

# The value of culture in austerity Britain

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Following the financial crisis of 2008, the Conservative-led coalition government (2010-2015) embraced a fiscal policy aimed at diminishing the government budget deficit by reducing public spending, raising taxes and limiting the welfare state. In the words of then-leader of the opposition David Cameron: “the age of irresponsibility is giving way to the age of austerity.”<sup>1</sup> The Conservative Party developed a widely-embraced rhetoric that “only fiscal pain can lead to economic recovery.”<sup>2</sup> It echoed a long-standing narrative that links back to religion, paternalism and the idea of the “reasonable man” in English law. More broadly, it fully supports the nonsensical yet largely accepted metaphor that a national economy is like the budget of a family.

It is an understatement to say that the effectiveness of austerity as fiscal policy remains massively controversial, and it is not our aim here to settle this debate. Yet, it is important to remind that local authorities have been first in line to address those most fragile elements of Britain society hit hardest by austerity cuts. From suicide rates<sup>2</sup> to child poverty<sup>4</sup>, income inequality<sup>5</sup> to malnourishment<sup>6</sup>, homelessness<sup>7</sup> to early mortality<sup>8</sup>—most of Great Britain’s key indicators when it comes to its population’s welfare have degraded over the past ten years.

How does culture sit in this landscape of austerity? The streams of funding for culture are diverse and complex to track. Yet among the largest single contributors are the Arts Council England, the National Museums and the country’s local authorities. The latter, taken as a group, is by far culture’s most active patron. The Arts Council—the body in charge of supporting the arts, museums and libraries by investing public money from government funds and the National Lottery—invests around £700 million each year, and the National Museums £450 million. Yet local authorities collectively invest around £1.1 billion per year, investing more in culture than both the Arts Councils and the National Museums together.<sup>9</sup>

Yet according to the National Audit Office, between 2010-11 and

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2017-18, national government's funding to local authorities has been reduced by 49.1% which translated in a real-term reduction in local authorities' spending power of 29.6%.<sup>10</sup> At the same time, the burden of dealing with the social aftermaths of austerity measures—such as the rise of households considered as homeless and entitled to temporary accommodation (+33.9%), children benefits (+10.9%), over-65 year old population in need of care (+14.3%)—has been added to already strained local authorities' budgets.<sup>11</sup>

As the National Audit Office reports, the situation has worsened most significantly over the last ten years for the local authorities with the greatest social care responsibilities. Another way to read this statement is that the poorest boroughs are those hit hardest by the cuts.

Since 2010, local authorities have largely prioritised social services and care over the other elements of their budget. Spending on planning and development logically fell by 52.8% while spending on cultural and related services fell by 34.9%.<sup>12</sup> Culture's rate of reduction is relatively lower than for the other non-social care budgets, suggesting councils have tried to protect these services where they could, as they value their contributions to local life.<sup>13, 14</sup> Between 2010 and 2015, London boroughs have reduced their arts and culture spending by 19%, higher than the national average of a 16.6% decrease.<sup>15</sup>

### The Value of Culture

Funding cuts have dramatically increased the stress on cultural actors, directly and indirectly. Directly, by reducing funding available to fund for- and non-profit artistic projects. Indirectly, by reducing benefits for low-wage workers, for instance, and weakening further the most fragile parts of the UK population. But it is not the sole structural change at play. The emergence of the so-called New Public Management approach in the late 1990s-2000s represented the management of public sector organisation in the fashion of private sector, profit-driven ones, aiming for economic growth and efficiency. "Creative Britain" became New Labour's motto as it promoted a mind-set of creative entrepreneurialism. As Robert Hewison writes in *Cultural Capital*:

Creativity is positive and forward-looking — it is *cool*, just as New Labour wished to be. Creative Britain needed a creative economy in order to ensure the continuous innovation on which growth depended. This would be served by a 'creative class' whose occupation was the production of signs and symbols that could be consumed in commodified form.<sup>16</sup>

This has driven the arts, creative industries and the cultural sector to be understood as sources of surplus value rather than as givens,

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or rights. What best way to demonstrate value than by considering the *financial* value creative industries and cultural actors produce, directly and indirectly. It has become a staple of arts, design and creative organisations to produce yearly reports that calculate the contribution of arts, culture, design and creativity to the UK economy. The latest iteration of these studies and reports is the Cebr report for Arts Council England<sup>17</sup> whose results allow for catchy headlines such as “culture contributes more to UK economy than agriculture”<sup>18</sup>.

This report published in April 2019 demonstrates the direct positive impact of culture on the British economy, showing that arts and culture industry generated a direct £21.2 billion turnover, £10.8 billion in GVA (Gross Value Added) and employed 137,250 people. When including indirect and induced effects, the contribution of the arts and culture industry is £48 billion in turnover, £23 billion in GVA and provides employment for 363,713. The message is clear: don't turn your back on culture, it's a money-making industry.

To expose the philosophy of *value* that has structured grant applications processes and public spending on culture for the last ten years is essential. It shows how far away we have moved from the idea of culture as a right, as the product of surplus value in society, an investment in the unknown—to culture as producing surplus value, an investment with the expectation of a return. The words of the first chair of the Arts Council, economist John Maynard Keynes himself, pronounced in an inaugural speech on the BBC in 1945, find a disturbing echo when considering today's predicament:

The artist walks where the breath of the spirits blows him [sic]. He cannot be told his direction; he does not know it himself. But he leads the rest of us into fresh pastures and teaches us to love and to enjoy what we often begin by rejecting, enlarging our sensibility and purifying our instincts.<sup>19</sup>

A few minutes earlier, Keynes says:

