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## ***Auditing Culture: the subsidized cultural sector in the New Public Management***

### **ABSTRACT**

This paper explores the effects of the spread of the principles and practices of the New Public Management (NPM) on the subsidized cultural sector and on cultural policy-making in Britain. In particular, changes in the style of public administration that can be ascribed to the NPM will be shown to provide a useful framework to make sense of what has been felt as an 'instrumental turn' in British policies for culture between the early 1980s and the present day.

The current New Labour government, as well as the arm length's bodies that distribute public funds for the cultural sector in Britain, are showing an increasing tendency to justify public spending on the arts on the basis of instrumental notions of the arts and culture. In the context of what have been defined as 'instrumental cultural policies', the arts are subsidised in so far as they represent a means to an end rather than an end in itself. In this perspective, the emphasis placed on the potential of the arts to help tackle social exclusion and the role of the cultural sector in place marketing and local economic development are typical examples of current trends in British cultural policy-making. The central argument purported by this paper is that this instrumental emphasis in British cultural policy is closely linked to the changes in the style of public administration that have given rise to the NPM. These new developments have indeed put the publicly funded cultural sector under increasing pressure. In particular, it will be shown how the new stress on the measurement of the arts' impacts in clear and quantifiable ways - which characterizes today's 'audit society' - has proved a tough challenge for the sector and one that has not been successfully met. The paper will conclude by critically considering how the spread of the NPM has affected processes of

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policy-making for the cultural sector, and the damaging effects that such developments may ultimately have on the arts themselves.

## INTRODUCTION

This paper presents a discussion of ‘instrumental cultural policy’ in the attempt to understand the phenomenon in its relation to changes that have taken place in the last two decades within the British public sector. In particular, the paper will argue that changes in the style of public policy-making and administration that can be ascribed to the phenomenon of the New Public Management (NPM) seem to provide a useful framework for making sense of the increasingly instrumental inspiration of British public policies for culture since the 1980s. Although the discussion will focus on the case study of Britain, similar developments have also occurred beyond the boundaries of the UK. So, the general conclusions that the paper proposes with regards to the British experience might be extended – with due adjustments - to other European countries, and in fact, arguably, to wide sections of the Western world.

The expression ‘instrumental cultural policy’, whose usage within the academic field of cultural policy research can be traced back to the early 1990s, was first introduced in the attempt to make sense of the trends shown by public policies for the cultural sector since the 1980s<sup>1</sup>. Geir Vestheim (1994, 65) has defined instrumental cultural policy as the tendency ‘to use cultural ventures and cultural investments as a means or instrument to attain goals in other than cultural areas “. The goals might refer to job and wealth creation, urban regeneration or – as the current trend goes - social inclusion, community development and social cohesion. In fact, what defines a cultural policy as ‘instrumental’ is not particularly the nature of the aims that the arts can allegedly help to pursue; rather, ‘the instrumental aspect lies in emphasizing culture and cultural venture as a means, not an end in itself’ (Vestheim 1994, 65).

In Britain, it is now a well-established practice to define cultural policy rationales on the grounds of the alleged economic and - since New Labour’s election to government - the social benefits, that ‘investment’ in the cultural sector can yield. Current instrumental notions of the role of the arts in society build upon the economic

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<sup>1</sup> The expression can be found in: Vestheim 1994; Clancy et al 1994; Bennett 1997, Belfiore 2002;

arguments for public arts funding that began to circulate in the eighties. These were founded on the belief that public subsidy for the arts represented a sensible way for the state to 'invest' public resources, in view of the arts' potential for job creation, tourism promotion, invisible earnings, and its contribution to urban – as well as social – regeneration. Despite severe criticism against the methodology and hence the conclusions of this type of studies, the instrumental rationale in UK cultural policy seems to be rather resilient. Indeed, the most recent development – which coincided with the New Labour's victory in the 1997 general election – is that the previous emphasis on the need to subsidise the arts for their positive contributions to the national and local economy has now been placed side by side with notions of the positive role that the arts can have in bringing about social inclusion and cohesion (Belfiore 2002). As a result, in the last decade, arts organizations in the UK have been reinvented as 'centres of social change' (DCMS 2000), and have been expected to contribute actively to urban regeneration and to the government's fight against the plight of social exclusion. The new focus of the Department for Culture, Media and Sport's policy and funding on the promotion of social inclusion originated from the Government's commitment to the regeneration of socio-economically deprived neighbourhoods and was an integral part of the development of a social inclusion policy in the context of the National Strategy for Neighbourhood Renewal (DCMS 1999, 3). In New Labour's view, young people and the socially excluded seem to have become – at least in the rhetoric of the Department of Culture Media and Sport (DCMS) – the funding system's top priority:

*'Following the Government's Comprehensive Spending Review, DCMS will be reaching new funding agreements governing its grants to its sponsored bodies. These will set out clearly what outcomes we expect public investment to deliver and some of these outcomes will relate to social inclusion' (Smith, 1999).*

This quote clearly shows how the subsidised cultural sector has come to be officially expected to contribute to social inclusion and the neighbourhood renewal agenda, in view of its alleged potential of improving communities' 'performance' in the four key indicators identified by the government: health, crime, employment, education (DCMS 1999, 21-22). Such contribution to tackling social problems was explicitly identified as a crucial justification for public 'investment' in the arts. Things have not changed much since 1999, and the belief in the positive social impacts of the arts still holds strong within the British arts funding system. This is a quote from the latest Arts Council of England manifesto, *Ambitions for the Arts*, published in February 2003. It reads:

*We will argue that being involved with the arts can have a lasting and transforming effect on many aspects of people's lives. This is true not just for individuals, but also for neighbourhoods, communities, regions and entire generations, whose sense of identity and purpose can be changed through art.*

Leaving aside for the moment the worrying idea of a publicly funded body that explicitly sets out to manipulate and change people's sense of identity and purpose, one can undoubtedly conclude that the official rhetoric of public arts funding – in the UK - has taken on board an explicitly instrumental justification for arts funding. This strong formal commitment towards social inclusion on the Government's part has a direct impact on arts funding provision. Indeed, in Britain, the Government sets overarching goals for the arts, which are reflected in the strategic policy that the DCMS draws for the arts sector. The implementation of this policy is then carried out by DCMS in partnership with the Arts Council of England (ACE) and its Regional Councils, the Department for Education and Employment, and a number of other bodies and directly funded clients, following the so called "arm's length principle". It seems thus evident that the major funding bodies and policy makers in Britain have all had to subscribe (whether willingly or not) to a clearly instrumental view of the subsidized arts and their role in society.

