



# **Key Issues in the Arts and Entertainment Industry**

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## **3 The Funding Agenda**

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# 3 The Funding Agenda: Social relations and the politics of cultural production

James Oliver

At best, a policy focus on individualism might be defended as being consistent with libertarian ideals of individual freedom, autonomy and self-determination; at worst, it can be seen as leading to an exploitative, materialistic and uncaring society.

(Throsby, 2001: 138)

The crucial development in the recent period has been the ideological de-legitimization of state intervention and public-sector arts and media. They persist but with an uncertain and poorly defended rationale. Even where they persist, however, their operations are reconfigured increasingly by market reasoning so that publicly funded organizations must behave like private businesses, hereby further undercutting their own legitimacy.

(McGuigan, 2004: 59)

The key words, to repeat, are complex, ambivalent and contested.

(Hesmondhalgh, 2007: 17)

**Figure 3.1:** Promotional shot for Polyglot's production *Muckheap*

Image by Gavin D. Andrew, courtesy of Polyglot Theatre



## Introduction

Are the arts, so to speak, on the ‘muckheap’ of public spending? From the point of view of an arts activist, or any advocate of public spending on the arts, particularly in times of austerity, it can certainly appear that arts funding is lobbed out of the window at the first opportunity. At best, it appears that many in the arts sector are expected to feed off the scraps of funding from the residue of public spending. There is a certain ‘sink or swim’ attitude that prevails, where the environment of the liquid (or not so liquid) marketplace is deemed the ultimate arbiter of value.

However, and despite the protestations of some who may espouse a more Darwinian economic model, making art (whatever the quality) and making money (or should that be making a profit?) are not always going to be in the same trajectory. Sure, at one extreme, some commercial contexts of the creative arts and entertainment industry make some people very rich (and can often employ very many people), but that does not mean that productions will turn a profit or that companies will not go out of business, even if they make millionaires and stars out of individuals. The point being, a market-driven privatisation of individual talent, skills and product can have negative effects for the wider ecology of a company or sector.

For the everyday arts company or practitioner, the economics is much smaller in scale than that of the celebrity industry; nevertheless, sustainability is as key a concern. Sustainability is the watchword, then, which is why systematic business models are keenly sought out within the sector (see [www.mission-modelsmoney.org.uk](http://www.mission-modelsmoney.org.uk)). The point of this chapter, though, is not to provide such a model but to point out that such models are themselves subject to more systemic economic and political conditions, and crucially, social relations. Traditionally, public funds have been a key issue, not just in broadening the scope and range of access and participation (including the training of artists), but also of sector sustainability, under the broad rubric of public good. And therein lies the conundrum: what does ‘public good’ actually come to mean?

Public good has basically become a rationalised question of value rather than responsibility (we will come back to this point); and, particularly, it has become a question of use value, frequently reduced to economic value and impact. This understanding of public good has been a challenge for public spending on the arts, or at the least has helped to keep the status of the arts low (or lower) in a hierarchy of public spending commitments. As the McGuigan quotation at the beginning of the chapter suggests, in terms of government intervention, the relative economic success story of the creative industries (at the commodity

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