THE ARTS AS INDUSTRY

ABSTRACT

There is a discursive split in Australian arts policy between subvention of the arts justified in terms of 'humanistic' objectives and subvention of the arts justified in terms of 'economic' objectives. It is possible to locate the emergence of this particular split to the 1976 Industries Assistance Commission Report, Assistance to the Performing Arts. Over the last two decades, these policy objectives have been constructed as in competition. This paper traces the history of the construction of the 'arts as industry' in Australian arts policy. In conclusion, it queries the more recent terms in which 'arts as industry' policy objectives have been set as in opposition to 'public provision' models of arts subvention.

Nowadays ... 'culture' attracts the attention of men of politics: not that politicians are always 'men of culture', but that 'culture' is recognised both as an instrument of policy, and as something socially desirable which it is the business of the State to promote. (T.S. Eliot 1948, quoted in Bennett, 1995: 212)

There is a discursive division in contemporary arts policy between the notion of art as the moral and spiritual storehouse of the nation, and the notion of art as profitable and marketable, with calculable benefits. This split results in a set of recurrent oppositions. Much discussion of arts policy attempts to negotiate between the humanistic objectives of providing access to art to 'everyone' and the 'economic' objectives of marketing the arts, sponsoring the arts and so forth. The major function of this paper is to analyse these competing objectives as framing discourses for government subvention of the arts in Australia. In particular, the paper will trace the development of the construction of the 'arts as industry'.

While the 1976 Industries Assistance Commission (IAC) Report, Assistance to the Performing Arts, was dismissed as excessively instrumental, it had an important impact on the way the arts sector came to frame itself. As a direct result of criticisms made by the IAC Commissioners, the Australia Council commissioned statistical research reports which showed that the arts formed a profitable sector. It was with these reports, which first began to be released in the mid-1980s, that the arts sector was able to construct itself as an industry for the first time. With the establishment of the Department of Communication and the Arts (DoCA), the arts were constructed in policy as part of the 'cultural industries'. In relation to this, there has been a shift in policy goals towards a greater emphasis on entrepreneurial methods for the generation of funds as opposed to public provision. The current turn to audience development by way of marketing strategies is crucially linked to these developments. The paper will conclude by posing some questions about the way current notions of audience development are framed.
THE IAC REPORT
The formation of the Australia Council for the Arts was announced in 1968 by that most unfortunate of Liberal prime ministers, Harold Holt, and was established under the direction of that most influential of bureaucrats, H.C. Coombs. It was restructured under the Whitlam government in 1973 and established as a statutory body in 1975. By 1975, the Australia Council was the target of much criticism. This came on numerous points but was directed particularly at administrative waste, lack of consultation, excessive centralism and rapid growth without adequate policy development. Late in 1974, in an attempt to solve some of these attacks, Whitlam appointed the IAC to look into the question of government subsidy of commercial theatre, given the traditional support to galleries and museums. The directions to the IAC signed by Whitlam contained no preamble to the effect that the government was committed to its current organisation of subsidy. Thus the IAC investigated the whole concept of government support as it applied to the performing arts, including the Australia Council.

The original brief for the report was to examine ‘whether assistance should be accorded the performing arts in Australia and if so what should be the nature and extent of such assistance’ (IAC, 1976: 137). The Commission’s findings were based on an examination of public benefit arising from government subvention to the performing arts. The emphasis on public benefit was unusual, arts subvention at this time being most commonly framed in terms of the support of excellence. The Commission’s major finding was that there should be a redirection of government funds to be based on the encouragement of three major objectives, which were improving education, encouraging innovation and expanding dissemination. The Commission argued that funding of the performing arts did not provide maximum public benefit, as it was concentrated on a small group of companies and thus did not encourage diversity. The Commission’s alternative model of funding was based on the precept that ‘the performing arts are no more than means to cultural ends, not ends in themselves’; therefore, government assistance should be concentrated on education (1976: 5). The Commission recommended that the major performing arts companies should receive a gradual reduction in their direct funding over eight years, eventually requiring them to compete on their merits in the open market.