This paper will thus attempt to explore the concept and history of instrumental cultural policy in the United Kingdom by putting current policy debates into the broader context of events that have taken place in the historical and political realms since WWII. The assumption on which the paper is based is that in order to understand the phenomenon of instrumental cultural policy, this has to be observed in conjunction with - and as part of - structural changes that have occurred in the British welfare state in the last quarter of the twentieth century. These, in turn, can be seen, ultimately, as a result of fundamental social and cultural shifts that have marked the advent of the post-modern society in the Western world (Vestheim 1994, 57). In particular, the analysis will be centred on the subsidised cultural sector, where the adoption of instrumental notions of the arts has been felt to be a major departure from the pre-existing tradition of cultural policy - rooted in the establishment of the welfare state in the aftermath of WWII. In fact, broader changes in the welfare state system and, consequently, in the philosophy and management of public service provision, will provide a crucial key to the understanding of the new, instrumental approach to cultural policy-making in Britain. As the title of this paper alludes to, the concept of the 'audit explosion' and the consequent inauguration of an 'audit society' expounded by the accountancy theorist Michael

Power (1994 and 1997), will prove particularly useful in providing a framework of analysis capable to account for developments in British cultural policy since the 1980s.

A detailed reconstruction of the origins of state support for the arts in Britain is beyond the scope of this paper. However, a review of some of the most heated public debates over whether the state should get involved in arts funding - dating as back as the 19<sup>th</sup> century - reveals that instrumental justifications – and in particular arguments related to the belief that the arts can exert beneficial effects on the economy and society – were behind the very first instances of state involvement with the arts in Britain.

The original stimulus for the state to get involved in the acquisition of works of arts was the perceived poor design of British manufacture products and the consequent weak position of British-made goods in the international markets. It was therefore with the improvement of British industrial export in mind that, during the first half of the 19<sup>th</sup> century, the government became involved in the establishment of arts and design schools and the opening of the first museums of fine arts. It is hardly surprising then, that when in 1816, the Parliament discussed the purchase of the Elgin marbles, the positive effect that the beautiful sculptures would undoubtedly have on the refinement of national taste, and hence on the standard of national manufactures, was cited as a good enough reason for the state to finance the acquisition of the marbles. The connection between arts and manufactures was strongly felt throughout the 19<sup>th</sup> century, and was an argument often used whenever the case for public subsidy of the arts was presented to an often-reluctant Parliament (Minihan 1977).

Moreover, there is no doubt that the notion that the arts can provide an effective means to preserve social order, improve community cohesion and aid crime-prevention is hardly a New Labour discovery. Yet again, the Victorians had set an important precedent. They were adamant about the civilizing potential of the high arts. It was generally believed that an improvement in taste and appreciation of the arts would directly result in moral progress. Hence the utility, for the state, to support the arts and make them available to the masses (Minihan 1977; Pearson 1982). Not much room is left, thus, for doubts about the instrumental nature of the intention to introduce the working classes to the fine arts. Sir Martin Archer Shee, when asked to testify in front of a Parliamentary Select Committee on Fine Arts in 1841, declared:

*that the object of the Committee is, not so much, to forward the arts themselves, as through their influence to advance their great end, towards which the promotion of the fine arts can be considered but as means, the civilization of our people; to give to their minds a direction which may tend to withdraw them from habits of gross and sensual indulgence; to secure and sustain the intellectual supremacy of our country, not only with respect to the present age, but with reference to posterity...* (Quoted in Minihan 1977, 68).

Therefore, it is possible to conclude that in many ways, cultural policy in Britain has been strongly instrumental - both in its practical aims as well as in the rhetoric accompanying it - since its very dawn. In light of the discussion presented so far, it is difficult to consider the developments that have taken place since the late 1970s as a radical break from past traditions. In fact, what seems to characterize British cultural policy is a rather remarkable consistency in the use of explicitly instrumental justifications for government's involvement in arts funding. What was once referred to as 'social order' is now preferably spoken of in terms of 'social inclusion' and 'social cohesion', but this does not alter the identical substance of the various claims. If we turn again to Vestheim's definition of instrumental cultural policy, we cannot but conclude that there is a very long and consistent tradition of instrumental cultural policy in Britain, whereby culture was supported in so far as it represented the means to an end rather than an end in itself (Vestheim 1994, 65).

To declare instrumentality as an almost 'traditional' feature of British cultural policy, however, does not explain the common view among commentators (both academic and professional) that major changes did occur in the period beginning in the late 1970s and culminating in the 1980s (of which more recent developments are seen as a derivation). Oliver Bennett (1996, 7), comments: "The reality of the 1980s was the emergence of a very different set of policy concerns to the pre-occupations of welfare, access and democratisation which had characterised the 1970s". The language in which arts matters were being discussed also changed radically, as exemplified by a glossy brochure published in 1985 by the Arts Council: *A Great British Success Story*. It was designed to look like a company report, as it befits a "prospectus": it represented an "invitation to the nation to invest in the arts" expressed in the language of the "enterprise culture". Cultural activities were referred to as "the product", the audiences as "consumers", and the language of subsidy turned into the language of "investment" (Hewison 1995, 258). The term 'subsidy' itself became rather unpopular. In fact, as Selwood explains 'it did effectively disappear from the language of cultural bureaucracies in the 1980s, when the notion of 'subsidy' as welfare was no longer

regarded as politically correct and the semantics of business and managerialism were introduced' (Selwood 2001, xlvii).

In order to be fully understood, these changes need to be considered in the broader context of the political turmoil that characterized the beginning of the 1980s and the advent of Thatcherism. This period has been indeed referred to as a "turning point for the arts", since "it is during this time that the basis of funding to the arts changed significantly and governmental relationship with, and interest in, the arts would change accordingly" (Quinn 1998, 165). Bennett (1995, 200), writing about that very period, concludes that "the experience of crisis has been widely and genuinely felt". As a result, "the debate about cultural policy in the United Kingdom appears as a "discourse of beleaguerment"" (Bennett 1995, 200).

The next section of this paper will try to offer a possible explanation for this diffuse feeling among commentators that a great, epochal change took place in the 1980s. A useful approach to this task is to consider the post-1980s developments in the broader framework of changes that occurred in the British political arena and, consequently, in public management style. If instrumental notions of culture cannot be considered alien to the pre-1980s British cultural policy discourse - and therefore do not represent a dramatic break to its tradition - how can we account for the diffused perception that the 1980s represent somewhat of a watershed between radically different approaches to state involvement in cultural funding? In other words, what differentiates the old-fashioned model of instrumental cultural policy that can be seen in action in the nineteenth century, from its most recent forms embodied by the economic argument in the Thatcherite 1980s and, later, by New Labour's rhetoric of social inclusion?

