

# Value for Money Applies Also to State Expenditure on the Arts

## 1 Introduction

Politicians and taxpayers understandably want to know how their money is being spent and whether or not to good effect. This applies across the whole public sector, including expenditure on the arts. One might argue that the ‘output’ of the arts sector is very difficult to measure, and this is probably true, but so also is the output of the police service or the educational system or the health service. The arts sector is no different.

Some have argued that the ‘instrumentalist’ approach to measuring the benefits of public expenditure on the arts is misplaced (see for example Belfiore and Bennett, 2010) but again the same arguments apply, for example, to the police services. Why you might argue log the number of arrests by police, or the number of burglaries, when what we should be tracking is the unmeasurable concept of personal and public security that are the key objectives of the police service. All agencies spending public monies though need scrutiny in terms of operation, decision making and some measures of effectiveness of their expenditure. The issue really is how this might be done, be it through quantitative measures, qualitative indicators or narrative and patches of anecdotal, or other, evidence: or some combination of these.

While many funding agencies address the issues of objectives, accountability, governance and measuring effectiveness (see Allan et al, 2013, Arts Council of England, 2014, and Scott, 2014), the greatest problem perhaps is the limited attempts to date by the funding agencies to link their objectives to the benefits to society, and hence the general taxpayer, that the expenditure of their organisation creates.

The paper therefore addresses in some detail the possible societal benefits from state expenditure on the arts. These must be kept separate from personal benefits. Personal benefits may be large and intense, just like the benefits from doing yoga classes or going to church or hill walking or gardening might be, but they should not be paid for by taxpayers.<sup>1</sup> The only role of the state in this regard might be to make individuals aware of the benefits before making their personal choice of what to spend their time and money on. This the state does in relation to many other activities, highlighting through information programmes the disadvantages say of smoking or the benefits say of regular exercise to personal health.

One key objective of the funding agencies examined is to make the arts ‘available to all’ through the medium of its expenditure. We will question the rationale for this, in terms of two things. First, the paper will examine to what societal benefit if any it is linked. Second,

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<sup>1</sup> Many studies conflate the personal and public benefits (see for example Arts Council of England, 2014, and Fleming 2015). These studies also relate to spill-over benefits from the commercial sector, an issue that relates more to industrial than cultural policy.

it will argue that even if this objective can be justified its meaning is very unclear and that in many senses it is never achievable, at least in relation to the areas with the bulk of state funding, namely the so-called high arts.<sup>2</sup>

One crucial issue in fact to keep in mind is that the vast bulk of state funding on the visual and performing arts sectors goes to the following: theatre, opera/ballet, art museums and individual artists. Small amounts are also allocated to regional arts events, which often have a wider remit. There is no point then when examining public funding on the arts in devoting much attention to areas which receive little public funding, such as film, popular or church music, creative industries or the media. A discussion of these activities is of interest in itself of course but does not link directly to the issue of large state funding, the focus of this paper.<sup>3</sup>

There are also many important personal benefits as mentioned above which flow from the consumption of the arts heavily subsidised by the state, but the role of the state in this regard might simply be to draw attention to these so that each individual can make more informed decisions. It is not the role of the state though to subsidise the consumption of these activities or for others to 'lecture' people on what is 'good for them' in this regard. As we will see later, the pattern of consumption of the so-called high arts, the areas with large state funding in fact, is as skewed towards the more highly educated now as it was fifty or more years ago. This though may not be as undesirable as thought, given the other societal outcomes of the arts sector.

The earlier paper by Deirdre Mahony in this Issue reports on the value for money programme undertaken in Ireland, of which a review of the expenditure of the Arts Council was, but, a part. Her paper sets out the manner in which this expenditure was evaluated, in terms of inputs, governance and outputs. In each case illustrations of the various metrics used are provided. As will be argued later, this may be all that can be done in any systematic way in evaluating the effectiveness of expenditure by arts funding agencies, given the difficulty of measuring societal outcomes.

This paper places the Irish situation in the context of what is done in two other similar bodies, namely England and New Zealand, to identify commonalities and differences in evaluation approaches taken. Two things emerge from this comparison worth further examination. First is the lack of a clear link between output metrics and societal outcomes; indeed the lack of a clear statement of what the latter might be. Second is the lack of any analysis of why equal access is such a focus of expenditure in all.