The IAC approached this question from an angle which considered all aspects of what we now consider ‘the arts industry’. It considered such questions as taxation, artists’ working conditions and ticket pricing. This highly instrumental approach proved unacceptable. The Fraser government totally dismissed the report, as did the opposition and the community generally. In response to a question in the House of Representatives, Fraser took the opportunity to explain his government’s position:

The Government is committed not only to the support of individual art but also to the support of the major performing companies in Australia — the opera, ballet and drama. That will be its continuing policy. The Government...
has this view because art is not something which can be judged merely by harsh economic criteria. I do not know of any country which pursues an adequate artistic talent and performance by adopting the user-pays principle. (italics added, in Anderson 1990: 133)

The much-quoted section of this speech, that ‘art is not something which can be judged by harsh economic criteria’, indicates the unwillingness of politicians and community alike to see the arts as an industry at this time. Against these accusations of excessive instrumentalism, the Commission argued as follows:

the Commission does not consider that the ‘slide rule approach of the cost accountant’ should determine the nature of assistance to the performing arts. But nor can it accept that the ‘revealed truths of the artist’ will lead to a rationale that is even handed as between recipients and publicly justifiable in terms of equity to the population as a whole which provides the assistance and are the recipients of the artists’ endeavours. (1976: 29)

Nevertheless, although the report may have aimed for this balance, the Fraser government was in a confident enough electoral position to ignore it.

MEASURING THE AUDIENCE

While the IAC Report was dismissed as excessively instrumental, it had an important effect on the way the arts came to be framed. The IAC refused to accept the singular and self-apparent nature of ‘great Art’ and the need for its funding (1976: 3–4). We have noted the reaction that this approach engendered. However, this approach — which critiqued submissions based on ‘faith, emotion, [and] subjective judgement’ (1976: 3) — was crucial to the way the arts came to form themselves as an industry, in part as a response to this Inquiry’s criticisms.

The significance of the generation of cultural statistics is more than simply the provision of information about a particular sector or sectors. Gay Hawkins has argued that the growth of research activities in the Australia Council framed the cultural sector as ‘knowable and therefore manageable or open to governmental calculation’ (1997: 66–67).3 This process was productive in that it opened up new cultural areas for calculation and management. Hawkins makes the further point that statistics ‘and other research knowledges about cultural industries have challenged outdated and exclusivist policy meanings for art. They represent art and culture in different terms and, in this difference, new policy processes have emerged.’ (1997: 68) This process was encouraged by the IAC Report, which repeatedly rejected the arguments put to it by the arts community, which argued from a position of the self-evident nature of government arts funding — or, as the Commission quipped, a rationale based on the ‘the revealed truths of the artist’ (1976: 29). Thus, in the later 1970s and early 1980s (and, indeed, to date), a stream of reports commissioned by the Australia Council was released, demonstrating the economic success of the arts industry and the popularity of the subsidised arts for the general public. Although, as we will see, some of the arguments these surveys
and reports were based on were questionable, there was a direct connection between these reports and the arguments mounted by the Australia Council and the arts community for increased government support.

The IAC's main criticism of the arts community was that it did not give enough importance to public benefit from the arts. In response to this, the first reports commissioned by the Australia Council were surveys of public attitudes to the arts. The first of these surveys, *Australian Attitudes to the Arts* (Tolhurst, 1980), showed that 'Australians are deeply involved in a wide range of social and cultural activities, of which the arts are an integral part; levels of interest and participation in the arts are high; people believe that the arts are for everyone, not for a select minority.' (Australia Council, AR, 1980–81: 9) The research leading to *What Price Culture?*, conducted in 1984 by David Throsby and Glen Withers, showed that Australians were 'in favour of raising support to at least two or three times the current financial level' (Australia Council, AR, 1984–85: 18). The report argued that:

> The facts on arts involvement and attitudes indicate broad community endorsement of continued and growing government support, of 'arm's length' funding principles, and of enhanced diversity in arts funding, including improved taxation provisions. The notion of arts as a luxury and as only an elite pleasure foisted on an unknowing or resentful public is simply wrong.

(italics added, 1984: 26)

These reports helped to create an arts constituency defined, for the first time, as the general public who, whether they actually attended arts events or not, supported the arts. The arts sector could now claim that there was broad-based public support for government funding of the arts. No longer was the arts constituency limited and elitist; rather, it was representative — and, more crucially, it was expected to be representative — of the entire community. Arguments about the validity of the opinion survey method were aired in the McLeay Report, where there was concern about the gap between actual attendances and those expressing what could be a 'deferential', as opposed to a truly supportive, response. Nevertheless, the McLeay Committee decided there was persuasive evidence that there was extensive general public support for Commonwealth government arts subsidies (1986: 31).