#### THE SHIFT TOWARDS EVIDENCE-BASED POLICY

In so far as cultural policies are public policies with specific relevance to art and culture, their evolution over time and their rationales needs to be interpreted against the background of developments in the larger arena of the relations between government and public policy, and the ways in which political motivations shape policy interventions. This is precisely the approach that this paper will follow in trying to make sense of what has been felt as an 'instrumental turn' in British policies for culture between the early '80s and the present day. In light of the considerations presented so far, we can argue that there are two major aspects in the present circumstances that



differentiate current instrumental cultural policy from the policy rationales in place before the 1980s. Discussing them can help to account for the diffuse perception of the 1980s as a time of radical change, which turned the arts world (but not that alone) upside down.

Firstly, what characterizes the discourse over cultural policy since the 1980s is the fact that the instrumental element in the rhetoric of public arts funding has become more explicit than it had ever been before. Consequently, it is now a major policy rationale, having overshadowed arguments which defended subsidy on the basis of the 'art for art's sake' principle. The latter, although never prevalent, had been a constant element in the British cultural policy debate. Such positions are much harder to defend today than in Victorian times, or during the years of post-war cultural policy. This is partly due to changes in public administration modes and the government's emphasis on evidence-based policy that have taken place in the last two decades, and which will be discussed in the following sections of this paper. However, they are also the result of certain developments within postmodern cultural theory. By questioning traditional, accepted definitions of culture, postmodern notions of relativism have undermined the legitimacy of old cultural policy rationales, leading to what Craig Owens has defined as 'a crisis of cultural authority, specifically of the authority vested in Western European culture and its institutions' (Owens 1990, 57). The concept of cultural relativism thus entered the cultural discourse, undermining – at the theoretical level – the possibility to justify any longer cultural policy decisions grounded on uncontroversial principles of 'excellence', 'quality' and 'artistic value'.

It is important to remember that whilst the effects of this loss of legitimacy were being felt – shaking, and drastically redefining the very notion of culture on which the whole system of public arts funding had been constructed – Britain was also experiencing Thatcherism. This was an altogether traumatizing experience for the British arts world. The newly appointed Conservative government had always been very clear about its ambition to 'roll back the frontiers of the state' with a view to reducing public expenditure and increasing efficiency. Unsurprisingly, the level of public support for the arts remained unchanged for a number of years (and that corresponded, in real terms, to a reduction in funding). In this new climate of great uncertainty about future levels of public expenditure, it became obvious that, in order to survive, the cultural sector needed to be able to put forward a strong case in order to avoid further reductions in

funding. The economic argument in favour of public support of the arts seemed to provide a most precious lifeline for the public arts sector (Myerscough 1988, 2). In this sense, the instrumental cultural policies of the 1980s could be plausibly labelled as 'policies of survival' to which the British cultural sector had to turn to in the face of reduced government spending and the erosion of the legitimacy of its traditional theoretical grounds (Belfiore 2003).

In the light of the arguments presented so far, the developments within British cultural policy discussed above can be described as an example of the phenomenon of policy 'attachment', whereby policy development in certain policy areas takes place through the attachment of that area to other (more influential) policy concerns (Gray 2002, 80). Gray explains that policy attachment "goes beyond simply fitting in with the policy choices made by other actors operating within the same policy sector: it also includes the linkage of one sector with others as a mechanism for achieving policy ends" (Gray 2002, 81). Strategies of this type have allowed the arts, a traditionally 'weak' policy sector to 'attach' themselves to a number of different political agendas that were seen as more politically important, with the result that the subsidised arts have often found their way into mainstream public policy-making. The principal sets of public policy objectives to which the arts have successfully 'attached' themselves are economic development, urban regeneration and social inclusion.

In particular, the positive impacts of the arts in society are today one of the most crucial sources for justification of public arts subsidy. As François Matarasso has recently reiterated, 'Reducing the incidence of social exclusion is currently at the heart of British public policy. If cultural organizations hope to have the importance of their work recognized... they need to take account of these concerns' (quoted in Selwood 2002a, 68). The extent to which the recourse to instrumental policy rationales is a matter of livelihood for the subsidised arts is clear from this extract from a report published, in 2000, by the Quality, Efficiency and Standards Team (QUEST) and entitled *Modernising the Relationship: A New Approach to Funding Agreements*:

*The [cultural] sector cannot continue to compete with other increasing demands for expenditure on education, health, law, etc. without the essential ammunition that performance measurement offers. The greater the impact, the greater the chance that*

*the role and fundamental potential of the sector will be fully recognised across government and by the public (QUEST 2000, 19)<sup>2</sup>.*

This passage confirms that the second and most important distinguishing characteristic of what we could define as a later, post-1980s, phase of instrumental cultural policies is precisely the fact that the positive impacts of the arts in society are not discussed any longer in merely general and vague terms. Public 'investment' in the arts is advocated on the basis of what are expected to be concrete and *measurable* economic and social impacts. Moreover, this shift has been accompanied by growing expectations that such beneficial impacts ought to be assessed and measured before demands on the public purse can be fully legitimate.

In recent years – and this is hardly a phenomenon limited to cultural policy – the UK has witnessed a clear movement towards *evidence-based policies* for the public sector. According to the Cabinet Office, policy-making grounded in hard evidence (and thus constant monitoring) is the best guarantee towards the achievement of a more rational and modernised government. Modernisation, together with a growing emphasis on increased managerialism in the delivery of public services, is perceived as resulting in improved efficiency, effectiveness and value for money (Selwood 2002a, 65). Hence the origin of the New Labour's public policy 'buzz words': the public sector must be guided by clear 'strategies', where 'aims' and 'objectives' are clearly stated. Consequently, the 'performance' of the service providers must undergo regular 'monitoring', and provide 'quality assurances' so that the government can be reassured - on the basis of the 'evidence' gathered and of comparisons between policy 'inputs', 'outputs' and 'outcomes' – that the 'targets' are met, and that the 'customers' (formerly known as citizens) receive 'value for money'.

