schuster's figure's are of "U.S. Equivalents," or expenditures in these countries which the U.S. includes in its definition of arts expenditure and in U.S. dollars. Museums are the most highly subsidized sector of the arts, and, with this in mind, the performing arts can be seen in light of this overall context of spending.

Great Britain in 1983-84 spent $10.00 per capita on the arts, including direct and indirect support and a $.40 tax expenditure based on a guestimate. The Netherlands spent $29.00. The United States spent $13.00, including a tax expenditure that is high based on a broader definition of the arts and humanities. (To put this in perspective, in direct government support the U.S. spent $3.00.) (1985:45) To my knowledge, there are no available Yugoslav figures, yet I would guess such figures would not be very high, due to the uneven development between republics and the weakness of the Yugoslav dinar compared to U.S. dollars. While indirect support of the performing arts in the form of tax expenditures exist in England and the Netherlands, only in the U.S. does it play a significant role in public support for the performing arts, which is a direct result of the historical prominence of private patronage of the arts in the United States.
Public support of the performing arts in Yugoslavia is all direct, in that tax laws do not exist to raise money for public projects.

Further insight into the role of the government in the funding of the performing arts in each country can be found by comparing the proportion of funding from earned income, private donations and public subsidy. Rough proportions that can function as guidelines are as follows:

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<th>% from public subsidy</th>
<th>% from earned income</th>
<th>% from donations</th>
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<tbody>
<tr>
<td>Yugoslavia</td>
<td>85</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td>Netherlands</td>
<td>80</td>
<td>20</td>
<td>0</td>
</tr>
<tr>
<td>England</td>
<td>50</td>
<td>45</td>
<td>5</td>
</tr>
<tr>
<td>United States</td>
<td>8</td>
<td>72</td>
<td>20²</td>
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²Figures for England, the Netherlands, and the U.S. from Schuster, Supporting the Arts, 1985:63-65. They are my averages based on the income of selected ballet companies, theaters and orchestras in each country.

What do these two comparisons tell us? The Netherlands devotes a great deal more public money toward the arts than does England or the United States. Yugoslavia has the greatest proportion of public subsidy, followed by the Netherlands, England and then the United States. This order is hardly surprising due to the differing roles of the state in each country: In Yugoslavia the socialist state plays an important role in nearly all aspects of production and work; the state in
the Netherlands acts to carry out its larger program of social welfare in which the performing arts are included; although depending on who you ask, the British Welfare state still exists in some form, acting to improve the quality of life of its citizens; and lastly in the United States the state plays an even smaller role than in England. It is difficult to tell whether these differences have more to do with differences in the perceived appropriate role of the state or with differences in values held toward the performing arts. These differences are also reflected in perceptions of the role of the performing arts in society: in Yugoslavia, "culture" is a highly important symbol of the development of Yugoslavia as a whole; the performing arts are seen as part of a larger program of social welfare and of the Dutch traditions of minority expression; the performing arts in England and the United States are seen predominantly as leisure activities, in which the state should play little or no role.

We can compare similarities and differences in who makes the financial decisions and who makes the artistic decisions of policy in each country. Are civil servants, artists, voters, and/or workers responsible for such decisions? All four countries in some form recognize the claim for peer review of policy decisions that affect the performing arts. In the Yugoslav system of self-management and SCI for culture, artists and cultural workers and representatives from enterprises, each of which make up half of the cultural assemblies, collectively make allocative decisions based on criteria of artistic quality. The financial budget for culture is determined by the collective
decisions of the enterprises, which decide how much of a percentage of their gross income to devote to cultural activities. In the Netherlands, the National Arts Council, made up of sixty "specialists" nominated by the Minister, is responsible for making decisions of artistic quality, while the Minister makes all financial decisions. In England, the Minister argues in Parliament for the budget of the Arts Council of Great Britain, which makes all policy decisions through its 20 specialists and advisory panels for each artistic discipline. The President and Congress annually decide the budget for the NEA, which makes all allocative decisions of artistic quality through a process of peer panel review.