Our experience has demonstrated plainly that these things cannot be successfully carried on if they depend on the motive of profit and financial success. The exploitation and incidental destruction of the divine gift of the public entertainer by prostituting it to the purposes of financial gain is one of the worsers [sic] crimes of present-day capitalism.<sup>20</sup>

### Planning for culture

How then, does this significant shift in political ideology for culture

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play out in terms of urban planning design and policy developed with culture in mind? Mayor of London Labour Sadiq Khan (2016-present) and his administration have been vocal about their wish to protect and strengthen the existence and living of cultural actors in London. Khan's election pledge contained a promise to develop a cultural infrastructure plan if elected.<sup>21</sup> Subtitled "A call to action", the plan was released in March 2019.<sup>22</sup>

A quick lexical analysis of this report reveals the entrepreneurial, financial and competitive mind-set that we mentioned earlier. It looks at culture in terms of *production* and *consumption*. It salutes the contribution of the creative economy to the economy of London each year (£52 billion), and its resilience and dynamism ("it employed one in six Londoners and is growing four times faster than the wider economy"). It highlights the competition with other "creative capitals" and the need to retain its "crown" as "world-class city". A quick word frequency analysis demonstrates further the key issues at stake: "business" is mentioned 57 times whilst "artist" only reaches 27 mentions. "Investment", "opportunities" and "capital" each get 20 or so mentions. "Imagination" just one: when Deputy Mayor Justine Simons explains the resilience of jobs in the creative industry: "Why? Because we can't automate the imagination."<sup>23</sup>

The aim here is no to chastise the current administration but to illustrate a widely-accepted language amongst politicians and policy-makers as they design the strategies that shape how and why cultural infrastructures are invested in. And if the lexical critique sounds petty—how many times one uses "business" against "artist"—bear in mind it is *precisely* the methodologies used by this kind of report and strategies: to produce *hard* data, because as the managerial dogma goes "If you can't measure it, you can't manage it".

This saying about data is now structuring our relation to the urban fabric. The Greater London Authority itself frames hard data as one of the main contributions of its work to safeguarding culture in London. This data, aiming to support understanding of cultural infrastructure in London, is presented in a "toolbox"<sup>24</sup> and most especially an interactive map<sup>25</sup> that will give

a live, fine-grained picture of London's cultural assets [...] from recording studios to theatres, clubs to community halls. This easy to use intelligence will broaden our understanding of the true richness of hidden creative clusters and help safeguard jobs and talent."<sup>26</sup>

Unfortunately, this map itself reluctantly illustrates the difficulty, even the futility, of producing "fine-grained" mapping and surveying of cultural infrastructure in a city like London. Simply zoom in on a street you know quite well and list all the cultural actors you know for *a fact* are missing: the fashion designer

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working from their living room that you see on your way to the train in the morning; the half-empty shop used for dancing classes and yoga lessons on Sunday mornings; the independent publisher based in its editors flat across the road, with a £64k yearly turnover selling magazines across the world. It may not even mention these artist studios next to your favourite café where two dozen designers, illustrators, photographers, musicians and writers have their offices. To map *cultural infrastructure* over a territory the size of Greater London is but a chimera. For this cultural infrastructure is more than a simple list of locations containing specific activities, it is also being constantly adapted, remade, spilling over its edges.

The last interesting element to critique in this report is the audience it is addressed to. One has to bear in mind the author, the Mayor of London—i.e. supposedly the most powerful actor in town—and oppose it to the subtitle “A call to action”. The word “toolbox” generously used, evokes Do-it-Yourself mentality more than big-power city planners. A few pages later, the intended audience is spelled out clearly: “Who should act on the cultural infrastructure plan?” and the answer in bold characters: “You.” It goes on:

The Cultural Infrastructure Plan helps local authorities, developers, landlords, landowners, cultural and community organisations, artists and businesses to work with the Mayor to support cultural infrastructure in London.<sup>27</sup>

This “You” reflects two key aspects of London’s planning system. First, the Do-it-Yourself philosophy that opposes “big society” to “big government”. A darling of Tory rhetoric—the idea that grassroot movements, localism and civil society is better at providing services than the traditional public sector—, the DIY-society is equivocally embraced by some parts of Labour and other political forces. Yet austerity cuts have forced left-leaning local authorities and other local political bodies such as the GLA to adopt a similar approach.

This “You” also highlights the limited financial and planning power of local authorities in the United Kingdom. The Mayor of London is very limited in his influence of the National Planning System, even within his constituency. For instance, he cannot stop permitted development if they abide the basic requirements of the National Planning System; he cannot increase or decrease business rates, they are set by central government; he has limited to no impact on the displacement of cultural producers. Thus, when artists’ studios are threatened with demolition, the Mayor lacks legally binding powers to counter it, and/or financial resources to develop real estate projects of his own.

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### Conclusion: Covid-19 and our landscape of austerity

As Theatrum Mundi has engaged in a long-term project looking at the making of cultural infrastructure across (at least) two different national contexts, France and the United Kingdom, it is important to keep exercising a sharp critical approach to “culture” and its place in our societies. Not even addressing here the adequacy of considering culture in terms of its economical contribution, or again culture as policy tool, it is primordial to bear in mind the history of this understanding of culture. Here, I have argued how recent is our pecuniary understanding of culture, and how it has percolated the different layers of civil society, how it has spread across the political spectrum to reach a state of sanctity.

As we publish this essay, written mostly at the end of 2019, the Covid-19 crisis is hitting hard the theatres, the concert halls, the pubs, the clubs forced to shut down even before an official confinement. Most of these venues, including the most prestigious ones, have been surviving precariously until today, they often don't possess more than two or three months worth of cashflow in their coffers. A season lost will most certainly bring its vast majority to bankruptcy: the way society, and those in charge of governing for, us will consider collapsing cultural organisations will determine the landscape of culture in the United Kingdom for decades to come.

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