The preoccupation of the present government with evidence-based policy-making, however, is hardly a New Labour innovation. In fact, the concern that, after 1979, successive Conservative governments showed for issues of accountability, and their

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<sup>2</sup> The very existence of a body like QUEST – a watchdog body with the task to improve standards of efficiency and financial management across the cultural sector - is a rather significant fact in itself. According to the DCMS' web site: "QUEST was established by Secretary of State Chris Smith in 1999 following the first Comprehensive Spending Review. Independent of DCMS, QUEST reports directly to the Secretary of State on ways in which the cultural and sporting sectors can best achieve the government's social and economic objectives, and the means by which they demonstrate their performance' (<http://www.dcms.gov.uk/role/index.html>)

attempts to introduce a new style of public management modelled on the private sector's, were all clear harbingers of the developments to come (Selwood 2002b, 4). Unsurprisingly, then, from the beginning of the 1990s, *data collection* (especially in the form of time-series) has assumed a central role in cultural policy-making and evaluation. Data were collected in a number of different ways: through audits, performance measurements, time series, impact studies, and studies on audiences (as well as non-audiences). Most of it was based on the quantitative analysis of policy inputs and outputs, and the results of such number crunching tended to be presented as neat statistics. These seemed to perfectly lend themselves to the comparison between targets and achievements that had become so central to the practice of policy evaluation (Selwood, 2002b, 8).

How can we explain this new stress on the measurement of the arts' impacts in clear and quantifiable ways? What effects has this new managerial style had on the arts? In order to be able to understand and elucidate the implications of the new emphasis on the achievement of measurable social or economic impacts through the arts, we must first put this phenomenon into the broader context of radical changes that have occurred in the sphere of public management.

#### BRITAIN AND THE 'AUDIT EXPLOSION'

Some help in understanding the complex new circumstances in which the public cultural sector now operates comes from the work of Michael Power, professor of Accounting at the London School of Economics. In 1994 he published a pamphlet for the think tank 'Demos' entitled *The Audit Explosion*. In this publication, he points out how "the word 'audit' is being used in the UK with growing frequency". He argues that:

*the spread of audits and other quality assurance initiatives means that many individuals and organisations now find themselves subject to audit for the first time and, notwithstanding protest and complaint, have come to think of themselves as auditees. Indeed there is a real sense in which 1990s Britain has become an 'audit society' (Power 1994, 1).*

Power explores in greater detail his theory of the 'audit society' and the legitimising role of monitoring and evidence collection within it, in a later book: *The Audit Society: Rituals of Verification*, published in 1997. In this essay, he discusses the growing

popularity of audits and other systems of control within British public policy discourse. His conclusion is that auditing has presently reached such a remarkable popularity as to have acquired 'a degree of institutional stability and acceptance' (Power 1997, 3). As an institutionalised practice, audit risks becoming 'an organizational ritual, a dramaturgical performance' (*idem.*, 141), because within organisations, 'pressures exists for audit and inspection systems to produce comfort and reassurance, rather than critique' (*idem.*, xvii). Auditing, thus, is mainly about reaffirming order and providing a source of validation for organizations and their activities, especially when the influence of other sources of legitimacy (such as community and state) seems to be declining (*idem.*, 147). The validating role of audit often entails that the very fact that an organization undergoes a process of auditing becomes in itself a guarantee of legitimacy and transparency, regardless of the audit's actual findings - which are often simply ignored. In this regard, the audit explosion, despite having been originally driven by a programmatic commitment to increase accountability in the name of transparency and democracy, might have had, in fact, the opposite effect (Power, 1997, 13-14).

Power (1997, 10) further explains that "the audit explosion has its conditions of emergence in transformations in conceptions of administration and organization which straddle, or, better, dismantle the public-private divide". To put it simply, Power sees the growing popularity of audit as directly linked to systematic attempts to make the state more entrepreneurial: the 'audit explosion' is the outcome of these changes in the style of public administration. In order to justify this interpretation of the 'audit explosion', Powers inscribes the phenomenon within the context of the changes that have taken place in society at large, and in public administration in particular, in the mid 1980s. Such dramatic changes in public management can be associated with the necessity for much higher financial discipline brought about by the fiscal crisis faced by many Western governments in the 1980s. Public expenditure in countries with generous welfare states – Britain among them – was perceived to be getting closer to dangerous levels. It was feared that, unless public spending was firmly curbed, the public sector might get so big that it might become impossible for the national economy to further sustain it (Jenkins 1995, 11). Hence the break down in the consensus behind the welfare state that had been in place until the 1980s. This resulted in increased pressures to reduce public expenditure whilst introducing a more managerial approach to public administration, in order to make it more efficient and limit waste – thus making the most of shrinking public resources. These developments are behind the immense

popularity that the notions of 'quality' and 'efficiency' have gained in our contemporary rhetoric where the organization of public services is concerned (Pollitt and Bouckaert 1995, 7). The new stress on quality improvement complemented, without substituting it, the drive for economy. This contributed to the rise of expectations - among beneficiaries of the public services - of more transparency in government's activities. Hence the growing importance of systems of verification, and the flourishing of the 'audit explosion' described by Michael Power.

These new circumstances have resulted in radical transformations in the public sector, and have brought about the establishment of what Protherough and Pick (2002, vii) call the 'sinister new orthodoxy' of 'modern managerialism'. The most remarkable of these transformations is without doubt represented by the *New Public Management* (NPM), and the related spread of *Value For Money* (VFM) auditing. Power (1997, 42) defines NPM as "a label which has been used to characterize observable changes in the style of public administration. Auditing institutions have assumed an increasingly important role in the implementation of these changes and 'value for money' (VFM) auditing has become a prominent and constantly evolving instrument of financial control". Extant literature seems rather vague in pinning down the exact origin of the term 'new public management' to a precise point in time or a specific publication. However, there seems to be a wide agreement that the first systematic attempt to discuss both the doctrinal group of ideas identified by the label of NPM and their intellectual provenance was an influential paper published by Christopher Hood in 1991 and entitled *A public management for all seasons?* According to Hood's analysis, NPM consists of a cluster of managerial principles and ideas that have been transferred from the administrative practice of the private sector into public management. Its key beliefs are cost control, financial transparency, the introduction of market mechanisms into the provision of public services, the reliance on a 'contract culture' and – more importantly – "the enhancement of accountability to customers for the quality of service via the creation of performance indicators" (Power 1997, 43; Hood 1991 and Kettl 2000).