In discussions of who makes policy decisions for the performing arts there are often charges of elitism, that those making the decisions do not represent the needs or wishes of the population at large. Where the performing arts are viewed as leisure activities, and leisure activities the right of each individual to choose, the claim for artistic review has been challenged as elitism. Strikingly, it is in these countries, particularly England and the United States, that the arms-length principle plays a focal role in public policy toward the performing arts. A concern for elitism plays a role in Yugoslavia as well, whose cultural policy is based upon eliminating the "alienation" of the working class from the values of culture. This raises important issues of accountability. How the people who make the financial and artistic decisions are selected is crucial to evaluating these claims. Representatives
of the cultural assemblies in Yugoslavia are elected by members of the enterprises and cultural organizations. In England and the Netherlands, the Ministers are selected from elected representatives, frequently members of Parliament, and the Ministers appoint the members of the Arts Councils. The members of the NEA are selected by the Chairman, who is selected by the President.

These claims also play a role in the content of the art funded, usually when a publicly funded arts project offends the sense of propriety of a citizen or government official. In countries with arms-length principles, it is the opinion that government should not be involved in questions of artistic content, but rather helping to create an environment in which the performing arts can flourish on their own, although issues of financial accountability are often inseparably part of claims that a project did not deserve public funding. Generally it is believed that the benefits of freedom from political control outweighs the drawbacks of occasional controversy. This is true in the Netherlands as well, due to historical attitudes regarding the relationship between the state and the arts. In Yugoslavia, content can play a difficult role. The performing arts are seen as part of the overall program of socialist development, and subject to review by the LCY in terms of their role in that program. As noted, however, censorship in the traditional sense occurs only rarely. The performing arts seem especially susceptible to criticism of elitism. Laurie Anderson notes:

that degree of surveillance is not applied to other fields. We don't expect to vote on which exhaust system will be used in a nuclear power plant. It's too
complex a political system for the citizen to do more than endorse a general direction. (1983:144)

While one may disagree with her as to the extent of involvement in the political system of the citizen, she raises an important difference between the way public policy toward the performing arts is viewed and evaluated. The claim of elitism and issue of accountability reveal fundamental tensions concerning state involvement in the performing arts. All governments involve specialists to evaluate issues of military, monetary, and social policy. If the performing arts are part of the state’s responsibility, then it would seem they deserve similar treatment. Paul DiMaggio’s “uncertainty principle” distinguishes the performing arts from other forms of government policy, which suggests that peer review may be especially important to the performing arts. Further, there are few public policies that can claim to be representative in that they express the wishes and are enjoyed equally by all. While the performing arts may make a special claim for peer review, their funding should also be evaluated with accountability similar to that of other government spending that in times of prosperity may have been overlooked, yet in times of economic austerity becomes particularly important.

With these comparative figures and issues as bases from which we can examine changes, we can proceed. Important changes in policy can be framed around several issues: general changes in funding and structure, changes in policy rationales and goals in each country, and changes in the role of the state in relationship with other sources of funding. Following this,
major explanatory variables and the impact of these changes upon the performing arts will be explored.

* * *

What has occurred in the realm of public policy toward the performing arts in the 1980's? In each country, the funding of the performing arts has changed: in Yugoslavia, the amount of funding available to the performing arts will drop significantly if the Belgrade law affecting the amount from which cultural funds are drawn goes into effect as written. In the Netherlands, the previously open-ended system of subsidy for artists has been rationalized, reflecting a change toward increased efficiency and concern for audiences over artists. The abolition of the GLC and six Metropolitan County Councils and tight restrictions on local arts funding are part of a pattern of cutting public funds for the arts in England. Although there has been a recent increase in the budget of the Arts Council, this does not appear to reflect a corresponding change in attitude of the present government. The NEA under Ronald Reagan suffered a significant cut in funding, although the NEA's budget has risen since then. These changes have occurred for different reasons, according to the different states. Yugoslavia's change arguably reflects a response to an economic system in crisis rather than a radical change in attitude toward the performing arts. The Netherlands and England have been re-evaluating the strength of their Welfare States as a result of economic austerity. Differing cuts have
resulted due to differences in political environments in each country; the performing arts in the Netherlands do not face near as hostile a situation as they do in England under the Thatcher government. The performing arts in the United States under the conservative Reagan administration have been attacked, as part of the overall attack on the role of the government in society. It is interesting to note that it is in the two countries with the greatest public subsidy - Yugoslavia and the Netherlands - where important changes in the nature of the policy systems have resulted, whereas in England and the U.S. subsidies for the performing arts have simply been cut within the existing systems. It is in the former two countries that the state plays the largest role, and where the performing arts may be hurt the most. Perhaps these two countries simply had more to lose.

