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Introduction

In August 1994 the Swedish National Council for Cultural Affairs organized the Ars Baltica seminar "The Cultural Responsibility of the State" with participation of senior officials from the Ministries of Culture in the Baltic Sea States, from the Council of Europe and the Swedish National Commission for UNESCO. The Swedish National Council has published a report from the seminar: *The Cultural Responsibility of the State* by Georg Arnestad (Rapport från Statens kulturråd 1995:2).

As a preparation for the seminar all the participating countries had prepared a description of the national situation in their respective countries answering to some questions. In Georg Arnestad's report he makes a lot of references to the national reports sometimes quoting them but necessarily often referring to them without quotations. By agreement with the participants the Swedish National Council has found it useful to multiply the national reports in a simple form without revising the texts. This publication is presented here.

Copies can be ordered free from: The National Council for Cultural Affairs, Att. Eva Backström, Box 7843, S-103 98 Stockholm. Tel.: +46-8 679 31 24, Fax: +46-8 611 13 49.

Questionnaire with five questions

The participants in the seminar were asked to describe the national situation through answering the five questions within a maximum of about 10 pages. The answers were summarized by Georg Arnestad. This summary was distributed to the participants as a basis for the discussions.

1. Please give a short description of how the State intervenes into the commercial cultural market – like book/literature, film, TV and radio – through legislation, state subsidies etc. Are there changes newly decided or under discussion?

2. Please give a short description of how the State influences cultural activities at the municipal/local and regional level through

- * legislation (legislative measures)
- * direct or indirect subsidies (transfer of money)
- * other measures (information, spread of knowledge, research etc.)

Are there changes newly decided or under discussion ?

3. Are state (cultural) subsidies to the local and regional level general/lump sum or directed to specific purposes? How are (public) cultural activities at the municipal and regional level financed in other ways than by state subsidies?

Do you have figures showing the total amount of cultural subsidies and how much of these comes from the government, from regional authorities and from the municipalities? Have there been any large changes in this proportion during the last years?

4. Please give a short description of the cultural bodies that are responsible for formulating and implementing cultural policy at the state level – ministries, councils for cultural affairs (arms lengths bodies etc.) What are the main responsibility of the different bodies? Are there any changes recently decided or under discussion?

5. International exchange and influence are getting an increasing role in the cultural field of our countries. Please, mention some examples how the State could meet the positive and the negative effects.

The situation in
DENMARK

Henrik Munch, Peter van Zaane
(Danish Ministry of Culture)

1 State intervention in the commercial market and Radio and Television

Culture and literature

In Denmark there is no legislation on subsidies for the publishing of books. Writers, translators etc. may get financial support through library book royalties (DKK 134 million) and the cultural fund (approx. DKK 5 million).

In addition to this, the state annually subsidizes approx. DKK 12 million for the publishing of dictionaries of the Danish language, periodicals as well as the interest in Danish literature abroad etc.

Culture and press

In Denmark there is no legislation on direct subsidies for the press, but the conditions of the press are presently under consideration in a committee.

The press is exempt from value-added tax, and at the same time, the daily papers are delivered by the postal service at a low rate of postage. To a large extent, the state publishes acts etc. in the dailies. In total, these sorts of indirect subsidies amount to approx. DKK 400 million.

Culture and radio/TV

In Denmark the radio and TV area consists of three levels:

- The nationwide level which consists of Danmarks Radio's national radio programmes and television as well as TV 2 Danmark. Private enterprises can obtain permission to broadcast radio and satellite television from Denmark and cable radio and television locally all over the country.
- The regional level which consists of 8 regional TV 2 stations as well as Danmarks Radio's 9 regional radios.
- The local level which consists of approx. 50 local television stations and approx. 300 local radios.

Danmarks Radio is an independent public institution and TV 2 is a self-governing institution. The Danish Broadcasting Act provides that both Danmarks Radio and TV 2 must conform to public service obligations. This means, among other things, that the various programmes must be of a certain quality, versatility and variety. As for the presentation of information, objectivity and impartiality much be stressed. All other radio and TV-channels are mostly private.

Danmarks Radio is almost exclusively financed through licence fees. TV 2 is financed through approx. 80 per cent commercial advertising and 20 per cent licence fees. The total licence revenue amounts to approx. DKK 2.5 billion. Satellite television is financed through commercial advertising, sponsoring and users fees. Cable television is financed through sponsoring and users fees.

Film

Denmark gives financial film support in order to encourage film art and film culture in Denmark. Both production and distribution of Danish feature films and short films are financially supported. The Danish legislation on films aims very much at supporting films for children and young people as at least 25 per cent of the support for feature and short films must be earmarked for this purpose. Apart from this, various purposes are supported – among these the running of film work shops, the renovation of cinemas, the preparation of manuscripts etc.

The support for feature films is given partly after recommendation from film experts (approx. DKK 60 million) partly according to the so-called "fifty-fifty" settlement (approx.

DKK 20 million). It is presupposed that the producer himself procures the means to cover half of the expenses. As of 1994, additional DKK 12 million are set aside to short features. Furthermore, more latitude for the production of Danish programmes and Danish films was created by the latest agreement on licence fees and budget for Danmarks Radio and TV 2 for 1994–1997. In total, DKK 180 million are set aside for this purpose for a period of four years.

Culture and tourism

In 1993 the Danish Ministry of Culture and the Ministry for Communications and Tourism started a co-operation for a period of three years in order to activate and encourage collaboration between the cultural sphere and the tourist sector.

The reason for this emphasis on "cultural tourism" is mainly due to the need for a development of new products which meet the tourists' requirements of other activities during their holidays than the traditional ones related to the sun and the beach. At the same time, there is an increasing competition from the overseas and exotic tourist destinations. Maintaining Denmark's share of the influx of tourists therefore requires development and marketing of new possibilities like, for instance, cultural activities. The culturally based tourism also aims at improving the handling of the tourist capacity outside the peak season.

For the promotion of cultural tourism an annual pool (DKK 12.6 million in 1994) is set aside. The amount is primarily used for service and information, co-ordination of cultural activities and cultural themes in Danish towns and cities.

2, 3 The influence of the State on cultural activities at the municipal/local and regional level and State subsidies at local and regional level and municipal funding

An overall principle of Danish administration is that as many tasks as possible are decentralised to regional and local authorities. Hereby, the decision competence is as close to the citizens as possible, and at a political level this creates the best conditions for taking note of and reacting to the citizens' needs and wants.

Subsidies for local cultural tasks are carried through in three ways:

- Subsidies are paid out in the form of block grants. Subsidies to the local authorities are paid out as an amount not earmarked for definite activities. Consequently, it is the regional and local authorities that decide how to use the means.

The block grants and the taxes independently raised in the regional and local authorities constitute the principal financing of local tasks, and the block grant system exists on the basis of an overall principle of local autonomy where both financial responsibility and competence must be concomitant.

In the cultural field, it is primarily tasks such as public libraries and partly public information activities (tasks which exist in all local authorities) that are financed via the block grants. State control of these fields is thus limited to the extent that local authorities must act according to the legislation.

- Subsidies for cultural tasks which are locally anchored, e.g. museums, regional theatres and music instruction, are paid out in the form of reimbursement. The state reimburses part of the grants which the regional and local authorities give to a number of activities. Previously, subsidies were fixed according to a certain percentage, but since 1990, the state expenditure has been limited. Consequently, the percentage set aside for grants varies from year to year, depending on the number of activities entitled to grants.

The intention of the reimbursement system is that regional and local authorities via co-financing by the state are encouraged to involve themselves in a number of cultural events, and statistical examinations suggest that the fields being supported by the reimbursement system have an increasing level of activity.

Lately, a modification of the present reimbursement system has been discussed. As for the state, the advantage of the reimbursement system is that certain cultural activities can be strengthened, but at the same time the fact that the state earmarks payments for local authorities is in discord with the overall principle of local autonomy.

Furthermore, the reimbursement system differs from one cultural purpose to the other and finally, it involves some uncertainty – especially as regards the local authorities and the cultural institutions – that the reimbursed amounts per activity are only definitely fixed when the level of activity is known. This implies that the local authorities cannot entirely control their expenses.

- Direct subsidies are accorded to certain museums and regional orchestras and theatres on the basis of the aspect that these institutions apart from a regional sphere of activity also have national importance.

Lately, a modification of the division of labour between the state, the regional and local authorities has been discussed. In this connection, it has been discussed to change a number of the present financing models.

From the annex it appears how the public expenditure for culture is divided among the state, the regional and the local authorities. Since 1988, the total public operational expenditure in the cultural field has been increasing with an average actual increase of approx. 1 per cent a year.

4 State bodies responsible for formulating and implementing cultural policy

At state level, the overall Danish cultural policy is laid down by the Folketing (the Danish Parliament), the government and the Ministry of Culture.

The state/the Ministry of Culture first and foremost have the responsibility of the national cultural institutions such as The Royal Theatre, The National Archives, The National Museum, The Royal Museum of Fine Arts, the national research libraries and the further and higher artistic education. In addition to this, the Danish Ministry of Culture has as its advisers The National Librarian, The Keeper of National Antiquities and The Keeper of the Public Records. These persons advice in special matters, but at the same time they have independent authority to distribute means from pools.

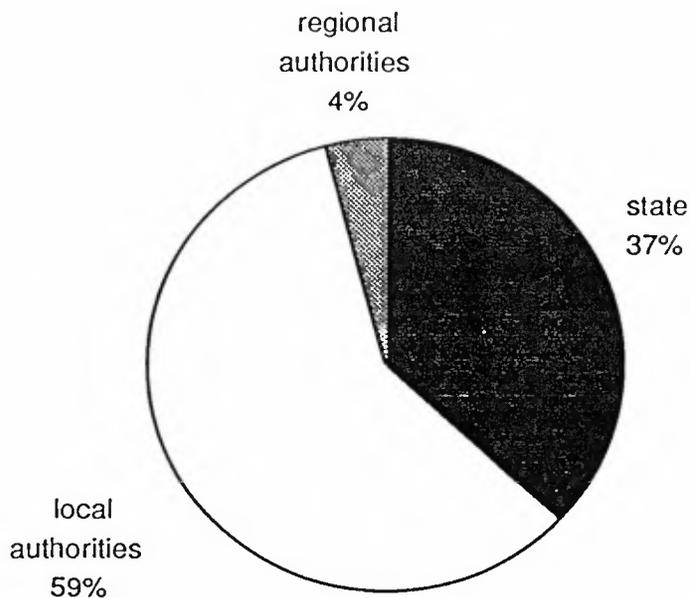
The allocation of means in support of the arts is typically taken care of by independent committees, boards and councils: The Danish Music Council, The Danish Theatre Council, The State Art Foundation, The Danish Film Institute and The National Film Board of Denmark. The purpose of these independent boards and councils has been to ensure that the allocation of support for the arts takes place according to a professional and artistic valuation irrespective of politics. It is a substantial principle that the members can only be part of these bodies for a relatively short period – usually a period of three years.