In the year following the release of Throsby and Withers' *What Price Culture?*, the second edition of the Australia Council publication *The Arts: Some Australian Data* was published. These publications, which first began in 1982, presented statistical information about the arts industry, including how many people it employed and profit figures. Such statistics made arguments which sought to justify government arts subvention possible on the basis that the arts industry was in fact highly profitable. The 1984–85 Australia Council Annual Report stated that *The Arts: Some Australian Data* showed that, in 1983–84, the estimated total value of goods and services of the arts, cultural and related industry groups was approximately $5900 million and that these findings 'strongly refute the argument that the arts are a narrow and unprofitable sector'.

Anderson points to a core industry principle which is 'creative' and 'profitless' (Anderson, 1990/91: 26).

There are few objecions of the arts' worth to the arts themselves, but the arts themselves have made arguments which have been highly persuasive.

[while] the arts generate income and jobs. The arts and the public benefit both from the arts and the arts benefit from public support. The arts are necessary and the public supports them. The arts subsidise the public. The arts also subsidise education.

In the second edition of *The Arts: Some Australian Data*, the editors explained why that argument was wrong. They stated that... It is now possible to develop the statistic of the arts into a proper alternative to employment data and the public's attitude towards arts subsidy is far more positive than it was in 1982.

The public support the arts financially and socially. The arts sector have now begun to evaluate their own standards, and to improve professionalism.

I will further discuss this in the section of the report...
are a narrow and isolated range of activities of interest or benefit only to a few’ (1984-85: 18). Peter Anderson argues that the lack of definition of what exactly constitutes the ‘arts industry’ in such figures renders them problematic. For example, Anderson points out that, on the one hand, television is included in statistics on industry profit, but on the other hand, television watching is not considered a ‘creative’ activity and assessed in public attitudes to the arts surveys (Anderson, 1990/91: 227-32).

There are further problems with such arguments asserting the economic importance of the arts. T.B. Hansen has argued persuasively against justifying subvention of the arts simply on the basis of the arts as an economic good. Hansen develops two arguments which question the value of analyses which construct the arts as a highly profitable sector. In the first place, he argues that:

[while] there is no doubt that the economic impacts have often been exaggerated ... the fault lies in having looked at consumption, employment and tax revenues as gross quantities instead of investigating whether the arts have generated new consumption or new jobs ... In other words, it is necessary to determine the extent to which the cultural activities and the subsidisation of the arts are helping to create economic growth. (italics in original, Hansen, 1995: 310)

In the second place, Hansen argues that ‘it is not enough to show that the arts generate income, employment and tax revenues, for all economic activity does that ... It is therefore necessary to investigate whether the arts stimulate economic development more than would be the case if the subsidies had been used for alternative purposes’ (italics in original, 1995: 310–11). Thus arguments which justify subsidy of the arts sector on the basis of its profit value to the community are basically flawed. Furthermore:

The purpose of the arts is not to attract tourists and companies and create jobs. These economic impacts are ‘extra gains’, not the real aim of the exercise. The arts are subsidised mainly for cultural or social reasons ... If one wants to evaluate the economic value of the arts, one cannot simply use an economic standard analysis which does not take account of the special purposes of the activity. (Hansen, 1995: 315)

I will further discuss ‘economic rationalist’ arguments as they have been applied to the arts in the last few years below. For now, it is enough to note two main points to conclude this section. First, I have argued that there was an increasing predominance of arguments based on statistical research which demonstrated that the arts had an economic value. However, while ‘arts industry’ rhetoric began to predominate in the 1980s, as demonstrated in the next section, it was not until the 1990s that the arts came to be strategically positioned as part of the ‘cultural industries’. The second main point we can make here relates to the role of statistics as a productive governmental technology. We have argued that the increasing
focus of the Australia Council on research into the arts sector produced an ever-increasing body of statistical data. This data allowed the arts to become more open to calculation and therefore management — all at ‘arm’s length’ from government.