As the role of central government in funding has been reduced, the two major changes in public policy toward the performing arts have been the turn to lower levels of government and to alternative sources of funding to compensate for the loss. This has led to significant changes in the role of local government in supporting the arts, which in some cases has previously had little incentive to become involved in the performing arts due to strong central government. Local government may lack officials or bodies capable of dealing with issues of arts policy. Lower levels of government have different public agendas than central government, which has led to changes in the perceptions and roles of the performing arts. DiMaggio's different general policy goals are appropriate here: local governments may value the participation of its constituents over
artistic excellence, valued by central government. In Yugoslavia, the SCI are intended to fund the elements of the performing arts of concern to each level of government, although as stated this division in practice is rarely clear cut. In England and the United States, local authorities are increasingly funding the performing arts in terms of their role in programs of urban renewal and community benefits. Interestingly, in all of the countries in this study I consistently encountered the belief that local authorities' concerns for the performing arts were too narrowly defined and local authorities too vulnerable to their constituencies for them to make "objective" decisions regarding issues of artistic quality. Central government has claimed the resources needed to make such decisions. Writing about cultural policy in Yugoslavia, some Yugoslavs claim that their representatives are not yet capable of "expressing clearly the requirements and desires of the workplaces [or] those of their local community." (UNESCO, 1982:53-54) One might conclude that artistic excellence may suffer in the 1980's at the expense of local participation, but I do not think these two policy goals need be mutually exclusive. It seems rather that these changes have resulted more in a change in perception and role of the performing arts in the local community.

These changes in the relationship and responsibilities of local and central government often occur in theory as part of larger programs of "decentralization," which take different forms in each country. Yugoslavia's cultural policy operates on the principle of decentralization, whereby each of the republics and
autonomous provinces has the right to distribute and raise cultural funds as they see fit, within the guidelines of the Constitution. The Netherlands recently underwent an exchange of subsidies between levels of government, whereby local authorities gained control over subsidy for housing of the arts and central government assumed control over subsidy of artistic companies. England and the United States both emphasize the availability of the performing arts to the population at large. Geographic decentralization of funding such as to state and regional arts associations is one attempt by these countries to maintain a responsive rather than an active central policy system. In the United States, the central government is designed to play a smaller role than local and private initiative.

In the 1980's, however, as central governments seek to control expenditures, the case studies reveal that changes in arts policy that affect the country as a whole have been made at the highest levels. The present threat to the funding of the performing arts in Yugoslavia arose from a legislative action in Belgrade, not from policy choices of the SCI for culture. In the Netherlands, the Minister is increasing the amount of artistic subsidy that is accountable to him, while introducing profit principles into decision making. The Thatcher government in England has been threatening public funds for the performing arts for years, as seen by the abolition of the GLC and restrictions on local spending. The cut in the budget of the NEA originated the Office of Management and Budget of the Reagan administration in the United States. A useful distinction may be made between "decentralization," increasing the amount of funding carried out
by lower levels of government, and "devolution," increasing the autonomy of lower levels in deciding public policy. (Schuster, 1985:26) The former may be occurring, as central governments seek to reduce expenditures in the face of economic austerity, although the autonomy of decision making and the creation of positions designed for the expression of regional and local needs seems unlikely at the present. Like arms-length arts councils, it seems local government must act "within the grain" of central government policy.