Financial support for creative art is thus distributed according to the "arm's length principle", and there is a general agreement among politicians and artists that this is the best way to ensure the artistic quality and freedom.

The crux of the principle is that the artistic decisions are made by persons independent of the political level. On the other side, it is in principle a political task to give priority to the support for the individual sectors and more explicitly determine the aims which the respective bodies must pursue and administer according to their policy of support.

Public expenses for culture in 1993

In 1993, the total public expenses in the cultural field are expected to be of DKK 8.3 billion. Of this amount, the state (the Danish Ministry of Culture) pays DKK 3.1 billion, the local authorities pay DKK 4.9 billion and the regional authorities DKK 0.3 billion. The distribution of the total expenses between the state, the local and regional authorities expressed in percentages is shown in the figure below.



The distribution of the total public expenses for culture between the state, the local and regional authorities in 1993.

The distribution of the total expenses in the various cultural fields and the relative distribution between the state, the local and regional authorities are shown in the table below.

Public expenses for culture – 1993 budget

	State		Local authorities		Regional authorities		Total	
	Million DKK	%	Million DKK	%	Million DKK	%	Million DKK	%
Creative art	211.1	97.9	0.0	0.0	4.6	2.1	215.7	2.6
Music	169.0	40.1	221.0	52.5	31.1	7.4	421.1	5.0
Theatre	493.1	67.7	93.4	12.8	142.3	19.5	728.8	8.7
Film	159.7	94.4	9.4	5.6	0.0	0.0	169.1	2.0
Libraries	369.8	16.4	1,842.9	81.8	41.2	1.8	2,253.9	26.9
Archives	76.8	54.5	63.4	45.0	0.8	0.6	141.0	1.7
Museums	333.8	60.6	168.2	30.6	48.5	8.8	550.5	6.6
Zoological gardens	13.2	44.4	13.7	46.1	2.8	9.4	29.7	0.4
Further education in the arts	372.7	99.0	1.1	0.3	2.7	0.7	376.5	4.5
Cultural activities in general	115.5	22.6	368.9	¹⁾ 72.1	26.9	5.3	511.3	6.1
International cultural activities	19.7	100.0	0.0	0.0	0.0	0.0	19.7	0.2
Sports	474.0	20.4	1,845.2	²⁾ 79.4	5.2	0.2	2,324.4	27.8
Radio and TV ³⁾	18.0	95.7	0.0	⁴⁾ 0.0	0.8	4.3	18.8	0.2
Cost of construction	270.8	44.5	303.6	49.9	34.5	5.7	608.9	7.3
Total	3,097.2	37.0	4,930.8	58.9	341.4	4.1	8,369.4	100.0

¹⁾ Including expenses for local radio and television

²⁾ Including expenses for sports via Act No 410 of 1990 on the Allocation of Financial Support to "Folkeoplysning"

³⁾ Does not include the expenses financed through licence fees

⁴⁾ The local authorities' expenses for this purpose are listed under 'Cultural activities in general'.

The situation in
ESTONIA

Epp Eelmaa, Harri Taliga
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Seminar: The Cultural Responsibility of the State
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Swedish National Council for Cultural Affairs

THE CULTURAL RESPONSIBILITY OF THE STATE - REPUBLIC OF ESTONIA

Over the recent years the cultural situation in Estonia has undergone several major changes:

- (1) culture has lost its Soviet-time role of being the main fortress of national survival;
- (2) this has brought about a change in the social status of creative intellectuals and cultural workers, notably, they can no longer claim the role of public conscience, or go on living on free-lance royalties to the same extent as before;
- (3) the advance of the so-called Soviet culture (met by a clearly negative attitude on the part of the Estonian community from the start) has been replaced by a growing influence of western commercialism to which, unfortunately, the people are much less immune;
- (4) in culture, as everywhere, money is acquiring an ever increasing importance which results in a radical change in traditional cultural attitudes;
- (5) and, last but not least, considerable changes have occurred in the cultural role of the state.

The above circumstances have also been pointed out and discussed in the draft of the Estonian Cultural Policy document published in April this year.

Although the public sector continues to bear special responsibility for the financing of culture, the state has ceased to exercise spiritual control and to organize cultural enterprise and cultural events. Instead, the state is expected to provide favourable conditions for cultural activities.

The new position of the state is reflected first and foremost in legislation and in the principles of financing. True, laws cannot be considered a magic wand to solve every problem. Their main objective is a correct establishment of conditions and rules for the functioning of a specific social sphere. They provide obligations as well as responsibilities, socially accepted limitations as well as principles of cultural financing. A short review of the Estonian laws relevant to culture can be found in the Appendix.

1. STATE INTERVENTION IN THE COMMERCIAL CULTURAL MARKET

During the past five years or so almost all previously state-owned cultural enterprises have changed their form of ownership and/or enterprise. Publishing as well as film production are now essentially in the hands of private

enterprise. The hitherto state-owned National Broadcasting and Television Companies envisage the future as becoming broadcasting organizations under public law, working side by side with several non-state (municipally or privately owned) broadcasting companies which function on a commercial basis.

The financial intervention of the state in commercial cultural activities is enacted mainly in laws which approve state budgets for specific years. In other laws this aspect is reflected to a lesser degree (e.g. the Law on the National Library features a direct obligation of financing; as for copyright the state regulates the market indirectly). As a result state intervention is largely modelled according to previous practices. During the past three years state subsidies for commercial culture were as follows:

1992 -	3.2 mill. kroons	(16.1% of all cultural expenses in the state budget)
1993 -	9.9 mill. kr.	(13.5%)
1994 -	13.6 mill. kr.	(8.1%)

During the transition period state endowments have served the purpose of lowering the selling price of books essential for national culture. State subsidies have been allotted mainly to reference books, dictionaries, children's books, poetry and art books. In order to provide school children with free textbooks during their first nine years of education, the textbooks are paid for by local authorities out of resources allocated to them from the state budget.

The sole criterion for book subsidies is the artistic level of a specific book and its importance for national culture. The subsidizer has no right to substantially intervene with the publishing process. The purpose of book subsidization on the part of the state is just to render works of value accessible to as many readers as possible, particularly because historically literature has played an especially important part in the formation of the cultural traditions of the Estonian people.

In spite of the fact that the press generally operates as a commercial business, the small size of the Estonian population has also necessitated state subsidization of some cultural journals of different orientations, since specialization has brought about a considerable drop in circulation (unfortunately the reader's interest is also dependent on his or her living standard) and the relatively high cost of production. Therefore, in order to lower the selling price of certain journals they have been subsidized by the state to the extent of 25-85% of the planned/actual losses. The required amount was fixed by the Estonian Parliament (Riigikogu) during the state budget debate, proceeding from recommendations by the Ministry of Culture and Education. During the transition period these journals are to be published by a state enterprise that deals with printing, circulation and accounting, yet does not interfere with the contents of the publications, respecting the sovereign competence of the editorial boards.

In conformance with the Law on Broadcasting, both Estonian Radio and Estonian Television are state institutions financed from the

Budget. Private broadcasting stations, however, have no claim to state subsidies.

In June 1993 the Ministry of Culture and Education enacted a new order according to which the state is to become the guarantor of film production. State subsidies are to cover an average of 75% of the expenses of film production. Irrespective of the form of ownership all producers are in an equal position when it comes to open competition for subsidies. The subsidies are granted by an independent committee deciding how promising the film project is from the artistic point of view and the soundness of its financial base.

Although the state network of county cinemas was municipalized at the end of the '80s, the propagation of films remained the responsibility of a state-financed institution. Now this institution continues as a state joint-stock company with a right to ask the state for endowments to propagate films of great artistic merit and films for youth. As the system is still novel to us there is certainly some room left for improvement. Also, the state has taken the first steps to support the recording and publication of the best examples of Estonian music which also means better opportunities for the propagation of Estonian culture abroad.

2. HOW THE STATE INFLUENCES CULTURAL ACTIVITIES AT THE MUNICIPAL/LOCAL AND REGIONAL LEVEL

Of the numerous organizational changes accompanying the restitution of an independent Republic of Estonia, one of the most important is the establishment of a new system of state administration.

Under the Soviet rule all major decisions came from the central body situated in the capital, while regional bodies just took orders, and local power was nominal rather than actual. As the local level had practically no money of their own to distribute, the little formal power of decision they had could be exercised only within the limits of the financial discretion of enterprises working on the territory under their jurisdiction, as only those enterprises had some money that they could, if they so wished, spend on regional or local needs.

In the country local cultural activities were supported mainly by agricultural enterprises, while in the towns, cultural centres and club buildings were partly built and maintained by major industrial and building concerns. They also funded the needs of folk art groups (transport, offices, equipment, etc.). Very popular were group excursions to professional theatres, arranged and funded by local enterprises. The reorganization of the previous economic system into a market economy, however, has weakened this system to a considerable extent. Most enterprises have either liquidated their cultural institutions or tried to turn them over to the municipalities (which means an additional burden to the local budgets). The members of amateur groups do not find it easy to get used to paying out of their own pocket for an opportunity to deal with their hobbies.

The early 1990s changed the role of the regional bodies. They gained the status of second-level authorities with their own budgets to manage (those were formed mainly of various state subsidies). Unfortunately the state was practically unable to monitor and guarantee purposeful use of the money. Neither was the competence of either level and their mutual relations fixed strictly enough.

In order to solve the resulting problems, and proceeding from the fact that Estonia is a small state, the first constitutional government of post-war Estonia made a political decision to change over to a two-level administrative system. This principle, a cornerstone of several pertinent laws subsequently adopted by the Riigikogu (parliament), provided that counties be preserved, but not as second-level local authorities but as territorial structures of state power. Consequently the 1994 State Budget is structured according to the ministries, while county governments have no budgets of their own and, consequently, no means to support cultural events or institutions. County governments serve just as channels to direct state budget money to regional and local institutions (county museums and libraries).

This means that as a regional state structure a county government functions mainly as a mediator whose principal task is to collect information, to analyse problems of the county and to bring the information home to ministries and national boards.

One of the underlying principles of the new administrative system is the rule that within their competence the local authorities are independent to the extent of the laws in force, i.e. independent of central authorities. The competence of local authorities is laid down in the Law on Local Administration and the Law on the Relationship Between the State Budget and a Local Budget. The former provides a list of the institutions and spheres for which the local authorities are responsible. In addition only such tasks and burdens may be imposed on the local authorities by the state as are laid down in law. Other statutory burdens on the state budget cannot be diminished during parliamentary discussions unless the respective laws are amended. As a rule, however, it is up to the local government to decide what, how and to what extent should be financed from its own budget - the size of the budget being the sole delimiter.