**THE ARTS INDUSTRY**

In the last 10 years, the status of the Australia Council as sole adviser to government on arts policy and administrator of federal arts funding has diminished considerably. Over the same time frame, the status of arts and cultural policy has increased significantly with the construction in 1993 of the DoCA, the first Commonwealth ministry to bring the arts and communications sectors together in one portfolio, and the launch in 1994 of *Creative Nation*, the first Commonwealth cultural policy, which gave the Australia Council triennial funding and an increase in base funding of $18 million over four years (*Artforce*, 1994: 3). It is significant that, while these changes occurred under a Labor government, the Coalition government, while slashing funding to most sectors in its first budget in 1996, continued the Australia Council’s level of funding and even allocated $14 million in new funds to be spent specifically on regional arts development, emerging artists, contemporary music export and major festivals (*Artforce*, 1996: 12). With this increase in political status, there has been a significant change in the rhetoric used to justify government arts funding. In the previous section, we traced the development of ‘the arts industry’ discourse from its first public airing in the 1976 IAC report. Now, as then, there is a tension between this economically framed set of arts funding rationalities and what might loosely be termed a ‘humanistic’ set of arts funding rationalities.

In 1992, the Department of the Arts, Sports, the Environment and Territories (DASET) released *The Role of the Commonwealth in Australia’s Cultural Development: A Discussion Paper*. This discussion paper represented the first step in the Commonwealth’s formulation of a cultural policy. The DASET paper defined culture as follows:

> The Government encourages and supports culture in its more specific sense (the practice and appreciation of music, the visual arts, literature, theatre, cinema, the preservation of our history and heritage) because of its fundamental importance to culture in a broader sense — that is, because of its importance to our whole way of life. (italics added, 1992: 1)

This definition is significantly different from earlier governmental definitions of ‘the arts’ which were much more limited in the conceptions of production and value they could encompass. In the response to DASET’s discussion paper from the Institute for Cultural Policy Studies (ICPS), it was argued that the Commonwealth needed to be more specific about what constituted culture and why. It argued that the ‘phrase “because of its fundamental importance” obscures more than it reveals and provides a blanket argument for the support of arts activity narrowly defined’ (ICPS, 1994: 3). While, on the one hand, the DASET discussion paper tended to use vague justifications of why culture was important,
It was much more concrete about the possibility of the importance of culture as an industry; the DASET paper indicated that the Commonwealth would be increasingly drawn to industry policies which encouraged self-reliance, commercial viability and employment-generation. At the same time, though, it argued that:

There is ... a perception that too much discussion of 'an industry' might detract from the cultural arguments on which government involvement is predicated, that the economic imperative might take over from the cultural one. If that occurred government might well assist cultural development merely because or insofar as it provided economic benefit. Such a rationale for government involvement in the cultural area is quite different from that put forward in this paper. Yet, while pursuing an essentially cultural objective, it might become increasingly necessary to take an industry perspective if the consequences of dependency are to be avoided and greater self-reliance is to be achieved. (DASET, 1992: 29)

It was this balance between cultural and economic interests that the Commonwealth sought to achieve in its arts ministry.

In 1993, DoCA was established, taking on responsibility for those 'arts' bodies previously administered by DASET, including the Australia Council and Artbank, but also — as its title suggests — taking on responsibility for the communications sector, including Telstra, the ABC and the SBS. The creation of this 'super' ministry received a mixed response. On the one hand, it was supported because it allowed an appropriate broadening of the definition of culture. In particular it bridged the traditional gap between 'the arts' and entertainment. Deputy Secretary of DoCA, Cathy Santamaria, commented:

If cultural industries are to be treated from an industry perspective as well as a cultural one, this does mean an evolution in the manner in which the Government intervenes and taking a whole view of particular sectors which make up the industry instead of a partial one.