This leads into a comparison of policy goals, which must be conducted very carefully due to important differences in political culture and context. Yugoslavia, as a relatively new and developing country, has a completely different cultural heritage from that of Western countries like England and the Netherlands. Its cultural policies have substantially different goals, which could result in misleading comparisons. Yugoslavia lacks a dominant shared cultural heritage for most of its citizens, unlike most Western countries. The expression of cultural identities functions as a working part of the nation's constitutional and political whole, not as minorities traditionally function in the West. The performing arts function in Yugoslavia as a vital part of the expression of cultural identities, as well as in the ongoing process of development which exists within a strong political framework. In this respect Yugoslavia is similar to Third World countries. (Sweeting, 1982:20)

England and the United States, which claim policies of
response to the performing arts, have significantly different policy contexts. Although part of an overall program of social welfare, the performing arts in the Netherlands share similar general policy goals, which are intended to create an environment in which the performing arts can flourish. The extent to which the performing arts escape their political contexts in those countries, however, is debatable. It can be argued that such policies of response are simply a delusion, that all governments set an agenda through their funding decisions. Yugoslavia, as a socialist country, has an explicit agenda for development, from which arts policy can not be extracted. Art which is perceived to be detrimental to its socialist objectives will be excluded from that agenda. England, the Netherlands, and the United States, especially by their use of financial criteria for subsidy, can be seen as carrying out their capitalist agendas. Art which is perceived to be detrimental to their capitalist objectives - does not make a profit - will be likewise excluded from that agenda, which has been dubbed "capitalist realism." (Hillman-Chartrand and McCaughey, 1985:13) This amounts to a serious attack on the validity of the arms-length principle.

As a result of the decrease in central government spending on the performing arts, each of the countries in this study have begun in some form a policy of encouraging alternative sources of funding, such as local government discussed above and corporate sponsorship as well. Diversification in funding is seen as a way of promoting the independence of the performing arts from a reliance on one funding source. The creation of organizations designed to encourage corporate sponsorship, such as Sponsor for
Art in the Netherlands, illustrate this shift in attention. England and the United States have similar organizations and, through Incentive Funding and Challenge grants, set as criteria for subsidy the use of alternative sources of funding. Although in Yugoslavia enterprises are responsible for the funding of all public services including culture, a distinction can be made between the funds allocated to the SCI for culture and funds directly allocated to specific cultural organizations or institutions. The latter, while remaining a small part of cultural budgets, is comparable to what is meant by corporate funding in the West. Many cultural organizations in Yugoslavia are being encouraged to seek more money in the form of these direct donations from enterprises and other organizations. The system of encouraging private donations to the performing arts through tax incentives in the United States is being explored by many other countries, but the amount of private giving in these countries remains small, seeming to depend more on political culture - on the traditions of patronage and expectations of the state - than on changes in the existing tax laws. (Schuster, 1985:52)

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At this point we must ask, why have these changes occurred in the specific and different ways that they have? What has been the impact of these changes upon the performing arts? Changes in
public policy toward the performing arts have occurred for many reasons in the 1980's. An exhaustive list would be impossible, although I would suggest the trends of economic austerity and political conservatism have been the prominent forces behind these changes. Many factors as well determine how these changes will occur and in what fashion in each country. An exhaustive list of these factors as well would be impossible, but I would suggest several important explanatory variables which can shed light on these changes in policy.

Changes in funding must be seen in light of changing perceptions of the appropriate level of public funding. The example of orchestra subsidies in the Netherlands is applicable here. The total subsidy to orchestras has been cut, yet at least public authorities seem to feel that this cut reflects not an attack on support for orchestras but a change toward a more appropriate level of support in light of the size of the Netherlands and availability of orchestra to the population. The misconception that more money is inherently better or less is inherently worse can obscure this. While much data has indicated that there is an inescapable need for public subsidy of performing arts organizations on one level, this must be accompanied by a perspective on appropriate levels, as well as by an emphasis on other potential problems such as inefficiency and waste.