The income basis of the local budget being low (of the 255 local administrations only 11 have shown their current year's income as bigger than the necessary expenses) the Ministry of Finance has laid down certain estimated normatives for local expenditures on education, cultural, youth and sports activities. These are to be used as the basic criterion for allotting state subsidies. For the islands and the so-called peripheral counties where the conditions are relatively more difficult those normatives are increased by 5%, the annual base norm being 63.80 kroons per capita (8 EEK = 1 DEM). As this is but an estimated figure the final decision rests with the local council which is fully responsible for the correctness and expediency of those decisions.

The new system has evoked contradictory opinions and in places

- mainly on county government level - even discontent. Yet, as this is the year of only a pilot application of the system, it is perhaps too early to draw any radical conclusions, all the more that the situation is also moulded by the shortage of income in the local budgets. At any rate it is clear that the system cannot be expected to function without an increase of both the authority and responsibility of the local bodies, which in turn requires growth of their active initiative.

According to the Law on Public Libraries the state supports the acquisition of books by public libraries under local administration. The Heritage Law provides that some state finances be directed to the protection and restoration of monuments under local care. In addition local authorities can apply for state sponsorship of specific projects which are evaluated by a competent body (at the moment it is the Ministry of Culture and Education, in future this function will probably pass to the Council of the Culture Capital Fund). Although the main criterion for the subsidy being granted is the content and the meaning of the planned event, not its locale, the state also tries to use those subsidies to stimulate local initiative. As a result the geography of state-sponsored events has widened. Local cultural initiative is also stimulated by state benefits granted to cultural societies.

As for county-level cultural institutions, the state is fully responsible for the activity of the county museum as well as of the county library. In addition, every county has some central popular event, usually a year-long tradition, the financing of which is divided between the local authorities and the state. Also there are various forms of state-supported training (seminars, workshops, etc.) arranged for cultural workers from the country.

The system is, of course, open for discussion and improvement.

3. SOURCES AND ALLOCATION OF SUBSIDIES

Most generally the recent budgetary change in Estonia can be characterized by the following two innovations enacted in 1994:

- (1) the new Law on Income Tax establishes a taxation rate of 26% of the annual income for physical entities and companies alike (previously it was essentially 33% for physical entities and 35% for companies);
- (2) the proportion of an individual's income tax directed to the local budget is 52% (instead of the previous 100%).

The first measure means a general reduction in taxes that works for the stimulation of activity and enterprise. At the same time the second step could not be avoided either, since state obligations in the maintenance of public sector institutions have not diminished to any considerable extent. It is considered possible to change the distribution scheme of an individual's income tax in favour of the local budgets only if the local authorities assume greater obligations as to the expenditures on the public sector.

The 1994 State Budget of the Republic of Estonia was adopted proceeding from the following considerations: 38.3% of the budgetary income is to come from income tax of which an individual's income tax makes up 40.2% (892.8 mill. kroons, i.e. 15.4% of the total budget). In order to extend their budget the local authorities are empowered to levy certain local taxes listed in the Taxation Law. Unfortunately, the right has hitherto been realized to a very small extent, which is most probably due to the novelty of the situation. It is inevitable that the stabilization of the formation of local budgets takes time as well as practice, since the soviet surrogates of local administration had practically no budget of their own to manage.

Due to the extremely high inflation rate and the implementation of Estonia's own currency, the 1992 State Budget was drawn up for the second half-year only. Cultural expenses (minus broadcasting) were to comprise 19.881 million kroons (1.06% of the total expenditures of the budget). In the 1993 state budget, the Ministry of Culture and Education's culture expenses were 73.185 mill. (1.95% of the total), and for 1994, 167.357 mill. (2.9%). In addition to this, 80.5 mill. kroons were spent by the local authorities on the cultural institutions within their jurisdiction. Of that sum 37.4 mill. were allotted to community centres, 28 mill. to libraries, and 9.5 mill. to museums. As the new budgetary order provides that for local administration the fiscal year starts on April 1, the data on 1994 is not yet available.

In providing support for local budgets the state proceeds from the general estimated normative expenses on culture while the concrete applications of the money are not prescribed by the state. Project grants, however, although likewise set aside from the state budget are directed to specific purposes of covering part of the organizing costs of a concrete event (concert, theatrical project, art exhibition, workshop, etc.).

The strategic principle underlying the reorganizational activities of the Ministry of Culture and Education is to retain everything that is of some value and is able to justify its own existence, be it an institution or an event. Yet the new system of subsidization means that the previous scheme with its tradition that is decades long (and which was designed to work for partly different aims to be achieved in a radically different social system) must change dramatically.

This is why the development of a new and working system of subsidization takes time. Purposeful rearrangements towards this end were started in 1994. It was considered important to pursue a general approach to all relevant problems and to develop a harmonious and well-balanced system.

In addition to budgetary means culture may apply for financial support to the National Culture Fund, as well as to several local or regional funds for furthering culture and to private funds. The Law on Income Tax enacted in 1994 provides for sponsorship as well. The Law on Non-Profit Organizations which was also adopted this year lists the purposes which render the donations of legal entities free of income tax.

4. CULTURAL BODIES

According to the system established in the Soviet Union by the late 1990s, Estonia also had a number of ministries and state committees to manage separate spheres of culture. Beside the direction of finances the then notion of "management" encompassed first and foremost ideological monitoring of the total life (often also censorship which on the absence of an appropriate law was disguised under the rather arbitrarily interpreted term of "state secrets") and the organization of various specific events. Formally this was also a cultural policy, even though subordinated to culture-external goals and circumstances. The various public bodies (councils, committees, etc.) attached to ministries would deal with all kinds of minor matters as substantial decisions were the monopoly of the Communist Party.

The main aim of the 1990s reorganization of state administration (besides a reduction in the number of bureaucrats) has been to effect a qualitative change in the work of ministries. Now their principal task consists of the elaboration of state policy and in enforcing its implementation in its own field. As for culture, this means (at the present moment) mostly legislation, the formulation of the financing principles and norms, as well as reorganization of the management and institutional network of culture. The number of cultural officers has dropped considerably.

As we live in a period of transition, political considerations are especially important as discussions must lead to strategic decisions laying a foundation for long-term sustainable development. This requires a thorough study and analysis of the problems before the strategic decisions can be passed on to a parliamentary and government level. As Estonia has for decades been cut off from the traditional development of a democratic society there are no auxiliary bodies to rely on, and - as can be judged from the absence of pertinent discussion and pressure - there is also no particular interest in their formation. Nevertheless the Ministry of Culture and Education has commenced to set up such permanent bodies (or at least to prepare for their establishment). After all the main interest in such bodies lies with ministries which wish to make good decisions and to gain maximum public support in their activities of spending the taxpayers' money.

Since 1 July, 1993 an independent committee has been active at the Ministry, apportioning state grants to film projects submitted to them by producers. There is also a council of library directors to discuss substantial problems in their field and to be addressed for consultation, if necessary. In the process of formation are a council of museums, a heritage council to work with the National Heritage Board, a copyright council and similar bodies to function for music, publishing and theatre.

The 1994 Law on the Culture Capital Fund provides for the formation of a council of the Fund as well as councils for seven foundations.

5. INTERNATIONAL EXCHANGE AND INFLUENCE: POSITIVE AND NEGATIVE EFFECTS

Over the recent years the cultural situation in Estonia has been characterized by an explosive growth of international communication. Our culture has entered international scene in the literal sense of the word, which is in great contrast with the situation prevailing in the closed society we are just coming out of.

As the process is still in an initial stage it is early to speak of any far-reaching consequences. Yet even without a thorough analysis it is obvious that the effect of the changes may be ambiguous, if not contradictory.

It is certainly positive that Estonia has opened up to the world which means that many cultural phenomena, as well as works and people of art can come to Estonia, while our people participate in various international projects and in undertakings abroad which was inconceivable in the previous period. At least as important is the fact that the whole cultural life is reorganized so that is able to function on certain internationally accepted general principles.

The following phenomena and processes occurring in the Estonian cultural life cannot, however, be judged unambiguously:

- most of the expenditures of the cultural domain have reached (or are on the point of reaching) rational proportions as there are no ways any more to disguise cultural expenses under some other categories;
- the constant flow of musicians as well as opera and ballet stars to work abroad cannot but leave its traces on the level of those spheres in Estonia; at the same time it testifies to their high potential and the good level of the local education for those professions, and increases motivation for other artists;
- the former freelancers (whose numbers are relatively high) are facing the necessity to find a more stable source of income.

These seem rather to be objective phenomena that cannot very well be evaluated on the positive-negative scale. A negative (especially in the context of the general economic situation), yet inevitable feature (especially considering the increase in international contacts) is the explosive increase of travelling costs.

Also, the present level of economic development and living standards render the state unable to provide our creative artists and intellectuals with an income level comparable to that of their foreign colleagues.

Not infrequent are also attempts to organize grandiose events without having either the necessary experience or economic guarantees. Partly this may be a remnant of the soviet mentality - big is beautiful, whatever the costs. On the other hand it is commendable that people try to learn from the experience of world

top management, if only they do not forget that the organization of such events needs many preconditions, let alone a thorough and careful preparation. And there is hardly any reason to believe that all such big events should be funded by the state.

Last but not least, it is unfortunate that even today Estonians have not yet grown out of a certain undue enthusiasm for international communication, owing to which the mere fact that a project is international is given priority over the artistic standard or the final result expected, so that an undertaking is carried out that does not really enrich our cultural life. If such practices of confusing priorities should continue, the outcome can hardly be favourable for Estonian culture, because money is spent on unnecessary imports instead of supporting the more advanced local version.

Appendix.

CULTURAL LAWS IN FORCE IN THE REPUBLIC OF ESTONIA

The second half of 1980s, when Estonia was working for the restitution of its political independence, had a favourable effect on public understanding of the social importance of laws, particularly in connection with the conflict between Estonia and the USSR over the supremacy of each other's laws. Previously Estonia had practically no laws of its own: there were only the all-Union standard laws into which every union republic was authorized to write just its own name.

The first Estonia's own cultural law was the Law on Language. Adopted in 1989, it was also a political declaration voicing the anxiety of the Estonians for their survival as a nation, for the survival of their language and culture (a new version is being prepared). Besides this, the Estonian Supreme Council was able to prepare the Law on the National Library (adopted in 1990) and the Law on Public Libraries (1992).

The first post-war constitutional parliament of the Republic of Estonia (Riigikogu) begun work in the autumn of 1992. Since that time it has adopted 387 laws, ten of which have a direct bearing on culture.

Chronology:

- 1992 - adoption of the Copyright Law
- 1993 - Law on the Ratification of the Founding Convention of WIPO
 - Law on the Cultural Autonomy of Minorities
 - Amendments to the Law on Public Libraries
- 1994 - Heritage Law
 - Law on Non-Profit Organizations and their Associations
 - a new version of the Law on the National Library
 - Law on the Re-Accession to the Bern Convention on the Protection of Works of Art and Literature
 - Law on Broadcasting
 - Law on the Culture Capital Fund

In addition there are two government decrees of 1994: one on competition for posts of workers of cultural institutions and of chief editors of the press, and the other on state cultural grants.