Such radical transformations of the role of government in public services provision and in conceptions of governance (which ultimately caused the audit explosion) are common - to varying degrees - to most Western societies. Britain has certainly been no exception. In 1982, the UK witnessed the introduction of the Financial Management Initiative (FMI), a clear indication of the direction in which the Thatcher government

wanted public administration to head for. FMI required each spending department – as well as their subordinate agencies - to clearly identify their objectives and set targets against which their performance could be measured. Significantly, this practice was also extended to those spheres of activity where performance was not easily quantifiable (and the cultural sector undoubtedly belongs to this group). Each administrative body had to nonetheless declare its aims and assess the extent to which policies had been successful in achieving them, as a condition for its claims on public resources to be considered legitimate (Jenkins 1995, 232). Unlike previous attempts to restructure and modernise the public administrative system, the innovations introduced by FMI seemed to take root. The tendency towards managerialism in the public sphere was thus first encouraged, in the 1980s, by a Conservative government, and has been supported by New Labour after 1997 without apparent solution of continuity.

The popularity of NPM principles with governments of both right- and centre-left-wing leaning would seem to confirm (at least in principle) its claims to political neutrality, which upholders of NPM consider as one of its main advantages. With its reliance on the logic of cost calculation as a principle for decision-making in public, political and governmental choices, NPM is based on the notion of the universality and superiority of the market as the ultimate decision-making mechanism (Clarke 2001, 5). NPM's claims to political neutrality are thus based on the postulate that different political priorities and circumstances can be accommodated by introducing minimal alternations to NPM principles. These are indeed seen as a “neutral and all-purpose instrument for realizing whatever goals elected representative might set” (Hood 1991, 8). The political significance of such claims, though, is evident. In his discussion of New Labour's financial policies, Alan Finlayson (2003, 114) observes that “[t]he advantage of all this (New Public Management plus a hands-off economic strategy) is that it appears to remove political calculation from the process of economic management. This is deemed an advantage to the markets but also an advantage to the state, in that it cannot be so easily accused of screwing things up since it was only following pre-set rules. [...] De-politicisation is thus a highly political strategy, with the effect of shifting regimes of accountability and influence away from the elected and thus away from the electors”. Interestingly, Clarke (2001, 5) maintains that there are clear linkages between the political movement of the New Right and systematic attempts to de-politicise the public realm: “New Right governments have endeavoured to de-politicise critical public issues through installing economic discourse and managerialism as the

dominant frameworks for decision-making". In the light of these considerations, it is interesting to note that the countries where NPM has penetrated furthest are the Anglophone states, the USA, UK, Canada, Australia and New Zealand, that is countries where the influence of neo-liberalism has been historically particularly significant (Clarke 2001, 8). It could thus be argued that strong allegiances to neo-liberalism and neo-conservatism betray the strong political and ideological nature of the sweep of public administration reforms that go under the umbrella term of NPM. As Michael Barzelay (1997, 3) explains "NPM is not just a cognitive device for identifying problems and inventing solutions in public management. NPM plays a role in cultivating support for particular formulations of problems and their recommended solutions". Rather than representing a politically neutral solution to the problems posed by contemporary public administration, NPM and the rhetoric of managerialism seem to go along very nicely with strategies of neo-liberal globalisation, to the extent that Clarke (2001, 3) speculates on whether we might be witnessing a systematic attempt, on the part of the New Right movement, to dissolve the public realm:

*The neo-liberal strategy has been consistently hostile to the public realm. It has challenged conceptions of the public interest, striving to replace them by the rule of private interests, aggregated by markets (and forms of corporate collusion and combination). It has insisted that the 'monopoly providers' of public services be replaced by efficient suppliers, disciplined by the competitive realities of the market (or, in some of its neo-conservatives combinations, by philanthropy). It has disintegrated conceptions of the public as a collective identity, attempting to substitute individualised and economised identities as taxpayers and consumers.*

#### NEW PUBLIC MANAGEMENT AT THE LOCAL LEVEL

Unsurprisingly, the effects of the so-called "modernization imperative" (Charlton and Andras 2003) - and the growing managerialism in public service delivery that seems to accompany it - has not limited its influence to public policy-making at the national level. In fact, the long arm of NPM has stretched as far as to encompass local government and its modes of service provision. The efforts towards shaping a more entrepreneurial and efficient local government also date back to pre-New Labour times, as proved by the establishment, in the mid-1980s, of schemes such as the introduction of Compulsory Competitive Tender (CCT) for a number of services previously provided by the local authorities themselves. The adoption of CCT entailed a fundamental revision of the role of local authorities which now found themselves in the position of often



having to contract out the provision of services to private companies (Byrne 2000, 76). No longer would local authorities necessarily be the *providers* of the service; they might only be the *enablers*; that is, local authorities would invite private firms to bid (in competition with themselves) for the opportunity to provide services. For example, many leisure and cultural facilities today are no longer managed by the local authority itself, but by a private firm contracted by the local authority. The government believed that this procedure would encourage a higher standard of service at a more competitive price. As local authority departments were allowed to bid for the contracts against private competitors, the government hoped that this would provide sufficient incentive for them to keep costs down and standards of service high.

In a development that parallels closely what happened at the national level, the change of fortunes of the Conservatives did not result in a change of direction for local government. Indeed, the 1999 Local Government Act decreed that CCT would be abolished by the year 2000 to be replaced by New Labour's own scheme aiming at the modernization of local government: *Best Value*. Best value, just as CCT before it, is a scheme aiming at the achievement of effectiveness and economic efficiency within local government. Local authorities now have the duty to provide "best value" in the provision of a wide range of services (a wider range of services, in fact, than that previously covered by CCT, now including cultural provision). According to the policy document *Modernising Local Government: Improving Local Services Through Best Value*, local authorities are required "to meet the aspirations of local people for the highest quality and most efficient services that are possible at a price that people are willing to pay" (DETR 1998, 5). In practice, this entails the setting of both national and local objectives, performance measurements, standards and targets. Most of these are devised by the local authority themselves, although, in setting their own standards, local authorities have to take into account those that have been set at the national level. In particular, central government establishes a set of performance indicators for the assessment of effectiveness and quality with regards to major services. On the basis of these, local authorities set their own targets, and are under obligation to publish these - as well as an assessment of their performance in achieving them - in an annual local Performance Plan (Byrne 2000, 593-594). This is not all, for local authorities - as Byrne explains - "are also required, as a minimum, to set *quality* targets over a five-year period which are consistent with the performance of the top 25 per cent of all councils and *cost and efficiency* targets consistent with the performance

of the top 25 per cent of councils in the region” (Byrne 2000, 594). However, as one would expect from an ‘audit society’, there are further systems of control in place in order to ensure that ‘best value’ is indeed provided to public service users. All councils are expected to undertake, every five years, a general performance review encompassing all the services they provide. The aim of such performance reviews is – in what is an enlightening example of the current language of public administration – to establish the extent of the local authority’s success in the pursuit of the ultimate goal represented by the ‘3 Es’, that is, economy, efficiency and effectiveness in local service provision (Byrne 2000, 317). The ‘3 Es’ - and with them the guarantee that value-for-money has been obtained by the effective use of council resources - are to be achieved via the assessment of services against four criteria: the ‘4 Cs’:

- Challenge – why and how a service is being provided;
- Comparison – with the service and the performance achieved by other local authorities *and* the private sector;
- Consultation – with local tax payers, service users, and the wider business community on how the service can be improved;
- Competitiveness – ensuring that the service’s performance is competitive if compared to other methods of delivery including those of the private sectors; this involves tendering and market testing and might lead to the contracting out of services (Byrne 2000, 594).