Section 2 of this paper then will examine the first of these issues in some detail, including the issue of how the various high-level goals of the arts funding agencies examined link if at all to societal outcomes. Section 3 will consider the second issue, namely why equal access is considered so important and how in fact it conflicts with other central societal

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<sup>2</sup> The key issue is the freedom from market constraints that state funding provides. This of course as in the past and indeed today can be provided by private patronage, be it through private individuals, foundations or church organisations.

<sup>3</sup> It probably relates more to industrial policy, where the creative industries are as worthy of state encouragement as other supported industries. Such support may take the form of tax breaks, or start-up grants or assistance with promotion/advertising.

outcomes. Section 4 will conclude the paper by pondering how evidence in relation to societal outcomes might be constructed, no matter how incomplete or uncertain.

## 2 Societal Outcomes

There are four main societal benefits which this paper identifies and seeks to justify. Such societal benefits have been examined before in the seminal books by Baumol and Bowen (1966) and Throsby and Withers (1978). The purpose here is to build on and embellish the discussion.

### *National/regional/local Identity and Social Cohesion*

One of the societal outcomes of supporting the arts relates to the extent to which the arts can define those elements of national/regional life which characterise a country or region and distinguish its attitudes, institutions, behaviours and way of life from those of other countries/regions. The protection of such identity is a form of public good and hence benefits everyone.

It is argued by some that group identity is as important a concept as personal identity (O'Hagan, 1998). In this context, it could be argued that the benefit of group identity is synonymous with social cohesion and harmony (which again benefits others). This cohesion, in turn, depends on the intensity of social communications within and among groups, and that members of the same nation/region communicate more effectively with each other and over a wider range of subjects than with outsiders.<sup>4</sup> If the arts help us in this process to understand who we are and to understand the ways of living and the problems of others then the benefits are public in nature and should be supported, at least in part, by the state.

In his splendid recent book on Germany Neil MacGregor for example chooses to 'define' Germany more through the works of cultural figures – such as Beethoven Dürer, Goethe, Luther and members of the Bauhaus movement – and important historical cultural monuments and artefacts, than through political figures and events. (McGregor, 2015)

In a similar vein, how would we 'define' Dublin without reference for example to Joyce, O'Casey and the Abbey? Would we think differently about Ireland if there were none of the major national monuments such as the Rock of Cashel or Trim Castle or artefacts such as the Book of Kells? Would Ireland be the same place without the traditional music of counties such as Clare and the visual art of people such as Jack Yeats, and the poetry of Heaney and W.B. Yeats? Would all of this have been generated/preserved without patronage, be it private as in the past or public as today?

The impact of these on identity though can be very long term in nature, with for example the work of Joyce positively banned in Ireland in the early years and yet regarded today as an iconic representation not only of Irish literary prowess but also of life in Dublin in the early twentieth century. This fact compounds the difficulty of providing evidence on societal benefits, to be discussed later.

Thus national identity and social cohesion are linked and are reinforcing. Apart from the art itself, organising arts events, for example local arts festivals, can contribute to social

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<sup>4</sup> Similar arguments are used in relation to the preservation of a national language.

cohesion through extensive volunteering thereby furthering a sense of community and group identity. This aspect of the arts though applies to any community activity such as gardening or yoga clubs, church groups, sports clubs and other means. But it also applies to the arts and one study for Ireland has identified this as a very important part of even such an 'exclusive' event as the Wexford Festival Opera (O'Hagan, 1992)

### *Social Criticism*

There is also a social criticism role of the arts which is almost the polar opposite of the national identity and social cohesion role. Weil (1996) sees it as an equally important function of the arts.