Haliza
Fp Telmora

The situation in
FINLAND

Pirkko Rainesalo, Tuulikki Karjalainen,
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The replies to the questions are based on the Finnish national report for the Council of Europe's Programme for National Cultural Policy Reviews (Cultural policy in Finland. National Report. European Programme of National Cultural Policy Reviews. Arts Council of Finland. Helsinki 1994.) For any further and more detailed information, please refer to this report.

The questions are not answered in the order they were presented, because the reply to the fourth question provides the overall frame for the other replies, and is therefore placed first. Because important reforms have recently taken place in the relations between the state and municipalities, the replies to second and third questions are combined and focus mainly on these reforms. The fifth question is problematic, because the effects of the recent changes in international environment are yet difficult to assess.

4. Major bodies responsible for cultural policy decision making and implementation in Finland

The Parliament, having the final legislative and budgetary power, is also the supreme decision making organ in cultural policy issues in Finland. The crucial work in the legislative process is carried out in parliamentary committees, which, in detailed discussions and hearings of the experts, prepare the bills for plenary debates. In the preparation of cultural policy issues, the Committee of Culture and Education has a pivotal role, but the Committee of Administration and especially the all powerful Committee of Finance are important. The committees of Parliament usually respond to and work over bills proposed by the government; but they can initiate a broader debate by e.g. asking the government to give a report to the Parliament in some policy area. Such a report was given on cultural policy outlines and objectives in 1993.

The Council of State has two roles: as the Cabinet, and as ministers i.e. leaders of policy implementation in their respective jurisdictions. When a new Cabinet is being formed, the parties planning to form a coalition negotiate the basic objectives of the government and write a programme, often including cultural policy measures, they promise to implement. Thus, for instance, the cabinet action programme (of the present center-conservative cabinet, from April 1991) promised that

"irrespective of the economic situation, the cabinet will consider education, research and culture as major foci of its actions", and states that "the cabinet aims at strengthening the position of Finnish culture in the integrating Europe and at enhancing its capacity for international exchange".

More specifically, the programme promised to support the vitality of minority cultures, lower the sales tax (VAT) on books, enhance people's participation in civic and organisational activities, reform general arts education, and improve the economic position of artists. The programme also contained a promise to enact and implement the reform of state subsidies to municipalities – the reform referred to in this report on several occasions. In respect to its media and communication policy the cabinet promised to strengthen the position of public broadcasting and improve the position of local radio as a genuine local media.

Public finances are the life-line of the executive branch. First, the Council of State has its own Standing Committee of Finance, which, together with the Ministry of Finance, oversees the observance of the budget and the timing of its major outlays. Second, the Ministry of Finance has a crucial position as a "superministry" responsible for state budget and financial planning. Although it is assumed only to coordinate and advise other ministries in budgetary and financial matters, its communications are usually interpreted to be more or less of binding norms. In addition to the Committee of Finance, the Council of State has other standing committees and it can set up other committees for areas it considers important. The present

Cabinet (1991–1995) has e.g. a Committee of Education and Culture, which has generated some of the recent discussions and debates on cultural policy issues.

Planning is also carried out by the *government ad hoc committees* which are composed of higher civil servants, experts, and representatives of interest groups. In their reports they provide requested expert information on some policy area or issues, and they are expected to make definite recommendations for action and/or legislation. Similar preparatory planning activities are carried out also by commissions and working groups set up by the ministries or central boards.

The Ministry of Education has a central role in cultural policy implementation. There are usually two ministers, one responsible for education and science, and the other for culture (arts, cultural activities, youth and sport). Yet, at least three other ministries, the Ministry of Transportation and Communication, the Ministry of Trade and Industry, and the Ministry of the Environment are involved in important decisions concerning cultural policy issues. The Ministry of Transportation and Communication has within its jurisdiction broadcasting and telecommunication, the Ministry of Trade and Industry international trade negotiations, promotion of import efforts, tourism, and subsidies to industry, and the Ministry of Environment is responsible for the preservation of built environment. These policy areas – and ministers and ministries responsible for them – are crucial, e.g. for the development of culture industries, the economic status of artists, and the maintenance of Finnish man-made heritage. The National Board of Taxes, national pension systems, the Ministry of Labour, and the Ministry of Social Affairs and Health are also important in the latter two areas. The Ministry of Foreign Affairs has the overall control of all participation in international affairs, and its minister and higher civil servants consequently have a definite say concerning the direction of Finnish international cultural relations. It also promotes Finnish culture through its international information activities and through the network of embassies and permanent representations.

The Department of Culture within the Ministry of Education has five major interfaces in its policy implementation activities. First, it prepares and presents matters for decision making by the Council of State and by the minister and higher officials in the ministry. Second, it cooperates in this planning and decision making with its expert and auxiliary bodies. Third, it interacts with major national arts institutions and artists and cultural organisations which it finances or subsidises. Fourth, it prepares and makes decisions concerning discretionary subsidies to municipalities and monitors their "automatic" subsidies. And fifth, it prepares and/or makes decisions (jointly with other authorities) concerning the financing and subsidising of public building within its jurisdiction. As we will see, there are some other interfaces and involvements, e.g. those with copyright organisations and culture industries.

Cultural policy measures implemented by the ministry belong to the following areas:

- 1) promotion of creativity (direct support to the arts and artists),
- 2) support of major national cultural and art institutions, organisations and events,
- 3) subsidising and proctoring municipalities in maintaining the networks of municipal cultural and art institutions and people's cultural activities,
- 4) financing arts education and the training of professional artists,
- 5) preservation of the national cultural heritage,
- 6) overseeing and supporting national culture industries,
- 7) monitoring and reforming the artists' copyright and neighbouring rights legislation and overseeing the allocation of some compensations in this area,
- 8) maintaining gate-keeping and censorship pertaining to import and moral propriety of audiovisual products of culture industries,
- 9) maintaining international cultural co-operation,
- 10) maintaining research and information activities relating to all areas 1–9 above.

The Department of Culture has, together with the *system of arts councils*, a central role in area 1, promoting of creativity. The system of arts councils, consisting of the Central Arts Council and nine National Arts Councils ("art form councils") provides the ministry with expertise in art and artist policies. The system can be considered to function on the basis of the "arm's length principle". Yet, there are several respects in which the Finnish system of arts councils differs radically from the Anglo-American type of arts council arrangement. In Anglo-American countries, the system was introduced to channel public financing to artistic activities in order to solidify and diversify production structure, improve the conditions of production, and launch new talents, preferably even in new areas. The idea of funding individual artists was originally considered a kind of blasphemy, although this practice has steadily increased, especially as funding programmes for literature and visual arts. In Finland, in contrast, *the main idea behind the system is to provide expertise for the ministry* in the decision making process concerning the distribution of different types of grants to individual artists.

The organisation of the system and recruitment into its posts already reflects the fact that, in addition to functioning as expert bodies, the councils are also channels of the interests of cultural and artists' organisations into cultural policy decision making. The members must have "artistic merits" or "expertise in the arts". The Council of State appoints the members and chairpersons of the National Arts Councils from among candidates suggested by the main national artists' and cultural organisations. The maximum number of members is eleven and they can be reappointed for a second term. A three-year intermission is required for any further appointment. The members of the joint body, the Central Arts Council of Finland, include the nine chairpersons of the National Arts Councils and four other members appointed by the Council of State.

Within the Finnish system the major public support for the arts and artists is provided by the Artists' Grants Act. This legislation was prepared in parallel with the legislation which created the system of arts councils, and the councils were supposed to have an important role in its implementation. Yet, the very form of the legislation (the act itself and the subsequent decrees for its implementation) has undermined this role.

The lion's share of the funds directed to the promotion of artistic creativity is statutorily defined in terms of a detailed system of professional posts: professorships, one-year grants, three-year grants, five-year grants, and fifteen-year grants (15-year grants are cutted into 5-year grants from the beginning of 1996). Independent fund allocation by the councils is very small. In 1992, it was about seven per cent of all joint direct funding of the arts and artists, which was carried out jointly by the Ministry of Education and the arts councils.

Although the Central Arts Council is legislatively defined as an "umbrella organisation" for the entire system, the detailed tasks decreed to it in the statutes are far from those of an active leadership and managerial role. The only tasks with a right to independent decision making are the distribution of grants, solving conflicts of competence between councils, and guiding administrative work within the system. In recent years it has enhanced its research and information seeking activities and created a solid information basis for decision making, especially in the area of artists' policy. The use of this information is less apparent.

The statutory tasks of the National Arts Councils have been decreed quite parallel to those of the Central Arts Council. The definitions of their tasks have only two references to active development work and establishing special programmes or projects. These presuppose "promotion of amateur activity" and "supporting the production of artistically or nationally significant works of art". Yet, the Art Councils also have become accustomed to routine administrative work. If they by chance get into a position for independent planning or decision making functions, they easily "forget" to use their autonomy and new prerogatives.

Three further major bodies which also provide expertise in the area of the promotion of creativity can be mentioned. *The Board for Library Compensations* allocates (on the basis of applications) grants to writers and translators as quasi-copyright compensations for the lending rights in public libraries; *the Committee for the Purchase of Works of Art* resolves how budget appropriation for the public acquisition of art for public places will be used; and *the Board for Popular Science* helps the ministry to allocate support for writing "educational" books.

The Department of Culture, together with the arts councils, has a central role in area 2 (support of major national cultural and art institutions, organisations and events) as well. A considerable share of the municipally maintained and state-subsidised services (public libraries, adult education, institutes of music training and education) in area 3 was originally overseen by National Boards of General and Vocational Education. Now most of these tasks have been transferred to the ministry. At the same time the reform of the state subsidy system (to be analysed later) has decreased the detailed proctoring and increased the discretionary powers of the municipalities and their decision makers.

In area 4, the proctoring of the lower level art education (only in terms of curriculum planning) belongs within the sphere of the National Board of Education; and the art universities belong within the jurisdiction of the Department of Higher Education and Research. In this area the Department of Culture is responsible mainly for municipally maintained art education. In area 5, the main burden for national cultural heritage lies with three specialised bodies; the National Art Gallery, the Board of Antiquities (overseeing the National Museum) and the National Archive (overseeing provincial archives); but the Department of Culture is responsible for overseeing the activities of regional and municipal art museums.

In area 8, there are three separate bodies for the import, censorship and archiving of the products of audiovisual culture industries, and area 9 is the domain of the Department of International Affairs. Several specialised bodies assist the department or maintain international co-operative activities rather independently. Such are, for example, the Society for Finnish Literature, the Finnish Literature Information Centre, and the Centre of International Exchange and Mobility. The different departments and boards (like the National Board of Antiquities) maintain their own international relations, and national cultural and arts organisations as well as the Finnish sections of the international organisations (such as ITI, the International Theatre Institute) make up an international contact network of their own.