The implications of this process for discretionary areas of local authority spending such as museum, galleries and local cultural provision in general (with the significant exception of the Public Library Service which is, in fact, a statutory local government responsibility) are quite significant. Museums, for instance “will be placed under much greater scrutiny than has been customary and they will have to justify themselves in the context of wider local government priorities and strategies” (Lawley 2003, 79). Moreover, since no local authority is actually required to operate museums (nor in fact any other cultural facility - cultural provision is a statutory duty of local authorities only in Scotland and Northern Ireland) there are some fears within the museum community that Best Value Reviews might be used as an excuse to put in place damaging cost-saving exercises (Lawley 2003, 79). This is a concrete possibility, especially in view of the fact that, in Ian Lawley’s words “[t]he arrival of Best Value has exposed the general lack of consistent and meaningful data collection and analysis within the sector” (Lawley 2003, 80). The lack of data on the effectiveness of cultural organisations in

achieving the targets that have been set for them is indeed a serious issue, and it will be discussed in more detail in the following section of this paper.

The impacts of such developments in modes of local public administration upon the nature of local authority provision for the arts, however, extend well beyond the museum and gallery sector. Indeed, local authorities are a crucial element in the British arts funding system, providing essential resources for a range of cultural activities and services as diverse as the provision and licensing of venues for the production of artistic events, funding theatres, orchestras and individual performers, commissioning works of art and providing background support and encouragement for arts organisations<sup>3</sup>. Local government, therefore, has a crucial role in the public support for the arts sector in the UK. As a matter of fact, local authorities' spending on the arts exceeded that of central government for the first time in 1988/89; and the spending on the arts by local government is currently larger than that made by the ACE and its Regional Offices, and is only slightly less than that made by the DCMS. According to the most recent Arts Council's review of data on local authority expenditure on the arts, in England alone, this amounted to around £218 (Jermyn and Joy 2002). Although the distribution of its resources is far from homogenous across the country (spending on the arts varies dramatically from one local authority to another), local government is undoubtedly a key player in public arts funding in the UK, albeit its role seems to be sometimes overlooked in cultural policy research.

#### THE SUBSIDIZED ARTS IN THE 'AUDIT SOCIETY'

How have the subsidised arts fared in this changed political and administrative climate? In view of the arguments presented in the preceding sections of this paper, it seems possible to conclude correctly that the subsidised arts sector is currently regulated by policies that emphasise the instrumental role of the arts in society. Moreover, publicly funded arts organizations have also been involved in the data-collection duties that evidence-based policy making entails. As a consequence, the subsidized arts too - in so far as they constitute an area of public expenditure - have found themselves forced to turn to the 'rationalized rituals of inspection' described above. One might even be

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<sup>3</sup> In the year 2000/01, 63% of local authority nest spending was on local authority run and contracted out venues and 21% was on grants to arts organisations or individual artists (Jermyn and Joy 2002).

tempted to suggest that, even more than other areas of public policy, the arts have found in the justifying practices of audit and performance measurement a precious form of official validation. This – it could be argued - might represent for the arts a means to filling the legitimacy void caused by the erosion of cultural authority which followed the diffusion of theories of cultural relativism within the postmodern theoretical discourse. What we are suggesting is that, to a certain extent, rituals of verification (e.g. the obsession for policy targets and outcomes evaluation) might be seen as a surrogate for the arts' lost authority and legitimacy.

Whether or not this explanation is accepted as satisfactory, it is undeniable that the subsidized arts sector, in the UK, is today under increasing pressure to gather data on its impacts on society and on the national economy. This is a necessary process in order to produce 'hard evidence', to try and demonstrate that the sector can live up to the government's expectations (a crucial requirement in the control-obsessed audit society). This is indeed the conclusion reached by Sara Selwood (2002b), who has researched extensively the uses and abuses of cultural statistics within the British cultural sector. She maintains that DCMS's emphasis on economic impact, social inclusion and regeneration, access (and the whole rhetoric of the 'arts for the many, not for the few') is firmly rooted in Labour's commitment to deliver on its programmes, and to make public services more efficient. In order to achieve its aims, the government has committed itself to base the formulation of policy on evidence and, consequently, expects publicly funded bodies to regularly collect and analyse data (Selwood 2002b, 11). This passage from DCMS' 1998 *Annual Report* is very explicit on the topic:

*This is not something for nothing. We want to see measurable outcomes for the investment which is being made. From now on there will be real partnership with obligations and responsibilities.*

Such obligations and responsibilities are clearly set out in the Funding Agreements that regulate the relationship between DCMS and its sponsored bodies (and set the targets they are expected to meet), and in the Local Cultural Strategies that the local authorities are invited to produce. Selwood's comments on this passage seem to reinforce the argument presented so far:

*This framework, which was ultimately driven by the advent of resource accounting across government, meant 'that DCMS ties its expenditure to its objectives' and that it needs 'to be assured that public money is being used appropriately to meet public*

*objectives'. Moreover, 'investing for reform', as the rhetoric has it, means that the 'more money invested, [the] more results are required'. For DCMS, this implies closure on any possibility of 'grants for grants' sake' (DCMS quoted in Selwood 2002b 12).*

Unsurprisingly, since 1997, the DCMS has substantially developed its bureaucratic systems of control, in order to ensure the delivery of government objectives and to be able to advocate for increased funding more convincingly, often resorting to explicitly earmarking sums of money for the delivery of specified objectives (Selwood 2002b, 20). These observations seem to point towards the conclusion that – as Clive Gray puts it (1996, 218) - “cultural policy does not operate in splendid isolation from the broader pressures within society”. Consequently, the extent to which cultural policies develop independently or are dominated by other spheres of public policy and by changes in public management style is an important indication of what is actually happening within the field. It is now time to consider the implications and the impacts of the developments described so far on the arts themselves.