It means being concerned with the unsubsidised and the subsidised sector, distribution and production, as well as the jobs that flow from creativity. (DoCA, 1994: 39)

On the other hand, there were also perceived negatives to the creation of a 'super' ministry. Stuart Cunningham, arguing against the construction of a 'super' ministry, argued that there were significant tensions between the rationales for support in the communications and arts sectors. He commented that, when advocating greater links between culture and communications, we need to be mindful that:

the arguments supporting cultural development in Australia are diverse and don't always mesh perfectly. On the one hand ... economists like David Throsby and Glen Withers have underpinned the notion of the arts as an industry ... On the other, there are the established industries like broadcasting
being treated as major vehicles of culture. These two kinds of arguments are both appropriate and timely, but they mark out very different logics of support. (Cunningham, 1992: 11-12)

For Cunningham, Australia’s history in relation to its ‘long tradition of importing its popular culture’ is a pressing reason why it ‘needs a street smart sense of nationalism’ and, to this end, ‘the present role of the Commonwealth must not be diminished’ (1992: 4). The argument that the Commonwealth needs to maintain funding levels has become a mantra in the last few years, as the impetus for an industry-focused cultural policy has increased to the detriment of ‘public good’ arguments for cultural funding. We will discuss this set of current policy arguments further in the next section. For now, we will explore further the development of an industry focus in recent cultural policy.

The push for a strategic industry approach to cultural administration originated in the Cultural Ministers Council which, via its Statistical Advisory Group, began to collect data on industry aspects of the arts (1991). This initiative was furthered by DoCA, which created a program that was specifically responsible for advocating links between the cultural, business and private sectors. The Cultural Industry Development Program was established in 1993; its aims are stated in DoCA’s 1994-95 Annual Report:

It aims to increase the commercial performance of cultural industries through improving access to existing industry and export assistance programs, developing industry-targeted export market development strategies, and increasing cultural industries’ knowledge and understanding of their industries, and domestic and international market environments. (DoCA, 1995: 10)

In 1994, the Cultural Industry Development Program organised the Creating Culture conference, which aimed to increase information to the cultural industries on industry assistance programs and business opportunities. This conference was held before the release of the Commonwealth’s cultural policy, Creative Nation. In his opening address, the Minister for Communications and the Arts, Michael Lee, foreshadowed Creative Nation’s dual emphasis on culture as important to the construction of national identity and as important economically (in DoCA, 1994: 9-10). Hilary McPhee, the Chair of the Australia Council, responded to this duality in a way that has become familiar. By pointing to the success of the Australia Council in terms of the increase in cultural production and consumption in Australia over the past 20 years of government funding, McPhee argued (like Cunningham above) for the necessity for government funding, particularly as Australian content would suffer without it (McPhee, 1994: 22). Furthermore, anticipating the current emphasis on arts organisations generating their own funds, she argued that most arts organisations do not have the funds to spend on campaigns to generate more funds from sources other than government (1994: 21).
In October 1994, the Commonwealth released its first cultural policy statement, *Creative Nation*. *Creative Nation* defined culture above all as concerning identity — ‘the identity of the nation, communities and individuals’ (Commonwealth Government, 1994: 5). Furthermore, it stated that ‘this cultural policy pursues the twin goals of democracy and excellence’ (1994: 5). The two major organising discourses in this policy are stated clearly at the end of the introduction. On the one hand:

The ultimate aim of this cultural policy is to increase the comfort and enjoyment of Australian life. It is to heighten experience and add to our security and well-being, *in that it pursues similar ends to any social policy*. By shoring up our heritage in new or expanded national institutions and adapting technology to its preservation and dissemination, by creating new avenues for artistic and intellectual growth and expression and by supporting our artists and writers, we enable ourselves to ride the wave of global change in a way that *safeguards and promotes our national culture*. (italics added, 1994: 7)

On the other hand, written almost 20 years after the IAC report, this policy firmly defined the arts as a profitable industry:

*This cultural policy is also an economic policy*. Culture creates wealth ... Culture employs ... Culture adds value, it makes an essential contribution to innovation, marketing and design. It is a badge of our industry. The level of our creativity substantially determines our ability to adapt to new economic imperatives. It is a valuable export in itself and an essential accompaniment to the export of other commodities. It attracts tourists and students. *It is essential to our economic success*. (italics added, 1994: 7)