The research and information activities are carried out by such specialised units of the ministry as the Planning Secretariat, its Library and documentation service, and its Public Relations Unit. The Central Arts Council also has its own Research and Information Unit, which carries out research projects and is active in international research and training networks (CIRCLE, EFAH, European Network of Cultural Administration Training Centres).

In area 6 (culture industries) the position of the ministry as a whole and that of the Department of Culture is rather weak. The ministry and the arts councils, especially the National Council for Cinema, support culture industrial "quality production" either directly or through artists' grants. The ministry has its representative in the Finnish Film Foundation, which promotes domestic film production. The Foundation is the only link of the ministry with YLE, the Finnish Broadcasting Company, which participates in financing domestic film production. The Finnish Film Archive was founded in 1957 to preserve and archive Finnish films, to promote film studies and the appreciation of film art, and to exhibit artistically important films.

Area 7 (copyright) brings into picture a totally new conglomerate of bodies, which provide links to the culture industrial sector. The system of copyright organisations consists of bodies of three layers: 1) professional organisations of different domains of copyright and/or neighbouring rights, 2) their copyright organisations which make copyright and neighbouring right contracts, monitor the use of rights and collect compensations, and 3) the centres and foundations of promotion supported by copyright and neighbouring rights money maintained in

collective use. Due to the contractual and civil law basis of the copyright and neighbouring rights organisations, they are outside the jurisdiction of the ministry. Yet, because they maintain service centres and foundations for the promotion of art and culture, they also wish to maintain stable links to the ministry. The statutes of the centres and foundations usually make provisions for having representatives of the ministry in their executive or supervisory bodies. The reform of Finnish copyright legislation in 1984 established a blank audio and video tape fee to compensate to copyright owners the losses of home copying. Some of the revenues are channelled for collective use, and the ministry confirms the plan for the use of these funds. Even the Finnish Film Foundation receives some of the collective blank tape revenues for the promotion of audio and visual production.

* * *

Finnish national policy making is very strongly centred on legislation and laws. A special position among the laws is occupied by the so-called "frame laws". Instead of prescribing rights, obligations and duties to citizens and corporate actors, these laws specify financial obligations and/or general developmental tasks for the state itself. Frame law used to guarantee development and a financial boost in the jurisdiction of the ministry effecting them. This, however, happened at a price. Frame legislation also limited the possibility of defining preferences and new alternatives. Although the financial frame laws can be specified further by statutes, it takes special political courage to abolish or radically alter laws which guarantee appropriations for the budget of the ministry and benefits for its clientele. Comprehensive and financially binding legislation leaves rather limited room for independent policy decisions by individual ministers or other groups of political decision makers. The experiences during the last two cabinets seem to indicate that strong majority cabinets can, however, implement much of its action programmes also in cultural policy issues. Restrictions of financial planning set also narrow limits to discretion at the level of actual implementation, and the legislative, statutory and planning restraints lie heavily upon the directors and executive bodies of the publicly owned and/or financed cultural and art institutions as well. A distinction should, however, be made between three types of restrictions: actual, self-imposed and organisational.

There certainly are actual restraints caused by statutorily and financially defined obligations and responsibilities. Yet these restraints also have their voluntarily induced side. The restrictions progress administratively as a hierarchical chain. The strictures set by enactments of laws are refined by decrees, and these in turn by the resolutions of the Council of State and the ministry. Furthermore, the ministry often gives detailed instructions to its implementing units how they should use their remaining right to discretion. These units, in turn, have become used to follow statutory rules and norms to the extent they have become unaccustomed to – and even reluctant to use their own discretion. They expect, and often even demand, to have detailed instructions and, if not given, generate a kind of analogous rule system of their own. Consequently, the idea of generating new innovative projects or new ways of targeting funds is alien to most implementing units of central government – and they are often even more alien to Finnish arm's length bodies and quasi-governmental organisations. Structures of public administration are linked with strong ties to networks of professional and interest organisations. These links, and related rights to influence political and administrative decisions, are often regulated too, either by formal rules or through established administrative practices. The denser, tighter and more regulated these organisational networks are, the less degree of freedom there is in actual decision making and implementation.

The above problems have not remained unnoticed, although they have been interpreted as problems of segmentation (i.e. lack of coordination) and a deficit of the power and managerial capability of the sectorial ministers (e.g. the Ministry of Education) vis-a-vis the Ministry of

Finance. Recent reforms of public administration have tried to decrease these deficits and increase initiative and accountability in ministries and their administration. Consequently tight categorisations of budget appropriations according to the purpose of their use have been loosened, and such ideas as management by results (a derivative of management by objectives in business administration) have been introduced in order to improve effectiveness.

1. The state intervention into commercial cultural markets in Finland

Culture industries form two clusters: one for the traditional branches, book publishing, film industry, record industry, and film distribution, and the other for more modern branches, video retail, cable TV, local radios, and commercial TV. The former of these clusters is more "acceptable" and some of its branches receive direct state subsidies, while the latter is considered more "commercial" and is susceptible to greater public regulation. In Finland, like in most West European countries, the branch which receives most "positive" attention of the state is film production and film distribution.

Although the direct public support for *book publishing and record industry* is insignificant, these branches are favoured indirectly by public authorities at least in three manners. First, the artists' grant policy supports individual artists and guarantees a steady source of creative work to culture industries. Second, there are also different centres of promotion, which favour the production and distribution of "high quality Finnish culture industry products". Third, the "more basic" publicly supported cultural institutions, especially the press, public library system, and adult education system, advance people's interest in culture and indirectly support national culture industries.

In the more modern cluster of electronic *audio-visual culture industries* the relations between the state and culture industries is less harmonious. Although technological development and neo-liberalist ideas have broken the monopoly of public broadcasting also in Finland, political decision makers have wished to maintain the vestige of their old regulative hold of the audio-visual media.

In recent years there has been steady discussions on two major problems: 1) what should be the role of public broadcasting, and 2) how the subsidising of film industry should be oriented and organised. The Finnish public broadcasting company, YLE has supported, jointly with the Finnish Film Foundation, the production of Finnish feature films. In recent years its role as the purchaser of programmes produced by Finnish independent companies has been enhanced, although it is yet smaller than that of the commercial television (MTV). The recent distribution of TV channels between the public and commercial broadcasting, the new Radio Act, and the internal re-organisation of YLE have tried to balance the old role of public broadcasting with new technological prerequisites and the increased competition for the audiences.

The orientation of public subsidies to *film industry* has oscillated between two ideas: the idea of film art, and that of film industry. This oscillation has been especially problematic in the decision making of the Finnish Film Foundation, the main body subsidising film production. There are indication that latter idea of enhancing film as an industry has recently been gaining more ground.

Although copyright and neighbouring rights systems do not belong within the public domain, their role in Finland in the promotion of national culture industries has steadily increased in the 1980s. In Finnish copyright system an amount of collected revenues is left for collective use by copyright and neighbouring rights organisations and promotion centres they have established, e.g. AVEK, the Promotion Centre for Audiovisual Culture. Additional revenues for these organisations and centres is provided by blank cassette fees.

2 & 3. The state's influence at the regional and local (municipal) level, and recent changes in the financing relations between the state and municipalities

The dearth of bodies at the regional level suggest the relative underdevelopment of regional cultural administration – and the cultural regions to be administered. Although Finland is divided into 11 provinces (excluding the Åland Islands which has home-rule) there is no real system of regional self-government. The provinces are in the first place only administrative areas, and their councils and governors mainly regional extensions of central government. *The Regional Arts Councils*, in turn, are an extension of the system of arts councils, but are subordinate to the Ministry of Education (Department of Culture) and have an administrative link to the Provincial Council.

There, however, exists institutions and organisations which have carried out regional development work outside the public services and formal planning and budgetary processes, e.g. the federations of physical regional planning and more "heritage-oriented" regional federations. These organisations were merged at the end of 1980s, and the "new" regional federations, now called regional councils, have recently been given a more central role in the regional administration. Planning and development functions were statutorily transferred in 1994 from the provincial councils to these new regional councils, and they are supposed to become the main implementors of technological and economic development programmes (establishing regional "know-how centres"). The provincial councils will maintain the authority of overseeing the regional development in the fields of public libraries, adult education, and arts education.

The Regional Arts Councils have been rather independent extensions of the Ministry of Education in the regions. They receive their funds directly from the ministry and can direct their allocations freely, although the ministry indicates the main purposes. Thus the funds have been used quite innovatively to support groups, events and festivals, to establish international contacts, and advance arts education. They also work in close cooperation with the regional cultural and artists' associations and different "activity centres". The profile of the activities of the Regional Arts Councils differs considerably from that of the National Arts Councils. The latter advocate interests of national professional (and "elite") artists, the former are much closer to cultural and artistic "grass roots" and amateur activities. This is evident also in the programme of "regional artists" maintained by the Regional Arts Councils. The Council pays salary to an artist-animateur who stimulates and guides activities in his/her field. At present, four regional artists can be appointed by each of the Regional Arts Council.

In contrast to regional level, *local level* is densely organised. In each municipality, the major organs of municipal decision making are the Council (elected in municipal elections) and the Executive Board (the municipal "Cabinet"). These decision making bodies are also responsible for general outlines and objectives of municipal cultural policy. In each municipality, the municipal administration is differentiated in sectors headed by a multitude of specific boards (for health, construction, etc.). The Cultural sector may have its own board or it may be subsumed under the guidance of the board of another sector (e.g. leisure, youth, tourism, etc.).

The nation-wide cultural services in Finland are provided through *networks of municipal cultural institutions*. These networks are maintained by municipalities, but their founding and maintaining costs are compensated by the state. It should be noted that although most "municipal" cultural institutions are maintained by municipalities, the type of their ownership do vary. Thus some institutions can be owned jointly by two or more municipalities (presently by so-called "combines" of municipalities) or they may be supported by a non-profit association, foundation or company. The networks of municipal cultural institutions were originally initiated

by voluntary organisations or started as amateur activities, and were gradually incorporated into municipal administrative structure. Special legislation (Library Act, Act on Adult Education Centres, etc.) also gradually established the responsibility of the state to become a financing partner with the municipalities in order to maintain geographically covering truly national networks. Towards the end of the 1980s the most established networks of institutions were those of public libraries and adult education centres covering all Finnish municipalities, as well as music schools and museums. Municipal cultural administration had also developed its own institutional structure: municipal cultural board, special boards (e.g. for library, theatre), cultural office, cultural secretaries, etc.

In most state subsidised areas the subsidy system had been established rather strictly with special legislation stipulating the level of cost compensation paid by the state either to institutions (if organised on private non-profit basis) or to the maintaining municipality. The compensation was graded according to the economic capacity ("wealth") of the site municipality of the institutions. Professional orchestras and theatres received discretionary subsidies: orchestras about 3 per cent, theatres from 14 per cent to 66 per cent depending on the cost structure and the economic capacity of the home municipality. Theatres with regional functions received somewhat higher subsidy. The national stages (National Theatre, National Opera, TT Theatre of Tampere) also got a higher direct subsidy. Similar legislated and discretionary subsidy systems existed for municipal cultural investments.