*Functioning as agents of social disruption and change, the arts may intrude rudely upon our everyday sensibility, force us to consider the most extreme possibilities of the human condition, and prod us to think more profoundly than is comfortable about ultimate matters of life, death, and our own contingency.* (p.156)

Thus this aspect of the arts could challenge the notion of identity, both personal and community, and in fact highlight the restrictive nature of regional/national identity in an increasingly globalised world. The arts also allow a channel of critical communication about society that is often very different to what is possible through the written or spoken word, thereby contributing in a special way to a functioning democratic liberal society. This though can happen through both the private and subsidised arts sectors, but as shall be argued below it might happen only through the first of these channels where there is a subsidised sector with the freedom (from commercial constraints) to explore these possibilities.

### *Experimental/Innovative Work*

The social criticism arguments are part of the more general argument for public support for work that is challenging, experimental and innovative and has public-good dimensions. An analogy can be drawn between subsidies for experimental/innovative work in the arts and subsidies for research and development in the sciences, engineering and medicine. It is argued that the social returns from major innovations far exceed their private returns and that it may be that a similar condition exists for major new arts innovations. For example, films and TV may draw their inspiration from ideas created in the subsidised arts by adapting and popularising a concept developed there. Commercial and industrial design may be also influenced by and adapted from breakthroughs in the arts.

This argument applies in particular to creative artists, but it also applies to performing artists in the following ways. Just as the experimental scientist needs a laboratory and engineers and technicians, the experimental dramatist needs actors, actresses and a theatre and composers need performing artists to test and experiment with their works. Likewise, the experimental artist needs exhibition space and an audience upon which to test and diffuse his/her ideas.

This argument is often made for public support for creative and performing artists involved in experimental/innovative work (see O'Hagan and Neligan, 2001 and 2005, for a discussion of English theatre in this regard). As with all such experimental work, a high level of 'natural

wastage' can be expected in the search for innovation and novelty. This though is a crucial function of state funding of the arts, as it for research in science or engineering or the humanities. However, as will be seen later, it is one that is not given much emphasis by arts funding bodies, except in the sense of promoting 'quality' and 'excellence', often undefined. It needs also to be understood that funding for such work will not result in high attendances, quite the opposite often for most productions. The high attendance will result from the odd huge success, eventually, either in the subsidised venue or later in the commercial sector.

It is possible as in the past that large private philanthropic funding can play a similar role to state funding of experimental/innovative work and this could still apply today. However, this cannot, like in the sciences, engineering and humanities be left to private funding only. It is often the case that the latter in fact will be drawn to the high status events rather than the innovative, risky ventures, the main emphasis of this argument for non-market funding of the arts.

### *Economic Spill-over Effects*

In many countries the promotion of employment and regional balance through state employment and tourism agencies is accepted government policy, involving large public expenditures. Given this, and the value of the creative industries, there is undoubtedly a role for the arts in a policy of promoting employment, economic growth and balanced regional development.

There are three main ways in which the arts can contribute to increasing employment. First, they provide direct employment for artists, administrators and other staff. Second, they may be a factor in influencing tourists to visit an area, city or country, thereby enhancing employment prospects in hotels, restaurants, etc. The arts may also be an important factor in shaping decisions on whether or not to locate a commercial operation in a certain city, region or country.

An expenditure of, for example, €50 million on any activity will create direct employment, the arts sector being no exception. As such there is no special case for providing funding for direct employment in the sector. The key issue is whether this employment generates employment in other sectors as a spill-over effect and this is the focus of the discussion here.

There is some evidence to suggest that the existence of adequate cultural institutions has been an important factor in attracting business and tourists to a region.<sup>5</sup> In this case, the arts may form part of the social infrastructure that some see as a necessary condition for locating/working in an area.

There are, however, other spill-over effects on the production side resulting from arts activity. The possible beneficial effects on industrial and commercial design and on the output of the more commercial aspects of the cultural sector have been discussed previously. There are also potential benefits in terms of the training of artists in the non-commercial sector.

### *International Reputation and Prestige*

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<sup>5</sup> See Bille and Schulze (2006) and other papers in this volume.