As previously mentioned, the IAC’s 1976 recommendation that the benefits of culture might be measurable in quantitative terms met with a horrified response. At that time, in Prime Minister Fraser’s memorable words, ‘art [was] ... not something which can be judged merely by harsh economic criteria’ (in Anderson, 1990: 133). *Creative Nation* framed culture as a set of resources to be managed so that the Australian nation could reach its full potential, economically and socially. In *Creative Nation*, humanistic and industry rationales for support were placed side by side. However, as we have already indicated, these rationales of support are based on very different logics which must be negotiated in relation to specific aspects of each sector of the industry. It is fitting to illustrate our point here with a brief discussion of some aspects of the present day policy concerns of the Australia Council, particularly in relation to the current ‘enthusiasm’ for ‘marketing the arts’.
One of the significant emphases of Creative Nation was its claim that the Australia Council 'has to turn its attention away from the "supply" side of the arts equation to the creation of a higher level of demand from arts consumers' (Commonwealth Government, 1994: 13). The Australia Council established its Audience Development and Advocacy Division in 1996. In current discussions of audience development, arts marketing is seen as the primary means whereby arts organisations and the arts generally can encourage their core audiences to remain loyal, and as a way of generating new audiences. The Australia Council emphasised its commitment to arts marketing when it commissioned the report Marketing the Arts, which was released in 1998.

The then director of the Audience Development and Advocacy Division, Sue-Ann Wallace, put the policy shift this way: 'Council actually serves the people of Australia, and it serves them by supporting Australian arts. This is ... a shift, from thinking that the end product is the artist's development, into thinking of the audience' (in Charlton, 1996: 3). One of the crucial factors in this shift is that it frames individual arts organisations as responsible for the development of their audiences and generating funds. In Arts Management: A Practical Guide, Jennifer Radbourne and Margaret Fraser have argued that the 'contemporary focus is not so much that the government is restricting subvention, but that the arts organisation is abdicating its responsibility if it is not actively and successfully seeking ... sponsorship' (italics added, Radbourne and Fraser, 1996: 66). There is no doubt that the encouragement of a more proactive attitude amongst individual arts organisations towards the generation of broader audiences for the arts and alternative sources of funding is a proper emphasis in these days of dwindling government resources. However, there are some questions which need to be asked before advocating a policy which puts too much emphasis on the responsibility of individual arts organisations for the successful attraction of new audiences and the generation of sponsorship.

There are two main points or questions to pose about this current turn to audience development through arts marketing techniques. The first relates to the findings of sociological studies of audience demographics at cultural events which show clearly that attendance at arts events is closely linked to the individual's level of education. This indicates that the constitution of arts audiences is not simply a matter of the right 'marketing mix', but rather that it is closely linked to a range of other factors. Tony Bennett and John Frow in Art Galleries Who Goes? and the Australian Cultural Consumption project have shown that, in Australia, audiences at cultural events typically defined as 'high culture' have comparatively high levels of education. Following the French sociologist Pierre Bourdieu, Bennett and Frow have argued that this has to do with the utility of cultural forms to practices of social distinction. Bourdieu draws on statistical evidence to argue that practices of distinction, especially those displayed by 'preferences in literature, painting or music, are closely linked to educational level and secondarily to social origin' (Bourdieu, 1994: 1). Moreover, there is an uneven and inequitable distribution of
the capacities necessary to engage with such cultural forms. Bennett has argued that a focus on audience development strategies to the detriment of access policies may 'serve only to accentuate existing inequalities in the social patterns of access to, and use of, Australia's cultural and artistic resources' (Bennett, 1997: 89). This is particularly because, as Justin Lewis points out, while there are two main approaches to marketing in the arts — 'the saturation approach' and audience development — it is 'the saturation approach' which is the most common. This approach is based, primarily, on the economic motive: to maximise audiences (and therefore income) at the lowest possible cost' (Lewis, 1990: 148). Thus 'the saturation approach' recognises that the audience for subsidised art is middle-class and thus 'saturates' this market. As Lewis argues, 'this will necessarily reinforce existing patterns of cultural consumption' (1990: 149). On the other hand, the audience development approach, according to Lewis, 'focuses upon the needs of people as consumers, and translates these back into the production process in order to meet those needs' (1990: 149). For Bennett, audience development, as well as addressing the consumer's needs and wants, can also address the consumer's capacity to engage with different cultural forms. Thus:

access and audience development policies might productively interact with one another ... Effective access policies and the development of new audiences both require, through whatever means, ways of culturally resourcing those who, at the moment, fall outside the sphere of restricted culture in order that they might become culturally effective consumers within it. (Bennett, 1997: 105)

While practising our 'marketing mix', we need to be clear about our aims: selling more tickets to established audiences and/or developing new audiences. If the second aim is a priority, we may need to retain an emphasis on other strategies for the extension of access and participation. To this end, we might revisit discussions to do with such issues as intellectual access, the role of art in public places and techniques for the display of work.