The existing literature on comparative arts policy suggests that differing policy structures will play an important role in how the performing arts will be affected by changes in the 1980's. The Ministry of Culture model is cited as a source of
political clout for the arts, which then have a voice within the
government when financial decisions are being made. Its
opponents, however, stress the dangers of political control by
such a Minister. The Arts Council, through the arms-length
principle, is seen as insulated from such political control but
is seen as on the periphery of government decision making,
lacking the strength to obtain the needed funding without
sympathy in government. As stated above, few states have either
of these models in pure form. We would expect then that
countries with a Ministry might maintain funding better than
countries with an Arts Council. On one level this appears true.
The case studies show that public spending on the performing arts
in the Netherlands, whose main form of support is in a Ministry,
has not been cut. In England, where the Arts Council functions
as the primary form of support, although there exists a Minister
to argue for the arts budget, the Arts Council has faced reduced
increases until very recently. In the United States, whose only
form of support is the NEA, the arts budget faced a severe cut by
the President in 1981. Notably in the Netherlands, the Minister,
while maintaining the level of public support, has introduced
significant changes in the system concerning financial and profit
criteria for subsidy. Even in countries with arms-length
principles some public money has been earmarked from above for
specific projects such as for Incentive funding in England. In
the Yugoslav system of self-management, cultural workers and
artists have no voice in determining the size of the cultural
budget itself, which arises as a result of the collective
decisions of enterprises. The changes in funding, however, have arisen not from the decisions of enterprises but from changes in federal law.

Policy structures alone play a significant but limited role in explaining the effects of changes in policy. The case studies reveal that some of the most important forces for the maintenance and obtaining of funding are the power of the civil servants involved, of the arts lobby, and of sheer political will. Civil servants set the agendas for policy debates and provide information concerning those decisions to the policy makers. In the Netherlands the effect of the reshuffling of funds was explained to me to be a direct result of the strength of the civil servants involved. The arts constituency, which can be defined as the diverse group of citizens concerned for public support for the arts, also plays a powerful role in influencing the decisions made which affect the performing arts, perhaps most strongly in countries that follow the Arts Council model where the arts may lack a strong voice within the government. The National Campaign for the Arts in England, as mentioned above, played an important role in the recent changes in England. In the United States, the strength of the arts lobby and constituency in support of the arts played a paramount role in influencing the effects of the Reagan administration upon the performing arts. It is my impression that most arts policy changes are a result not of dramatic changes in policy objectives but of the political will needed to carry out these changes. The birth of the Arts Council in England is a case in point. Powerful individuals can play an important role in these changes.
Ronald Reagan and Margaret Thatcher are prime examples.

This has led to and can partially be explained by a conspicuous lack of theoretical justification behind public support for the performing arts. As John Allen notes: "The practice of subsidy has grown, particularly since the 1939-45 war, without ever having been effectively underpinned with a body of theory." (1981:289) During the 1960’s and ‘70’s economic growth and expansion led to substantial increases in public subsidies with little resistance in all countries in this study. In the 1980’s, however, as governments try to reduce their expenditures, the performing arts are finding their justifications for support challenged as weak and often incapable of sustaining the needed funding. There are many reasons for this. In the Netherlands, the performing arts are part of the overall program of social welfare, which, when challenged, leaves the performing arts with few justifications for support independent of the wider program. The erosion of the British Welfare State under Margaret Thatcher has led to a corresponding change in arts policy. The reluctance of the state to be a major force in the generation of ideas in the United States has already been noted. This lack of theoretical justification should not be confused with the lack of explicit, active policy planning found in countries which strive for responsive policies, which may have been designed to achieve broad political support. As David Cwi notes concerning the United States, "the politically aware know specific policy goals divide, while broad goals unite." (1982: 84) As a result of this gap in theory, in the 1980’s we see the
performing arts scramble for new rationales for support, frequently economic rationales, that will be acceptable to those who make the decisions affecting them.