International recognition and prestige are often posited as a benefit of the arts that is related to social cohesion and national identity, and are public in nature. Few people, it is argued by Baumol and Bowen (1966), would be happy if their country 'became known abroad as a cultural wasteland, a nation in which Mammon had put beauty and art to rout' (p. 383) Thus nations are like individuals; they can derive huge standing and prestige from having a vibrant arts sector collectively owned. What Irish person for example does not get some pride from knowing that Beckett, a graduate of Trinity College Dublin, won the Nobel Prize in Literature even if they would never attend any of his plays? Who does not get some pride from knowing that James Joyce is so highly-regarded world-wide even if they cannot get past the first paragraph of his most famous novel, *Ulysses*?

There are possible spill-over economic benefits related to this which may be much more significant. If Ireland's reputation is enhanced in some way by the part of the arts sector supported by the Arts Council then, that not only could it benefit everyone in terms of national pride but it could also impact in the medium to long term on tourism flows and investment decisions to locate in Ireland. This highlights again the interconnectivity of societal outcomes.

### 3 Mapping Goals/Objectives to Societal Benefits

#### *Outputs to Societal Outcomes*

How then can the various objectives/outputs of the arts funding agencies link, if at all, to the societal outcomes identified above? There are indeed, not surprisingly links, but some are tenuous and in most cases the societal outcomes are not even made explicit and hence cannot be traced back to outputs.

There are five key objectives/outputs identified in the case of the Irish Arts Council (Department of Arts, Heritage and the Gaeltacht, 2015). These are:

1. A rich, vibrant and enduring culture;
2. An inclusive society in terms of involvement with the arts;
3. An arts sector which contributes to creativity and innovation
4. Enhanced reputation for Ireland; and
5. Spill-over economic benefits including employment, tourism and FDI in the creative industries.

Objectives (4) and (5) directly link to the societal benefits of economic spill-over and international reputation. Objectives (1) and (2) link to the national/regional identity and social cohesion argument but not very directly. But the link needs to be made much more explicit. Without a vibrant and enduring culture and an inclusive society these would be difficult to achieve. Outcome (3) links to the innovation societal benefit discussed earlier but again this is not explicitly recognised by the funding agencies.

There are other interconnections. A rich, vibrant and enduring culture would be essential to the achievement of Objectives (4) and (5). Likewise Objective (2) would be important to the State's objective of balanced regional development and hence also to Outcome (5). Thus these societal outcomes of the Arts Council are not mutually exclusive but interact and reinforce each other. This of course adds to the difficulty of providing evidence on societal outcomes and in particular associating any causal relationship between outputs and societal outcomes.

The goals of the Arts Council of England (2013) are much more difficult to link to the societal outcomes discussed earlier.

1. Excellence is thriving and celebrated in the arts, museums and libraries.
2. Everyone has the opportunity to experience and to be inspired by the arts, museums and libraries.
3. The arts, museums and libraries are resilient and environmentally sustainable.
4. The leadership and workforce in the arts, museums and libraries are diverse and appropriately skilled.
5. Every child and young person has the opportunity to experience the richness of the arts, museums and libraries

The ambition in relation to the first goal is that artists and arts organisations 'are delivering artistic work and cultural experiences that represent the height of ambition, talent and skill' But they also link this to culture as a tourist attraction for overseas visitors and that artistic activity should reflect the diversity of contemporary England.

In relation to the second goal, the sub-goals in this case are that more people have the opportunity to experience and participate in *great* art, that the number and range of participants increases, especially among those least engaged at present, and that there is a demonstrable increase in the depth and quality of people's cultural experiences.

The third goal includes arts organisations having an ability to adapt to their external environment, diversify income sources, do more joint work with local authorities and other partners and embrace environmental sustainability. The fourth goal incorporates the desire that the leadership and workforces in the arts sector reflect the diversity of the country, that there is effective leadership and governance and that skill levels are appropriate.

The final goal is that more children and young people have the opportunity to experience the *richness* of the arts, receive a *high-quality* cultural education in and out of school and that arts organisations are delivering on high-quality arts and cultural experiences for this group.

Apart from the goals overlapping, the third and fourth goals relate to operational issues not societal outcomes, whereas the second and third relate to a more even participation in the arts sector and is not directly related as shall be argued later to any specific societal outcome. The first goal, that of excellence, is related to the sector as a tourist attraction and hence is the only one directly related to any of the societal outcomes identified earlier.