The second point to pose about this current turn to audience development through arts marketing techniques concerns the emphasis on making individual arts organisations more independent in raising their own funds and more proactive in generating their own audiences through strategies of arts marketing. The report Marketing the Arts has shown that, to some extent, most arts organisations practise some form of marketing, no matter how basic. The report also found that some of the more expensive marketing tools, such as market research, were not utilised by most organisations (Australia Council, 1997: 89). Given the limited financial funds available and the small administrative nature of most arts organisations, this is not surprising. In Marketing the Arts, 207 out of the 250 organisations surveyed had less than six full-time staff (1997: 7). This reflects the diverse components of the arts sector which ranges, for example, from the large performing arts bodies to small community arts organisations. These small organisations are the clear majority. Jennifer Craik and Robin Trotter make a similar point in relation to
museums and ‘their ability to attract the big tourist dollar’ (Craik and Trotter, 1997: 46). Craik and Trotter’s pilot study of cultural tourism in Queensland has shown that most museums are ‘highly localised in content and patronage’ (1997: 45). They argue that it may not be economically viable for most museums to outlay investment by marketing and repackaging their attractions (1997: 46). Craik and Trotter conclude that, with ‘these issues in mind, our analysis indicates that most museums would be advised to re-visit their community remit — and attempt to do that better — than to chase an elusive rainbow’ (1997: 46). In light of such factors, we must be cautious about the degree of the shift we make towards a policy emphasising the responsibility of individual cultural organisations for the size and diversity of their audiences.

Hilary McPhee has recently commented that ‘attempts to persuade governments and taxpayers of the importance of support for the arts in the language of the marketplace, that culture sells, that it attracts tourists, that it employs a lot of people, might be to miss the point’ (italics in original, McPhee, 1997: 14). On the other hand, Radbourne and Fraser have written that:

The arts manager in the 1990s practises in a highly competitive and complex environment ... most particularly the elevation in the status of arts and cultural development in government planning and policy in response to economic impact studies and statistics that creates a rationale for investment that is more than ‘welfare’ and the ‘public good’. (italics added, Radbourne and Fraser, 1996: 246)

There is a broad mix of policy objectives which frame government subvention of the arts through the Australia Council. Creative Nation, while exhorting the Australia Council to focus more on demand than on supply, also claimed that one of the most important functions of culture — and therefore the reason why government had a responsibility to fund it — was in relation to its ‘social value’. Gillian Swanson has neatly summarised the implications of this:

Social value, as it has been defined in the Australian cultural policy context, includes the cultivation of a sense of national identity and the communication of distinctive cultural content; the generation of community development and a sense of belonging, place and cultural stewardship. It also includes the recognition of the value of communities which are under-represented in other sectors; the promotion of diversity; and the development of skills and competencies which cultivate active and participating citizens. The social value of culture is about more than economic regeneration; it is about developing sustainable communities as much as it is about developing sustainable cultural industries. (italics added, Swanson, 1997: 41)

The relation of culture to ‘the social’ is in terms of the construction of various kinds of identity. If one of the functions of government art subvention is in relation to the construction of particular kinds of identity, then Radbourne and Fraser’s
claim that ‘the gradual release of organisational, financial and philosophical ties with government’ is possible through ‘effective marketing practice’ (1996: 84) may not be desirable because, as yet, there is no evidence to show that ‘effective marketing practice’ will allow us to retain a broad mix of cultural organisations and representations. In fact, there is much to suggest that the opposite is true. For example, the director of Arts Victoria, Lesley Alway, has argued that marketing strategies must target those audience segments which have already proven a strong interest in attendance. She writes, regarding the third phase of Arts Victoria’s marketing and audience development strategy, that: ‘Over the next twelve months, Arts Victoria will implement ... a major umbrella marketing campaign and co-operative marketing project targeted at three distinct audience segments which have demonstrated strong growth potential in the arts’ (italics added, Alway, 1997: 11).