Similar gradually evolved and fragmented systems of state subsidies prevailed in all major areas of social welfare services. After intensive planning and political decision making processes in the closing years of the 1980s, a total reform of the system of state subsidies to municipalities was enacted in 1992 as a number of "financing acts", which have been implemented since the beginning of 1993. One of these, the Act of Financing Educational and Cultural Activities (1993), has transformed the system of public financing in all major areas of cultural services. The Act defines the basis and level of state subsidies, and special legislation stipulates the prerequisites for municipalities/institutions to have right to apply and receive subsidy.

The basis of the cost calculation is the "unit price", which pertains to different cost units in different areas of cultural services. Thus, in the case of libraries the unit price is the average cost of library maintenance in different groups of municipalities having similar population and community structure, in the case of museums, theatres and orchestras the unit price is estimated in terms of average cost of manpower year, and so forth. The total costs of maintaining municipalities cultural services are calculated by multiplying the unit price by the number of units, i.e. the number of inhabitants, annual manpower years, or class room hours. The monitoring of cultural public service supply and its price development will be carried out by the Ministry of Education.

The municipalities are still graded into 10 categories according to their level of economic capacity in the same manner as before the reform. Those with high capacity (good industrial structure, high level of taxable income, central geographical position, etc.) receive a lower level compensation for their total costs, when state subsidies are calculated. The compensation grading varies from 45 percent to 60 per cent for the current costs in music and other arts education, adult education centres and public libraries. For the rest of cultural institutions and voluntary municipal cultural activities it varies from 25 per cent to 40 per cent. In the case of the subsidies for construction, founding, renovation, and major facility acquisition projects, the compensations vary from 25 per cent to 70 per cent. In 1993, the following number of municipal cultural institutions were receiving statutory state subsidy either directly (if they were organised as a non-profit organisation) or via the municipality: 85 music schools, 102 museums, 53 theatres, and 26 orchestras. Additionally, other theatres, orchestras and museums receive discretionary subsidy from the Ministry of Education.

The state subsidies are, and were already in 1993, given to municipalities as a lump sum containing the graded compensations. This means that the state has delegated the more detailed allocation of subsidies to municipal decision makers.

Because the implementation of the reform started in 1993, it is yet difficult to assess its impact on the joint financing of culture by the state and municipalities. Assessing the effects of the reform have also been difficult for other reasons. Due to economic depression, different economising have been initiated both by the state (as to its subsidies) and municipalities. It is difficult to separate the effects of these economising measures and of the subsidy reform. Furthermore, the channelling of the subsidies as a lump sum means that, since 1993, the distribution of costs will increasingly vary from year to year depending on the preferences of municipal decision makers and officials, and the effects of the state subsidy system from any given area of services are difficult to assess.

To sum, the development of the late 1980s and the reforms of the early 1990s have at the same time increased the state financial responsibility, and delegated the decision making authority in respect to these subsidies to the municipalities themselves. The municipalities are increasingly taking over regional planning and development activities.

5. International exchange and influences

There have been certain political and administrative responses in Finland to recent changes of international political and cultural environment. First, there was a distinct increase of state outlays for international cultural cooperation in 1990–1994. This has mainly been due to increased participation in the new European programmes of student exchange and research and development. Only few of these programmes belong to the sphere of "culture" in any stricter sense, but the participation in Eurimage, Audiovisual Eureka and MEDIA Programme should be separately mentioned. Finland has, of course, continued its active participation in cultural and media programmes of the Council of Europe. The importance of these programmes, embracing the "wider Europe", has of course gained even in Finland increased importance after the turn of 1989.

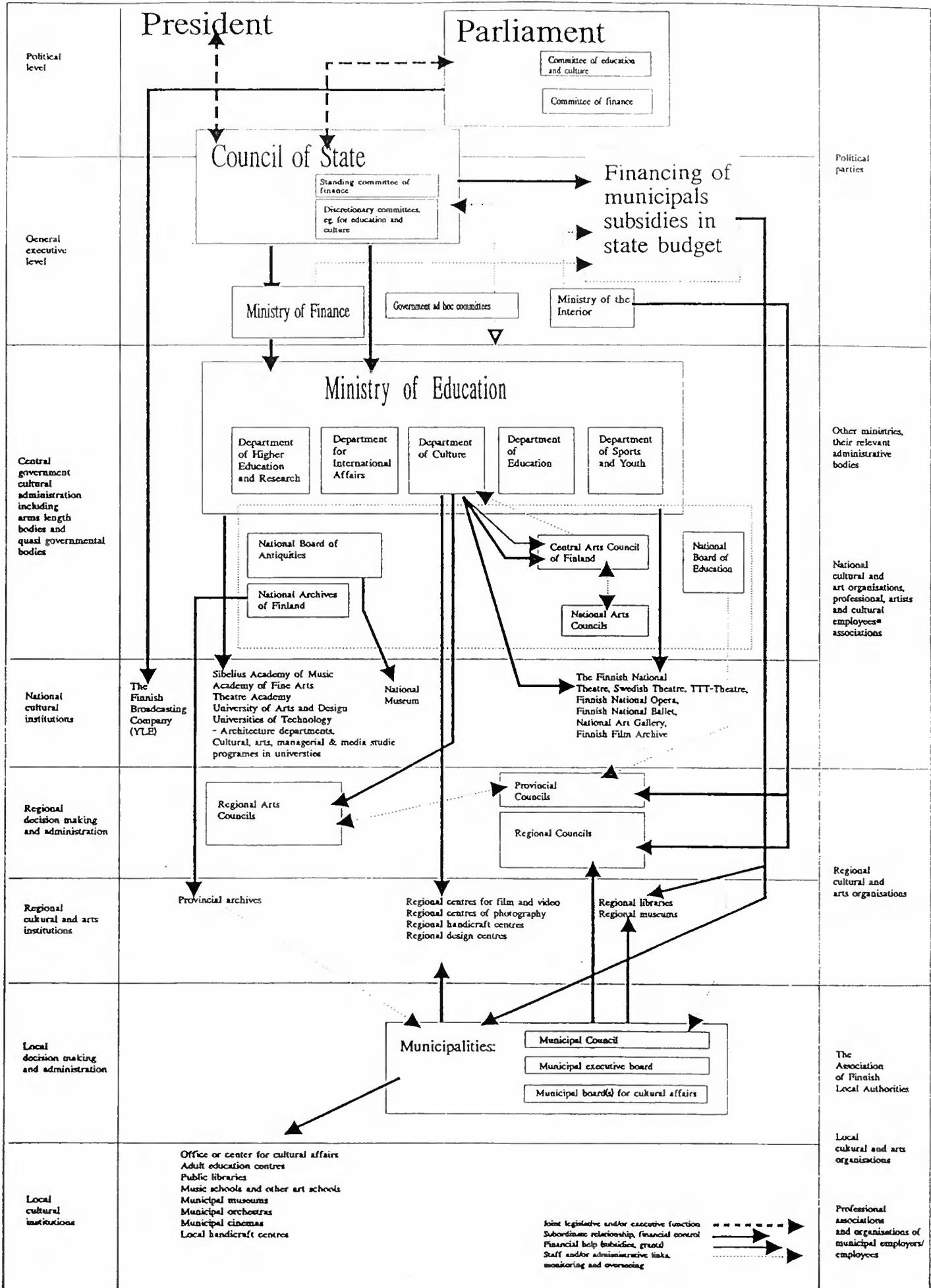
In addition to above overall intensification of cultural cooperation, there are four important areas, where changes of international environment have shaped or will shape Finnish cultural development and cultural policy. These are broadcasting, regional administration, taxation, and copyright.

Above comments refer to specific trends, cases and sectors. Yet, the overall tone of the development seems to be the same. *The role of the state is definitely changing.* Due to international development the state is losing its authoritative hold. This is not solely a process of decentralisation, but the state is rather "instinctively" detaching itself from decision making and implementation processes it feels it does not have competence to carry out. At the same time its organs are increasingly subsuming advisory and expert functions in assisting institutions, arm's length bodies, and bodies of regional and local self-government in national and international cultural co-operation.

FIGURE 1 B. CULTURAL POLICY DECISION MAKING AND ADMINISTRATION IN FINLAND

Levels of decision making

External interest articulation



The situation

LATVIA

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Since August 1994, when the seminar "The Cultural Responsibility of the State" was held and the report about the situation of the cultural policy in Latvia was prepared for this seminar, certain positive actions have been undertaken to form more profound organizational system of bodies for cultural policy making and implementation.

In November 1, 1994 official status of the Ministry of Culture was officially resumed and in the process of the inner reorganization of the structure of the departments responsible for making and implementing cultural policy a special Department of Cultural Policy was established. Among the staff members of the Cultural policy department there is a sociologist. It means that the strategy and implementation of one cultural policy will be based on more exact analyses of the cultural needs and processes.

1. State intervention in the commercial market and Radio and Television

The commercial cultural market in Latvia has been quite rapidly developing during the last four years, especially in the publishing field. The expansion of the commercial structures could be observed on the mass media sphere too. However, the general analysis of this process has not been carried out yet, that could help to more exactly determine the effective cultural policy of the state. By doing this the state would be involved in the situation of the commercial market with some laws and organising principles. The tax relief and state subsidie are envisaged in the particular branches as well, which volume is fairly unpretentious for the time being though.

The Copyright and the Similar Rights Law adopted in Latvia in 1993. This is the one of important and comprehensive laws in the cultural respect for a while, the items of this law especially stipulate the defence of an author and his work in the market and commercial sphere. To encourage the Copyright Law execution and to co-ordinate the copyright agencies activity in Latvia the Consultative Copyright Committee works at the management of the Education, Culture and Science Ministry, which includes the press editions, TV and Radio, the artists' organisations representative. It examines also the local market issues and import ratio issues, worked out the proposals to the legislative acts, which will help to adjust the relation between the national products and the imported ones, and to eliminate the disproportion existing, and it will help to fight the sound and video recording piracy widely spread now.

There is the *Radio and TV Law* adopted too, that stipulates the state Radio and TV channels financing order and the general role of those institutions in the development of culture. The state TV centre and Latvian Radio get the basic financing from the state budget, that, however, does not defray all the necessary for their activity expenses. The additional means for the programmes creation are received from the advertisements and sponsors. Those institutions according to the expense compensations envisaged by Copyright Law, were allotted with the means for the first time in 1994.

The commercial and regional TV and radio networks are being formed relatively wide in Latvia, who work within the frameworks of the licence rules envisaged in the Radio and TV law.

The relation between the state, the regional and commercial mass media structures are co-ordinated by the Latvian Radio and TV council, which includes the TV and Radio experts as well as the representatives of the Artist's Association, Composers' Association, National Cinematography Centre and other state and public institutions. The Radio and TV Council sees to it that the general state cultural policy lines are properly observed in the mass media.

Nowadays the Radio and TV Council still punctually carries out the public supervision over the process of commercialisation and de monopolisation.