What are the societal benefits (benefits to the general taxpayer) from these goals is not really articulated in any clear way. In fact they could apply as goals of any activity, private or supported by the state. Thus they could apply to yoga clubs, the food sector, and so on. Besides, there is an emphasis throughout on high-quality events. Does this mean that 'low quality' events, which might attract an even distribution of attendees are ruled out? It is fine having such an emphasis on excellence once it is remembered that this can often directly conflict with engaging a wide spectrum of society in these events. Besides, high quality relates just to the societal benefits of international prestige and tourism flows, but not necessarily to any of the other societal benefits.

Turning now to New Zealand, the five objectives are the following (Hong, 2014):

1. Engagement: Engagement in culture spans a wide range of activities including the production and consumption of cultural items and goods and services, and participation in cultural activities.
2. Cultural identity: Cultural identity includes the extent to which New Zealanders' identify with and value their common culture and heritage. This includes the identification with aspects of Māori culture including Māori language and cultural practices.
3. Diversity: Diversity includes the extent to which New Zealanders are positive about the contribution that cultural diversity makes to the fabric of their communities. Diversity can be measured by the recognition of cultural diversity, and active involvement in or support for these cultural activities among the community as a whole.
4. Social cohesion: Social cohesion addresses the issue of social connectedness, including the role that participation in arts, culture and heritage events and activities play in those connections.
5. Economic development: Economic development is about the ability of the cultural sector to contribute to the overall growth of the New Zealand economy.

These actually map on to the societal outcomes better than in the case of Ireland or indeed any funding agency of which we are aware. There is also a useful link made between diversity and social cohesion. It is noteworthy also that in relation to the engagement objective there is a huge emphasis not so much on attendance but on employment in the cultural sector, something that is noticeably absent in the emphasis of other funding agencies. The reason for this may in fact relate to the diversity argument, namely that is only by having a diverse range of people involved on the production side of the arts that one can get an artistic sector which challenges the conventional norms and provides social criticism.

It is noteworthy though that there is no mention of the experimental/innovation function of state funding. Besides the brief of the New Zealand funding agency goes well beyond that of the performing and visual arts. Despite this their objectives align very well with what is being proposed above: namely identity, which relates to not just social cohesion but also to national prestige; social criticism and economic development.

While the New Zealand guidelines as mentioned discuss engagement in terms of production they also include attendance or access. All three agencies then emphasise the importance of an even participation by age, socio-economic and regional grouping, as is the case with most arts funding agencies in the world. But why is this so when the bulk of their funding goes on the high-quality, ‘high arts’ sectors of drama, classical music, art museums and arts employment. And when the other rationales for such funding would imply anything but an even participation, especially by socioeconomic group. This is a topic to which we now turn.

#### **4 More Equal Access to the Arts: A Misplaced Objective?**

The evidence in relation to attendees by educational level at the arts sectors with large public funding probably confirms a picture that most people are familiar with from their own countries. It is a picture that has changed little, to the best of our knowledge, in any country in the last forty years. Why then are arts ministries and other arts bodies still ‘going through the motions’ of emphasizing the importance of access for all to attendance at the high arts when it is known that so little changes? A second question is why has so little changed, i.e. what are the barriers that are preventing greater access to attendance at the high arts for those with low educational attainment? The latter question is the focus of this section

This issue has been looked at in some detail by O’Hagan (2014). What is clear he argues is that the real barrier to greater attendance in the ‘high arts’ by those with low educational attainment may relate simply to the preferences of those concerned? If preferences are the real barrier to greater attendance by those with low incomes/low educational attainment in certain art forms, then it is no wonder that policy in the past has failed to redress the situation.

Strong evidence for this can be seen in Keaney (2008). She reported in relation to the large English attendance/participation studies that many people asserted that the real barrier for them was that they are not interested, which is another way perhaps of saying the high arts are not part of their preferences.

A recent Eurobarometer survey throws further considerable light on the debate in this regard. Respondents were asked to identify the barriers to accessing culture, in terms of lack of interest, lack of time, cost, limited supply in area, lack of information and other/don’t know. The results are striking. As seen in Table 1, among those with the lowest attendance by far, namely those educated only up to age 15- years, almost half of them indicated lack of interest as the main reason for not attending.