Construction of the arts as part of an industry has clearly been useful in the way it has foregrounded some of the arts’ more instrumental components, such as the working conditions of artists, tax questions and intellectual property. However, it seems that replacing the ‘old enthusiasm’ for aesthetic rationalities for arts funding is an equally blinkered ‘new enthusiasm’ for the brash new world of an economically rational culture and leisure industry in which the dictates of the market are the primary concern. The problem with the ‘new enthusiasts’ is that, like Radbourne, Fraser and Alway, they tend to forget the significantly different components which make up the ‘cultural industry’. As well as this, the ‘new enthusiasts’ tend to understand the concept ‘cultural industry’ primarily in economic terms and in distinct opposition to ‘welfare’ or considerations of ‘public good’. It is not clear that economic rationalities for arts funding will address some of the most pressing problems of the sector. For example, in relation to the problem of unemployment and rates of pay in the arts sector, Craik points out that ‘the gap between the better off and the struggling artists may widen as commercially viable types of cultural practice develop an industry focus’ (Craik, 1996: 191). This is despite the Australia Council’s claim in its corporate plan that audience development and marketing strategies are of clear benefit to producers (Australia Council, 1996: 5–6). Paul du Gay has argued that the proponents of entrepreneurial governance, while admitting that ‘bureaucratic norms and techniques have proved efficient and effective in certain circumstances, clearly believe that such circumstances are no longer to be found’ (du Gay, 1996: 158). For du Gay, the problem with this is that ‘it neglects the fact that the generalisation of an enterprise form to all forms of conduct may not of itself serve to incapacitate an organisation’s ability to pursue its preferred projects by redefining its identity and hence what the nature of its project actually is’ (1996: 158). Thus, as we have argued in relation to marketing the arts, du Gay argues more generally that there is a clear danger here that the introduction of entrepreneurial principles into the public sector organisations might undermine basic principles of public provision’ (1996: 159).
CONCLUSION

In Australia, cultural policy rationales are shifting to strategically target the local and community as a field of action. Such rationales have, in the last few years, typically taken the form of urban and regional planning frameworks. It is typically claimed that such a locally based focus for cultural policy can ‘resituate the consumer — or the audience, or the user — in a cultural industry model grounded in ordinary ways of everyday living ... this may give us a different purchase on definitions of culture which are more malleable to diverse constituencies’ (Swanson, 1997: 48). If this were true, it may indeed be possible to tie the policy goals of fostering diversity in cultural production and consumption to the policy goals implied by taking a more economically oriented approach to cultural policy. Such a blend of specifically targeted ‘processual’ cultural and economic goals may be able to retain a more complex mix of policy objectives while also making use of the ‘new enthusiasm’ for marketing techniques. It is the importance of the continuation of this mix that we hope to emphasise in the contemporary construction of the relations between art, government and citizenship — a mix which would seek to explore how arts marketing strategies might combine with other important policy goals such as cultural pluralism, access, and research and development.

NOTES

1 A version of this paper titled ‘The Australia Council and Audience Development’ was originally presented at the 1997 Cultural Crossroads Conference in Sydney. I am grateful for comments and suggestions I received from audience members.

2 The research presented in the paper is taken from my PhD thesis, Art and Citizenship — Governmental Intersections. One of the objectives of this thesis has been to provide a historicisation of rationalities for art administration in post-World War II Australia.

3 See Hacking (1991), who argues that ‘the collection of statistics has created, at the least, a great bureaucratic machinery. It may think of itself as providing only information, but it is itself part of the technology of power in a modern state.’ (1991: 181)

4 Report of the House of Representatives Standing Committee on Expenditure, Patronage, Power and the Muse: Inquiry into Commonwealth Assistance to the Arts (more commonly known as the McLeay Report after Leo McLeay, the chairman).

5 Subsequent budgets have reduced funding to the Australia Council; furthermore, certain factions in the current political climate demonstrate an adversity to government funded arts, constructed negatively as ‘intellectual’ or ‘ethnic’. However, it is too early to tell what real or lasting effects this will have on the relatively bipartisan support for the arts. The general governmental shift away from public provision remains the more pressing threat to government arts subvention.

6 This project is still underway. For preliminary reports on its findings, see Bennett (1997) and Frow (1997).

7 See, for example, Bianchini and Bloomfield (1996), Bianchini (1993) and Worpolo (1992) for discussion of these programs in the United Kingdom. See, for example, Hawkins (1993) and Mercer (1991, 1993, 1994) for discussion of such programs in the Australian context.
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