In the context of the audit explosion and the shift towards evidence-based cultural policies, what are the main implications for the British subsidized cultural sector? The concluding section of this paper will look at some of the fundamental issues entailed in the adoption of instrumental rationales for state involvement in the cultural sector: policy evaluation and issues of quality.

#### INSTRUMENTAL CULTURAL POLICY: PROBLEMATIC IMPLICATIONS

One of the most compelling repercussions of instrumental cultural policies – especially against the background of the increasing reliance on evidence as the basis for public policy-making – is that issues of performance measurement and policy evaluation become of crucial importance. If we refer, once again, to Vestheim’s definition of an instrumental cultural policy as an emphasis of arts as a means towards the achievement of a non-specifically artistic or aesthetic objective, then it will be clear that establishing the extent to which the arts are a *successful* means to an end is essential.

The main implication of this instrumental view of cultural policy is, therefore, that the claim that investment in the arts actually *does* produce positive economic or social impacts has to be convincingly proved. Moreover, for the argument to hold - in the context of the current ‘audit explosion’ and of the importance of evidence to inform policy – it becomes necessary to demonstrate that the arts can, in fact, make a

*significant* contribution to the cause of social inclusion or economic development. In fact, the arts must show that they represent the best option for the profitable investment of increasingly limited public resources; they must convince government and citizens/consumers that they can provide the ultimate goal: value for money. Hence the central role - within instrumental cultural policies - of the evaluation of arts programmes and policies. In particular, the issues of evaluation throws light upon the vexed question of collecting reliable data in order to substantiate the claims that are being made for the arts and the ever growing expectations of their impacts.

Unfortunately, despite the governments' and the funding bodies' claims, such positive beneficial impacts of the British cultural sector over social disadvantage and the economy are far from being proved (Belfiore 2002; Merli 2002). A major problem is represented by the quality of the extant cultural statistics on which cultural policy-making has become growingly reliant. Such statistics are not harmonised (they have been collected at different times and with different methods) and cannot therefore be neither compared nor aggregated (Selwood 2002, 68). In fact, DCMS itself has recently concluded that, with regards to the positive impacts of the arts, "we do not have enough information to judge whether such gains are enough or are efficiently and effectively gained" (DCMS 2002, *Evidence on Cultural/Creative/Sporting Effects*. Unpublished document quoted by Selwood 2002b, 19). Moreover, a report commissioned in 2001 by the Local Government Association reached a similar conclusion: "[t]he absence of certain types of basic information indicates a widespread lack of systematic monitoring and evaluation, which limits the ability of cultural services to define precisely the nature of their contribution to the new policy agendas and to manage for the achievement of claimed outcomes. It is increasingly important to define precisely the desired *outcomes* of cultural services and assess the extent to which they have been achieved" (Coalter 2001, 1).

Extant evidence is simply not sufficient to justify public expenditure in the arts solely – or mainly – on the grounds of their impacts in the social and economic sphere, and methodologies on which the evidence collection is based are rather dubious. Criticism has been moved against methods for evaluating the social impacts of arts programmes, and the quality of the 'evidence' produced has been criticized for being anecdotal and unsupported by adequate systems of data collection (with the result of making comparisons over time impossible) (Belfiore 2002; Merli 2002, Selwood

2002a). Similar arguments have been made against the alleged economic impacts of the creative sector (Hansen 1995; van Puffelen 1996, Belfiore 2003)

James Heartfield, in a pamphlet meaningfully entitled *Great Expectations: The Creative Industries in the New Economy*, argues that the creative industries are far from being the amazingly productive sector that they are claimed to be in the government's official rhetoric. Indeed, he cites an EU survey, carried out in 1999, according to which Britain performs above average in manufacturing innovation but lags behind with regards to innovation in the service sector (a bizarre result for what claims to be a 'creative economy'). He therefore explains the strong emphasis placed by the government on the cultural industries with its intention to re-brand the UK as 'cool Britannia', in an attempt to cover up, with a clever design solution, the political problems that it was unable (or unwilling) to solve. Ultimately, he believes that "the great expectations that individuals, companies and governments invest in the creative industries cannot be met. These expectations are not related to the real potentialities of creative work, but to the fantasies of those who hold them" (Heartfield 2000, 27). This last consideration is very important in so far as it throws light on the crucial problem of the politicisation undergone by the process of data collection. This has resulted in a blurring of the boundary between research and advocacy on the part of both government and cultural organizations recipient of public funding. Arguably - skimmed of the rhetoric that hides vested interests - the instrumental notion of arts and culture seem to provide a rather weak justification for public support of the arts.

#### DEFINITIONS OF QUALITY

The last section of this paper aims to tackle problems of 'quality'. How can we define quality in the cultural sector in the context of instrumental cultural policies?

There are two possible alternative ways of defining quality relatively to the subsidized cultural sector. Firstly, aesthetic quality can be defined according to criteria of aesthetic value, a position exemplified, in Britain, by the Arts Council's belief in the promotion of "excellence" in the arts.<sup>4</sup> Notions of quality and artistic excellence have in fact never been explicitly codified by the Arts Council, although those working within it seem to

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<sup>4</sup> 'Excellence' together with 'access' have been the guiding principles of the Arts Council of England since its very inception in the aftermath of WWII (see Belfiore 2002; Hewison 1995).

base their activities and decisions concerning fund allocations on some understood and shared notion of excellence and quality within the arts, and share the belief that judgement of artistic quality are central to the Council's work. In Clive Gray's words, "there is no doubt that the ACs [Arts Councils] and DCMS are the dominant organisational forms within the network for the arts and, as such, must serve as the focus for discerning which values are dominant within the system" (Gray 2000, 98).