Table 1. Percentage who stated ‘lack of interest’ as reason for more participation in various cultural events by educational level, European Union, 2013

Education up to age:	Visited heritage sites	Been to theatre	Visited public library
15- years	42	46	55
16-19 years	27	37	45

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Source: *Cultural Access and Participation* (Special Eurobarometer 399), European Commission, Brussels, November 2013.

The variation by educational level is also striking. For example, just 17 per cent of those educated to age 20+ indicated lack of interest as the reason for not attending heritage sites and 26 per cent for not going to theatre. Only 4 per cent of those educated up to age 15 years quoted 'expense' as a reason, lack of time in fact being the second most important reason, followed some way back by 'limited choice' in area. Lack of time comes out strongly as the most important factor for those educated up to 20+ years: this is most striking in relation to visiting heritage sites. As much as 47 per cent of them indicated lack of time as a reason for not attending, as opposed to just 17 per cent due to lack of interest and 6 per cent due to expense.

It could be that those with low educational levels do appreciate and participate in art forms other than the high arts, for example in the case of music, classic rock, gospel, Latin and folk music. It may also be the case that there are many high art forms that are attended by minority groups but are not recognized as such and hence are not/cannot be funded by the state.<sup>6</sup> Thus rather than aiming to achieve equal access for all to the high-art forms, the emphasis might usefully shift to varying the funding mix with regard to what arts activities are supported, but this then might conflict with the other societal outcomes emphasised earlier.

Notten, et al (2013) examined the contrasting explanations for the variation by educational level in participation in high-arts activities, namely status and cognitive capacity. Whichever of these two explanations is correct, it still implies that acting on price or through outreach programmes in the arts will make little difference to the attendance at the high arts by educational level, something that is supported by the evidence presented earlier.

### *A Policy Concern?*

The main policy concern arising from an uneven pattern of attendance by educational level at arts events is that the bulk of public money goes to high art forms, namely those art forms not attended by those with low incomes/educational attainment. One has to be careful here though. It has been argued above that the high arts create benefits that are not confined to

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<sup>6</sup> As Yoshitomi (1991) states: 'We appear to be operating under the assumption that the most important music is that which is played by ensembles in 3,000-seat concert halls, because that is where most of our public funds to support music are allocated. The gospel music sung by millions of people every Sunday morning cannot be supported.... unless it is taken out of its natural support mechanisms, the church. Because it cannot be supported directly, by connotation we are saying to each other that one type of music is more important than another. Or to put it another way, we may be saying that one of the only live cultural experiences an African American child encounters on a weekly basis is not art.' When at school, 'I learned that Japanese prints that my grandmother hung on the walls in our home were not the "real" art that was described in the books. I learned that ikebana and bonsai were hobbies, not art' p. 209).

those who attend, but also create benefits that are public in nature. Thus the public subsidy may be provided simply to cover/pay for the collective benefit (which accrues to everyone), with those in attendance paying in full for the private benefit received and thereby receiving no direct public subsidy at all. What the breakdown of the total benefit is between private and collective benefit though is an unanswered question.

It has to be remembered then as seen earlier that public funding of the high arts is justified not solely, not even mainly, on the grounds of improving access for those with low educational attainment. For example, the innovation/experimental argument for public subsidy is not dependent on the level and/or composition of the initial audiences for the subsidized art form. Neither is it dependent on the other collective benefit arguments relating to national identity, economic spill-over effects and national pride/prestige; they may be dependent though to some extent on a reasonably high and even level of attendance.

Caution is called for on other fronts as well before one can say that public funding of high arts is regressive and diverts money from the poor to the rich.

First, public subsidy may in fact benefit the producers and not the consumers of the art form in question and the socioeconomic profile of producers could differ significantly from that of consumers of high art. The issue of whether it is producers (artists, actors, singers, managers, etc) who benefit (in the form of better wages and working conditions) or consumers (in the form of lower prices or better-quality productions) from the subsidy is critical to this debate and is a largely unresolved issue. The emphasis though on access to the employment side of the arts by the New Zealand ministry makes sense also in this regard.