Changes in the 1980's have revealed a great deal about the situation of the performing arts within the state, as well as about the strengths and weaknesses of the policy structures in each country. The importance of civil servants, the power of lobbying organizations and constituencies, and political will in public policy is obviously not unique to the performing arts. All of these factors play key roles in the achievement of most changes in an environment of governmental bureaucracy. The extent of dependence upon these factors for support and the desirability of this dependence, however, is variable. We have seen that the importance of each of these factors differs in different policy systems. When comparing public policies toward the performing arts in the 1980's, it appears to be these factors that play the major roles in determining and explaining change.

These findings raise new questions for an understanding of comparative arts policy. What is the relationship between explanatory factors within the political system - such as the civil servants involved - and the factors outside of the policy structure - such as the arts lobby and constituency? It would seem that, in periods of retrenchment, factors from outside of the policy system play an especially important role in determining the outcome of such policies. The recent increase in the budget of the Arts Council of Great Britain as a result of powerful lobbying is illustrative. What distinctions can be made between the impact of the structural policy system and of the
political will of specific administrations? As we have seen, the arms-length principle has its limitations under the Thatcher and Reagan administrations, which set the budgets for the performing arts. In the United States, the structural multiplicity of decision making, however, led to a significant reduction in the cut in the NEA’s budget proposed by President Reagan. What can we understand about the relationship between theoretical justification for public support for the performing arts and explicit or broad policy objectives? Intuitively it would seem that policy based firmly upon theoretical groundwork would be more secure than policy based upon vague policy goals. The 1980’s have illustrated, however, that policy goals and values change over time, leaving what once may have been solid groundwork for support completely meaningless under different circumstances. In the present, economic rationales appear to be displacing social justifications for support which functioned in the previous period of growth and expansion. It would appear that room for changes in policy environments is desireable. DiMaggio’s uncertainty principle may have further applications in the nature of policy objectives. At the same time, however, the possible repercussions on public funding of the performing arts in situations where such support lacks firm justification, particularly in terms of effects upon artistic quality and diversity, have been illustrated above. These questions and tentative findings suggest room for understanding and directions for further research.

Exploring the impact of these changes in the 1980’s upon the
performing arts is especially difficult due to the lack of existing data. One way would be to measure the number of performing arts companies or ventures closed due to cuts in funding, but figures for this are not available. Paul DiMaggio's discussion of types of funding may provide some insight. According to DiMaggio, the cutting of government funds should hurt smaller, more experimental performing arts organizations that lack the name recognition to attract corporate and private funding. Assumably, larger, more traditional performing arts organizations will be less dependent upon government funds and more able to rely on the market for income. The impact of the abolition of the GLC and Six Metropolitan County Councils in England seems to reflect this pattern. We might expect a turn to large-scale, commercial ventures in the performing arts. Importantly, this may be the case in systems such as the U.S. with diverse market sources of funding, but the nature of Yugoslavia as a developing country which lacks a dominant cultural heritage suggests a substantially different role for the state. In Yugoslavia, the state has predominantly supported more traditional performing arts. Cutting of public funds would seem to have little effect upon the more experimental performing arts because they received little to no support in the first place. (Pistotnik, 1987: Interview)

For the Netherlands, England and the United States, Paul DiMaggio's theoretical relationships between sources of funding may suggest alternative possibilities to the loss of the experimental sector of the performing arts. The division of labor suggests that government supports these smaller art forms
that lack commercial recognition and corporations support the larger, traditional art forms. As noted before, this assumes that agreement between different sources of funding is both possible and desirable. In the Netherlands, however, central government is turning to the funding of more modern arts forms and encouraging larger arts organizations to seek corporate sources of funding. It would seem unlikely, however, that corporations or private patronage can relieve government of funding the performing arts while they are faced with similar economic pressures. In a period of economic austerity, which has led to an increasing use of market criteria for subsidy, it is primarily the smaller scale, more innovative art forms, seen by many as the grass roots of the artistic field, as well as minority art forms that are likely to be hurt the most.