The supplements to the *Turnover Taxation Law* were adopted in May 1994, which envisage to release from the turnover tax the educational and scientific literature, the Lettish original works being published for the first time and publications meant for children according to the list confirmed by the Education, Culture and Science Ministry.

Before that the subsidies from the state budget were allotted every year to the distinguished, most significant books and periodical publications, and meantime small subsidies were lotted to the cinematography too. The subsidies to the publishing and periodicals for 1994:

Encyclopedian editorship	-Ls58,000
K Broce's "Monumente" cultural and historical pictures publication	-Ls15,000

Cultural periodicals:

Newspapers	-Ls24,000
Magazines	-Ls68,000

Subsidies for the cinematography for 1994:

To the Cinematography Centre	-Ls12,516
To the news-reel cinematography	-Ls75,000
To the creative projects in cinematography, filming	-Ls184,000
To the international "Arsenals" film festival	-Ls125,000
The state has envisaged a subsidy for a feature movie filming in 1995	-Ls300,000

The most complicated situation restraining the internal and international artistic markets has appeared in the visual art. The alterations to the *Commission Trade Law* adopted in July 1993 have caused the situation, when the unique works of art are equalled with the mass production items in the taxation system. For the artistic galleries as the non-profitable institutions, which realise the expansion of the works of arts into society and invest the profit gained into the exhibition activity, no tax relieves has been made. It is a negative example, that shows, that the state sometimes clumsily and unskilfully interferes into the culture expansion or the accessibility securing. That situation threatens many galleries activity, which, skilfully creating the exhibition repertoire and popularising the Lettish artists' works and those of other nationalities artists, have become a real integral part of the Latvian cultural environment.

There is a discussion going on in society about the necessity to give at least-partial grants to some creative organisation galleries, who carry out the exhibition activity to meet the wide interests of society.

The demand to relieve the taxes and custom duties for the original works of the living artists is put forward. Unfortunately, the positive solutions regarding this are not still received.

2. The influence of the State on cultural activities at the municipal/local and regional level

At the present the decentralising tendencies have still sharply begun to show in Latvia. The question about the exact distribution of cultural responsibility and competence between the central and self-government institutions is the most actual one for the cultural policy. The self-government law was discussed in the Seim, which envisages the responsibility of the self-governments for the cultural institutions located on their territories in which the duties of the

self-governments for the cultural property guarding are stipulated as well. Nevertheless, it should be noted that the right of self-governments to independently create a budget for the cultural expenses is not specified in the law.

The regional cultural institutions and these located on the self-governments territories receive as the partial basic financing from the state budget as the particular programmes financing too.

The 113 artistic and musical schools located on the self-government territories, in conformity with the 57th item of the *Education Law*, receive the means for the teachers' salary and the social tax in 1994 – Ls 1,263,578 for 261 persons – the amateur ensemble and the school managers – Ls 123,602 were paid for salary from the state budget in 1994.

The other culture people of the artistic world receive the financing from the state budget separately in the same way.

To realise the supervision functions over the regional and local cultural process, the 33 cultural inspectors work in Latvia, whose objective is to implement the state cultural policy, and to co-ordinate the relationship among the Culture Ministry and the regional/local culture institutions.

The question about the need for the general *Cultural Responsibility Law* is being widely talked over in society. It should more exactly define the distribution of the competence and the principles of the cultural policy decentralisation.

3. State subsidies at local and regional level and municipal funding

There are still no exact data on the total amount of the subsidies invested into culture received. The exact data on the part of subsidies received from the state budget and that received from the self-government budget are not collected either. In general the volume of the state and self-government subsidies for the culture has apprehensible decreased. Nearly all of the cultural institutions, especially those in the country, are experiencing a hard financial crisis, the libraries and the palaces of culture in many regions of Latvia have completely stopped their activity or are carrying on their functions scantily. Also, it is hard to exactly determine the total amount of the means invested into culture, because the cultural institutions are forced to use the sponsors' support as well to survive during this transitional period.

As a positive example, when the state gives subsidies to the separate regional level projects one could mention the yearly project contest organised by the Culture Ministry. Ls100,000 are envisaged for this contest in 1994. 120 projects were submitted, in which some proposals to create the regional culture centres and the environment full of art, to publish books on culture and for many other undertakings for the development of culture were worked out.

4. State bodies responsible for formulating and implementing cultural policy

The common scheme for the state level institutions and public cultural bodies responsible for the cultural policy forming and fulfilment has not stabilised yet in Latvia. The Culture Ministry traditionally always has the main role. Carrying out the state administration reorganisation, the present management has liquidated the Culture Ministry as a separate institution and introduced it into the system of the Education, Culture and Science Ministry as an administration. The Culture Administration continued to execute the same functions, that it had been executing before as a ministry, yet, its authority and possibilities has become still limited. The complications in the solution of the actual problems of the cultural policy programmes have

appeared at the same time. The management admitted in the spring of 1994 that the Culture Ministry liquidation cannot be considered to be a successful solution. It was decided to resume the Culture Ministry status, carrying out an internal reorganisation simultaneously. These repeated administrative perturbations disturb the management to devote itself to the solution of the cardinal questions of the cultural policy. It should be noted here, that the obvious disproportion among the management activity devoted to the economical, social and defensive structures arrangement and those devoted to the state undertakings pertaining to the cultural policy has appeared in Latvia at the moment. For instance, having envisaged the 10 state scale programmes in economics and social sphere, the management have not planned any state programme in the cultural sphere yet. There is no fixed financing volume stipulated for a wider working-out of the cultural policy and for creation of public cultural bodies necessary to implement cultural policy for the time being. There are no grants stipulated to carry on the sociological research related to the culture either. Many problems are being solved fragmentary without necessary co-ordination in the cultural sphere, which is connected with the market economical reality, process of privatisation and commercial tendencies. The management has not officially declared yet its responsibility for the defence of the culture from the undesirable influence of that process.

However, the Culture Administration with the unpretentious means available at its disposal has been able to undertake some real steps to form the new tasks of the cultural policy and to work out the necessary institution activity scheme to implement that policy. A group of specialists under the state Culture Ministry management has worked out the general principles resolution project of the state cultural policy. The cultural administrative institutions and consultative public institutions co-ordinated scheme of activity has worked out too. In compliance with that scheme the Culture Ministry undertakes the main responsibility for the forming and implementing of the cultural policy tasks. All the problems of the cultural policy are to be solved in co-operation with the consultative public cultural institutions councils of the experts of different fields. The practical cultural policy realisation supervision is carried out by the services and inspections under the Culture Ministry, to ensure direct relations with the cultural activity on the regional and self-government level. That scheme is not totally introduced for the time being. There are different consultative councils (Copyright Consultative Council, Monuments Protection Council, Radio and TV Council) in operation, yet, those councils still should be established in many other spheres.

5. International cultural exchange

The international contacts in all cultural respects are very active in Latvia, and the activities directions are rapidly expanding. The state has envisaged the partial subsidies for some international cultural exchange projects.

The regular Baltic states folklore festivals, international organ music festivals, boys' chorus festivals etc. have become very popular with society in Latvia. The international ceramic, textile and enamel art symposia are held at the Artist's House in Dzintari. The international water-colour paintings symposium is held every year in Cesis. The world's best films "Arsenals" festival regularly take place. All those various international contacts are assessed to be very positive by the Latvian society – they really enrich the cultural development. Nowadays, the co-operation with the Scandinavian states and the Western European cultural centres develop especially rapidly and variously.

A strengthened cosmopolitan mass culture and commercial culture influx from West and East can be observed in Latvia now.

Its negative influence determination necessary analysis of the situation is not carried out at the moment. To limitate the process the rules are included into the State Language Law and the Radio and TV Law, but they are not always observed. The Radio and TV Council controls the observation of the requirements of the language law in the film running practice and the film licensing rules.

The minor languages and cultures protection from the major languages expansion, evidently, is going to become a one of the important tasks of the cultural policy in the nearest future.

The situation in
LITHUANIA

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THE MAIN DATA ABOUT LITHUANIA¹

Lithuania occupies the area of 65.3 thous. km², population at the beginning of 1994 was 2,751 m. According to the new Law on Administrative Division (July 19, 1994, Nr. 1-558) there are 56 self-governments and 10 higher administrative units-districts.

Population (thous., 1993):

Total	Urban	Rural
3,751	2,571 (68.5 %)	1,180 (31.5 %)

Major cities (population in 1993, thous.):

Vilnius	Kaunas	Klaipeda	Siauliai	Panevezys
590.1	429.0	206.4	149.0	132.0

Population by nationality (%):

Lithuanians	Russians	Poles	Bielorussians	Ukrainians	Jews
81.1	8.5	7.0	1.5	1.0	0.2

Resident population distribution by sex and age group (1993; %)

	Total	Male	Female
Under 16 years	23.9	25.7	22.4
Of working age*	56.6	61.7	52.0
Pensioners	19.5	12.5	25.6

* Population of working age comprise: males 16-59 years old, females 16-54 years old.

GOVERNMENTAL PROGRAMME OF CULTURE

Governmental Programme was revised, supplemented and approved by the Seimas (Lithuanian Parliament) in 1994. Part of this programme was devoted to Governmental cultural policy².

The goal of this policy is to guarantee the historical continuation of Lithuanian culture. In order to achieve it the Government plans:

- to restore the broken relationship between the cultural heritage and the newly originating culture; to support the effort to preserve the Baltic nature of Lithuanian culture,
- to stimulate the creative dialogue of Lithuanian culture and cultures of the Baltic states, Northern countries and other countries of Europe and of the World,
- to protect the spiritual peculiarity of Lithuanian culture from the mass culture of the West,
- to create modern culture developing cultural traditions of the country,
- to integrate cultural heritage of emigrants into Lithuanian culture.

The Government considers the most urgent objectives in the sphere of culture to be:

- creating the model of Lithuanian cultural policy,

¹ Data from "Lithuania In Figures 1993" published by Lithuanian Department of Statistics.

² Governmental Programme, Vilnius 1994, p. 42.

- restoring cultural life that has been disturbed by the totalitarian system and economic crisis of late years,
- transforming typical system of cultural institutions into authentic system based on local cultural peculiarities,
- creating the system of cultural heritage protection co-ordinated with other state, public and civil interests,
- softening the negative influence of economical, political and ethnic problems on cultural development,
- strengthening integration between culture and education relating activities of cultural and educational institutions.