Second, high income earners pay disproportionately towards the taxes that fund public subsidies to the arts and hence they may simply be benefiting from their own tax payments to the state. This is particularly so as much of public expenditure on the arts in the United States is through tax expenditures, whereby donors must contribute directly from their own resources before the public element of the donation can come into play (see O'Hagan, 1998).

It is clear then that the rhetoric of more equal access to the arts must be linked much more carefully, if at all, to the societal outcomes of the subsidised arts sector. If the argument is based solely on the notion that the disbursement of the monies should equally benefit all socio-economic groups in terms of initial outlays then this flies in the face of the other societal benefits, especially those of innovation, international prestige and economic development. Besides, who has ever heard that the disbursement of money for example for university research should be judged on the extent to which all socio-economic groupings benefit as opposed to the originality and quality of the research/funding proposals? The latter predominates in such research and the same should apply to a part of least of state funding of the arts sector. Likewise quality rather than access may a much more important consideration in relation to the societal outcomes of international prestige and economic development.

## **5 Concluding Comments**

So where has this discussion led us? The main objective was to highlight that the ultimate rationale for funding of the arts must relate to clearly articulated societal benefits, not personal or intrinsic benefits. While various measures of output can be calculated, the key problem remains of how can we ever quantify the link between these outputs and societal outcomes? The first thing to note is that this will almost certainly not involve any clear metrics; the evidence base will be much more like that which has to be provided in a court of law. It will consist possibly of bits of research findings, narrative, argument and circumstantial evidence, suggesting a certain societal outcome. But at least this is better than throwing ones arms in the air and saying that the provision of any evidence is impossible. At the end of the day a judgement call will have to be made, but at least it will be on the basis of some evidence, be it quantitative, qualitative, narrative or plausible suggestion.

Where there is no clarity and accountability with regard to inputs, decision making, programmes and results, it is reasonable to assume that good societal outcomes will not ensue. The discussion around these issues is crucial, as without these factors being in place satisfactorily the search for evidence on the impact on societal objectives would be dogged from the start. Indeed, in many cases we may just have to settle for the argument that good societal outcomes will ensue if everything is clear and explicit about inputs, decision making, programmes and direct results.

What type of evidence could be provided in relation to the five societal benefits outlined above though, apart from the argument that if you have satisfactory metrics on governance and decision making, artistic programmes offered and direct results good societal outcomes should ensue?

In relation to the first, namely national/regional and social cohesion, one type of evidence might be a narrative around illustrative case studies, where the interviewees are questioned with regard to such benefits from activities funded by the state. This could be documented and a profile built up, but it would be possible of course that similar case studies indicate that other activities not supported by the state, such as local football clubs or tidy town's committee are more important in this regard. At least some attempt needs to be made to connect in some way the output to this societal outcome, however imprecise the evidence. Is there as some argue a very special way in which the arts contribute, and if so how and what is the evidence (see O'Hagan, 1992).

In relation to social criticism and innovation again the issue of evidence is very problematic. However, it should be that some funding is allocated to these societal objectives in the knowledge that providing evidence will be problematical. Nonetheless, it should be possible to track for example the careers of artists, in both the visual and performing arts, establishing to what extent a start in the subsidised sector led to later success in the commercial arts sector, including TV and cinema (see for example O'Hagan and Neligan, 2001 and 2005, and Alessandro et al 2013).

It might be easier to provide evidence in relation to the last two societal outcomes, namely economic spill-over and international reputation. Despite this, very patchy evidence is often provided, partly arising from the use of the whole arts sector, subsidised and commercial, to tell the narrative, whereas it is only the impact of the subsidised sector on these factors that relates to societal benefits. And as mentioned before is it not the direct employment that matters but the spin-off employment, an impact that is very difficult to establish. Besides the

argument will have to be made that other non-subsidised sectors do not have an even bigger impact in terms of economic spill-over effects.

The main message though is two-fold. The societal outcomes (or benefits to the general taxpayer) which are the target of state funding need to be articulated very clearly. At least then we know what we are aiming at. And even if evidence is subsequently difficult to get at least some effort can be made to fill some of the gaps.

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