Evaluating policy impact is always an extremely difficult task at best. While we can make many tentative conclusions, perhaps here is where the lack of data on arts policy is felt the most. The degree to which we can evaluate the impact of a policy change in one country with a particular set of circumstances will strongly influence how well we can evaluate how these policy choices may work in other countries, which is perhaps the most important use of comparative analysis.
CONCLUSION

In the 1980's, the decade I have used to represent the present period of economic difficulties and cut-back in government expenditure, common themes emerge in all four countries, despite the vastly different traditions and historical patterns. All four countries have witnessed fundamental policy decisions affecting the performing arts being made at the highest levels, despite stated policies of decentralization. Lower levels of government in many cases are being forced to pay for the performing arts, while their autonomy of policy making is limited from above. Recurring also are the themes of alternative sources of funding and the introduction of market principles as criteria for funding. Faced with the threat of cut-backs, the arts lobbies, civil servants, and political will continue to play major roles in determining the outcomes and impacts of policy decisions. The new challenge to public spending has revealed a conspicuous gap in theoretical groundwork for such policy. In an attempt to replace the funds threatened by central government with local and regional funding, the performing arts have found new roles in government and in society, such as in programs for urban renewal, community relations and job retraining. As a whole these changes appear to have threatened the smaller, more experimental art forms the most. One of the tasks of governments as the 1980's come to a close will be to evaluate their policy toward this sector of the performing arts and the role that this sector may play in the policy goals they hope to maximize.

I have tried to stress the complexities and difficulties, as
well as the limitations, of comparative study with the goal of seeking more accurate and appropriate conclusions. Different countries can and do learn from each other’s policies, yet we must see all of these potential solutions in light of their own unique policy context. Political culture and historical tradition appear to be crucial factors when evaluating the usefulness of one country’s solution for another country.

The 1980’s and this period of change in public policy is not over. Each country continues to face challenges and changes to its policies. The performing arts appear to have weathered the worst of the storm in each of these countries except Yugoslavia, which remains in an economic crisis that seemingly must be resolved before public policy toward the performing arts can be re-evaluated. The arts lobbies have emerged as a powerful force in preventing a financial attack on public subsidy, as seen by the recent increases in public funding of the performing arts in England and the United States. Public subsidy of the performing arts has also incorporated elements of financial accountability which may have been overlooked in times of prosperity, which has strengthened its place within government. There appears to be little indication of impending change in attitudes toward public subsidy as the 1980’s draw closer to their finish. The Reagan administration in the United States may be ending, but the Thatcher government won overwhelmingly a third term in England in the summer of 1987. After so recent an attack, the arts world appears to remain relatively quiet, still wary of continued threat. In response to the 1980’s, public policy toward the
performing arts has become better prepared to deal with the political world which provides its funding and has proven its persistence for survival within that world.

This paper has raised many questions and provided some tentative answers. These answers in turn have led to new, different questions which indicate directions for further understanding. More research is desperately needed, particularly in terms of policy impact, which is crucial to policy evaluation both within and across countries. I hope that the findings of this paper both suggest new answers to old questions and new directions for a more complete understanding.
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Acknowledgements

Many people have been instrumental to the creation of this manuscript. Those who were kind enough to share their time and thoughts with me have been for the most part listed in the body of this paper. In addition, amazing thanks go to Branka Berce-Bratko in Yugoslavia, Tom Van der Wel in the Netherlands, Stuart Marshall in England and Jim Heisler from the GLCA European Urban Term. Special thanks to Bill Norris, who has advised me in this project since its inception and whose support and advice have been crucial. My proofreaders - Roger Copeland, Hannah Jones, Pete Koschnick, Amy Schecter and Joan Silberlicht - have given me invaluable feedback. To my friends and family, without whose love and support none of this would have been possible, I give thanks.