Although a discussion of the evolution of conceptions of culture and aesthetic values promoted by the Arts Council is beyond the scope of the present paper, it seems legitimate to maintain that notions of aesthetic values and quality beheld by decision-makers within the Arts Council have historically tended to coincide with traditional cultural values. This might be explained by the very social composition and cultural background of key people within the organisation. In the words of Hugh Jenkins, "[t]he Council is a group assembled by a series of chances, a collection of random choices made by a very tiny and ingrown electorate advised by the Council's own bureaucracy and finally approved by a Secretary of State or Prime Minister who knows little about the people concerned and naturally opts for what he is told is safe, which means the arts establishments" (Jenkins quoted in Hewison 1995, 176; see also Williams 1979). Indeed, over time, accusations have regularly been made against the Arts Council, its recruitment practices, and its criteria for grant allocations of representing something of a patronage system instrumental to a self-indulging cultural elite (see for instance Hewison 1995; Jenkins 1979). According to Clive Gray (2002, 78), the adoption of the so-called 'arm's length principle' with regards to public arts funding "has generated the creation of a set of policy oligarchies within the state-supported arts sector in Britain that have considerable power to influence the manner in which policy is both created and implemented". Jenkins himself, recounting his experience of working within the Arts Council, explains how he became increasingly frustrated as he attempted to "loosen the grip of the snobocracy on the arts scene" (Jenkins quoted in Hewison 1995, 177). Things seems to have slightly changed, at least at the level of rhetoric, as shown by this passage from the 1992 Arts Council's discussion paper *Towards a National Arts & Media Strategy*: "One of our key responsibilities is to make judgements about the allocation of scarce resources. The concept of quality is central to the making of such judgements, and we believe that it should be central to all those who work in the arts. But the concept is not associated solely with particular art forms, and we entirely repudiate the idea that some forms are of themselves superior or inferior to others"



(ACGB 1992). Notions of what constitute the arts might have changed over time, but there is no doubt that the conception of artistic quality as a primary criteria for grant allocation has been a consistent feature of the Arts Council's code of practice throughout its existence.

Secondly, quality can also be defined according to principles of quality in public service provision as they have been elaborated in the rhetoric of the New Public Management. In this framework, the meaning of quality in the public sector relates directly to concepts of effectiveness, performance measurement and, ultimately, the provision of 'value for money'.

It is evident that there is a tension between these two competitive notions of quality, and the friction this causes can be clearly seen at work within the Arts Council England (ACE). When ACE defines as one of its aims the financing of arts projects characterized by high quality, does it refer to projects and programmes that are successful in reaching the expected standards of quality artistically, socially, or economically? It is clear that it could easily happen that such notions of quality and success might result incompatible and therefore might not successfully co-exist. In case of conflict, which one of the two notions of quality should prevail? A typical example of this kind of difficulty might be provided by the case of those cultural projects that are targeted at disadvantaged and 'socially excluded' communities, where often the participants have little or no previous experience of the arts. Despite the formal recognition, on the part of the arts 'establishment', of the intrinsic value of participatory arts in the community, quality is still a bone of contention between the national funding bodies (such as ACE) and community arts groups. The former, as discussed above, base their criteria for subsidy on principles of artistic quality and excellence in the arts. On the other hand, community arts groups place more emphasis and value on participation in the artistic process (because of its alleged empowering effects) rather than on the artistic product itself (Webster 1997, 1-2). Should community arts projects with a social aim be evaluated on the grounds of the same criteria of 'excellence' and 'quality' that inform ACE's relationship with its traditional client organizations or should they rather be assessed merely on the grounds of their positive effects on the participants, with little concern for their artistic merit?

Things are further complicated by a clear ambiguity (or, possibly, hypocrisy?) in ACE's position: on the one hand its policy documents are imbued with the rhetoric of social

inclusion that is so dear to the government. On the other hand, a quick glance at actual funding statistics reveal that the share of available funds devoted to community or specifically inclusive arts is in no way proportionate to the rhetorical emphasis they receive. It would seem that while preaching in favour of socially inclusive arts and on the importance of participation, ACE still holds on to aesthetic criteria that can sometimes be incompatible with those values (Belfiore 2002, 100-101).

## CONCLUSIONS

Following the arguments presented by this paper, it seems possible to conclude that there are many possible ways to provide explanations for the clear tendency displayed by the British government to justify public involvement and support of the arts in instrumental terms. Public arts funding and encouragement of the arts have been justified on the basis of economic arguments and references to their contribution to preserving social order since Victorian times – that is, since they were first officially admitted into the sphere of public policy. Instrumental cultural policy is, therefore, not a novel phenomenon. Its most recent evolution - from the 1980s to present - might be accounted for by the erosion of the legitimacy of traditional notions of culture (founded on the Eurocentric, white, male and fundamentally exclusionary aesthetic canons of Western civilization) at the hand of postmodern cultural relativism. However, the recent evolution of cultural policy can also be seen as one specific area where broader changes in public management style and policy-making are reflected. Whatever the point of perspective one decides to choose, it is obvious that instrumental cultural policies force the arts sector to face a number of troublesome questions, some of which we have just looked at. These problematical issues can be reduced to the difficulty, in the contemporary world, to justify public arts spending (and consequently the need for a body like the Arts Council to even exist) independently of instrumental arguments. Justin Lewis (1990, 1) has described these circumstances very well:

*[w]e live in an era of priorities, not ideals. Under any form of government, there is not enough public money available to fund everything worthy of support. Money spent on art and culture needs, like everything else, to be justified against other areas of public subsidy... Without a substantial increase in all forms of public spending, it is socially irresponsible to spend money on arts and culture if it cannot be rigorously justified.*

Since the chances of a 'substantial increase' in public spending across all sectors seem today rather slim, the arts world is left with the need to make its own case in favour of public arts funding convincingly. Regrettably, the way out of the justification *impasse* that the arts have chosen, or have been forced to follow, has been to 'attach' themselves to other policy spheres that carry a heftier political weight. As a result, arts organisations have increasingly endeavoured to highlight the contribution they can make to the national and local economy and to a more harmonic and integrated society as a sensible reason for the state to support the arts. This has put the arts in a very awkward position indeed. On the one hand if – as it seems the case – the arts cannot provide convincing evidence of their impacts, the argument automatically breaks down. If, on the other hand, the arts should become able to substantiate the public utility argument, the consequence of this on the future of the arts might not be necessarily positive. Indeed, if we took the instrumental argument to its most extreme, yet intrinsically logical, consequences, then there would be no point in having a cultural policy at all, for its functions might be carried out just as well by economic and social services departments. In this perspective, arts provision could be easily absorbed within existing economic and social policies.

In conclusion, there seems to be a fairly good chance that instrumental cultural policies, which started off as 'policies of survival' attempting to put forward a stronger case in favour of arts subsidy, might in fact turn out to be 'politics of extinction', and further undermine the legitimacy of the arts sectors' claims over the public purse. An altogether healthier exercise for the arts sector would probably have been the attempt to elaborate a definition of what makes the arts *intrinsically* valuable to society - the definition of their 'unique selling point', as marketing would have it. So far, all the arts have achieved is to generate ever-growing expectations which they are, quite simply, unable to meet.

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