The Government plans:

- to preserve and develop the system of cultural institutions and their economic basis in the conditions of transition to market relations,
- to create conditions for improving professional skills of cultural workers,
- to create conditions for improving cultural workers' economic situation,
- to strengthen legal protection of cultural heritage, cultural institutions and artistic creation,
- to increase state support for restoration of cultural monuments,
- to support the creative initiative of artists, to subsidise the most valuable suggestions, to award prizes, to give state grants to young and mature artists for their projects,
- to protect and to develop the infrastructure of cultural, educational and art institutions,
- to give a priority for supporting professional art in regions,
- to keep to democratic co-ordination of cultural life, financing of programmes, decentralisation, trying to preserve cultural integrity,
- to stimulate interaction among various cultural institutions, to rally cultural workers to foster national identity,
- to prompt forms of cultural self-government, to support cultural activities of social gatherings, associations, unions, councils,
- to regulate legally property right of cultural and church institutions to buildings,
- to develop cultural activities and international cultural co-operation of young people,
- to take care of cultural science in Lithuania.

CREATION OF LEGAL SYSTEM AND ITS INFLUENCE TO CULTURE

Until March 11, 1990, when Independent Lithuania was restored, laws of strictly centralised totalitarian country (USSR) had been in force. They were based on communist ideology. The concept of culture was determined by Marxist-Leninist thesis-national in form and socialist in content.

In the restored Republic of Lithuania we started to create the system of independent state laws. New laws had to guarantee the transition to entirely new social relations, based on democracy, private property and market economy. It was decided to change the typical infrastructure of cultural institutions into authentic system that would carry on and develop cultural tradition.

Naturally, constitutional and economical laws were adopted first of all. They had to form the basis of the new State.

From the legal point of view, the Law on the Bases of Local Self-government was especially important for culture. Together with the Constitution it determined the responsibility of local self-government for culture. Different interpretation of responsibility caused much tension bet-

ween central and local administration. The Government interprets the Republic of Lithuania as unitarian State with some functions of governing delegated to local self-government, while some local self-governments interpret Lithuania as federate state in which local self-governments delegate some functions to central administration. That is why many governmental decisions are ignored by local administrations.

Local self-governments, getting no financing were not able to maintain some cultural institutions, so these had to be closed. It must be said that some of them ought to be closed because in soviet times the system of these institutions was exaggerated, not based on organic need.

The Law of Primary Privatisation of State Property was of great influence to the system of cultural institutions. Though the Law prohibits for 3 years to change the type (specialisation) of the privatised institutions, they became commercial institutions (shops, restaurants, video, etc.). Sometimes the old specialisation is used as a cover, but entirely new activities are pursued, that have nothing to do with culture.

The system of cultural institutions was influenced by the Law of Restitution of Citizens' Right to Unmovable Property (1990) and also by the Act of Restitution of Status of Catholic Church in Lithuania (1990). Returning to former owners buildings where cultural institutions were settled, some of these institutions had to be closed, some were moved to other premises that were not adopted to such a purpose, or some institutions of similar specialisation had to be joined, thus giving trouble to their economical situation. When Vilnius Cathedral (Earlier Vilnius Picture Gallery, affiliated to Lithuanian Art Museum) was returned to the Church, pictures had to be moved to storage's of the museum. The storage's had been overloaded. It caused danger to preservation of the pictures.

These processes had also a positive aspect-isolated cultural institutions began to join together, stimulating integration among cultural, educational institutions and the Church.

The Law on Restitution of Citizens' Right to Unmovable Property and the Law on Primary Privatisation of State Property allow the Ministry of Culture to influence privatisation and restitution of cultural institutions. The Laws say that cultural and educational institutions can be inscribed in privatisation programmes only after having fixed it with the Ministry.

But the Ministry had no influence on fulfilling the Law on Privatisation of Agricultural Institutions Property. That is why the system of cultural institutions in the country has diminished so much.

When the Law on Bases of Local Self-government was adopted (1990), the Ministry of Culture had almost no influence on local cultural institutions. After some time it turned out that many local cultural institutions had been closed. Besides, for no reason whatever. That is why in 1993 the Seimas adopted the law on the Procedure of Reorganisation and Liquidation of Cultural Institutions. It prohibited local self-government to liquidate or reorganise cultural institutions without permission of the Ministry of Culture.

Today there is a common opinion of all the cultural spheres that the Law of Value Added Tax (1994) fixing VAT of 18 per cent will do much harm to culture. Though the majority of cultural services is free of this tax, cultural expenses will increase because of high prices of all the services, materials and goods necessary for cultural activities. This tax weighs heavy upon printing industry that was seeking for new technologies.

There are only few laws in force adopted to regulate cultural sphere: Temporal Law on Cultural Heritage Inspection (adopted in 1990 together with the amendments of the Law on Protection and Use of Cultural and Historical Monuments of 1977), the law on Archives (1990), the Law on Protection of Copyright (1994, a part of Civil Code), the Law on Charity and Support (1993), the Law on Protected Territories (1993), the Law on the Procedure of Reorganisation and Liquidation of Cultural Institutions (1993) and also the Decision of the Supreme Soviet on the State Language (1990).

Drafts of the Laws on Museums and on Libraries, on Protection of Movable Cultural Properties and also on protection of Unmovable Cultural Properties were approved by the Government and proposed to the Seimas for discussion.

The possibilities of preparing the Law on Culture were discussed before the Lithuanian Cultural Congress (1990). Even a primary draft on the Law was made. But there were some doubts of the necessity of such a law. Laws on separate spheres of culture must be adopted – this opinion prevailed. The main disagreement discussing the Law of Culture was its goal and especially its object.

In 1993 the Ministry of Culture and Education started preparing general regulations for cultural institutions. These regulations have much in common with the Polish Law of October 25, 1991 on Organising and Conducting Cultural Activities. Now draft of this document is being discussed together with cultural institutions. In connection with this document, national and regional cultural institutions are discussed – their system, functions and place forming and implementing state cultural policy.

Up to now not all the laws have been adopted to fix a new administrative division of Lithuania. That hinders fixing and determining the system of cultural institutions.

CENTRAL ADMINISTRATION OF CULTURAL AFFAIRS

Until 1990 the Ministry of Culture was responsible for forming and implementing of state cultural policy (except archives that had been delegated to the Board of Archives subordinate to Council of Ministers).

In 1990 the Government was reorganised according to the new Law of Government. Separate Ministries of Culture and of Education were joined up into the Ministry of Culture and Education. The system of education carried much more weight. At the same time an idea came to establish a separate Department of Protection of Monuments, subordinate to the Government. Later it was attached to the Ministry of Housing and Urban Development. So the former Ministry of Culture was no longer responsible for protection of unmovable cultural monuments. Besides, in order to strengthen the system of cultural heritage protection, Cultural Heritage Inspection was founded. According to the Temporary Law the Inspection was subordinate to the Seimas (Parliament). The functions of this Inspection were to control observing the laws on cultural monuments protection and to control protection of monuments. It were not the functions of policy forming and implementing that were separated (as, e.g. in Sweden). Policy forming and implementation were separated from control. The responsibility of forming of state policy of monument protection was delegated to the Department of Monument Protection. The Department could not do the job without controlling the situation in its sphere. That is why some functions of control began to overlap. In addition, according to the Temporary Law on Cultural Heritage Inspection, some functions of the executive power were delegated to the Inspection, e.g. confirmation of projects, giving permissions to export and to restore cultural valuables. Controlling institution started to apply its own idea of cultural heritage policy. So it was the system with two institutions fulfilling different policies of one sphere. This caused many conflicts between these two institutions. Much energy was wasted not to protect monuments, but to fight for sphere of influence. The decision to attach the Department of Protection of Monuments to the Ministry of Housing and Urban Development is also doubtful.

In spring of 1994 The President of the Republic of Lithuania presented to the Seimas draft of the Law on Unmovable Cultural Valuables which fixes new system of monument protection. Monument Conservation Department and Cultural Heritage Inspection will form one institution – Monument Protection Department, subordinate to the Government. The Seimas is discussing this Law now, but it has many opponents.

The Board of Archives subordinate to the Council of Ministers in 1990 was reorganised into General Directorate of Archives, subordinate to the Government.

In June of 1994 after a new Law on Government had been adopted, the Ministry of Culture and Education was again separated into Ministry of Culture and Ministry of Education and Science. But no essential changes of cultural administration followed.

The Ministry of Culture is responsible for formulating and implementing of state cultural policy in the spheres of art, literature and publishing, cinema, theatre, music, museums, libraries, cultural centres and young people affairs.

The Ministry implements cultural policy:

- through the system of institutions, subordinate to it (national cultural institutions),
- creating laws and governmental acts and controlling their observing,
- by money (to maintain institutions, to finance programmes, to give scholarships, award bonus, etc.),
- forming of attitudes, providing information, rendering moral support.

The Ministry of Culture founds and maintains republican (national) and some regional cultural institutions.

State policy on music is implemented through the National Philharmonic Society and other musical institutions, on traditional culture – through Lithuanian Folk Cultural Centre, on libraries – through the National M. Mazvydas library, on improving professional skills of cultural workers – through the Centre of Perfection of Cultural Workers.

Each section of the Ministry has commission of experts. They are appointed under the decision of the College of the Ministry. The expert commissions are consultative institutions. They discuss all the main problems of the sphere, the system of institutions, their activities; drafts of laws and other acts. They also evaluate projects of cultural activities, distribute means for financing.

ADMINISTRATION OF LOCAL CULTURAL AFFAIRS

According to the new Administrative Division there must be 56 self-governments (12 urban and 44 rural) and 10 higher administrative units-districts.

The units of administrative division exercise their self-government right that is guaranteed by the Constitution and the Law on Local Self-government. The right of self-government is accomplished through self-governmental councils that are elected every second year.

To accomplish the laws of the Republic of Lithuania, decisions of the Government and self-government, the Councils of self-government form the executive boards, runned by the major of the city or by the administrator of the rural region.

According to the Law governing in higher administrative units will be organised by the Government, there will not be elected bodies.

Councils of self-government form various commissions that discuss problems of their responsibility. As a rule, Councils include cultural and educational commissions. Local cultural policy implementation in executive boards is organised in various ways:

- through the Section of Culture, Education and Sports,
- through the Section of Culture and Education,
- through the Section of Culture,
- through Cultural Centres,

- through separate cultural institutions, co-ordinated by the deputy administrators of the region.

Now a discussion is taking place which model is the most optimal.

In 1993 at Nida traditional meeting-seminar of cultural administrators it has accured to form the College of Cultural Self-government. 12 cultural administrators were elected for it from different parts of Lithuania. The College functions at the Ministry of Culture. The main tasks of the College are:

- to formulate general problems of regional cultural development,
- to make suggestions for self-governments, the Ministry of Culture, the Government, the Seimas and the President on the main cultural problems, connected with the regional development,
- to share information and experience,
- to organise common arrangements.

Cultural associations, unions and societies have little influence on culture in the regions, exept Zemaitija-western part of Lithuania with a strong Zemaiciy society, initiating serious cultural projects.

ADMINISTRATION OF REGIONAL CULTURAL AFFAIRS

As it was mentioned earlier, ten higher administrative units – districts – are going to be founded. They will be administrated by the Government through the district administrators and their administrations. According to the draft of the Law on Governing of the District in the cultural sphere the district administrator will be responsible for:

- implementation of state, interregional and district programmes on education, culture, sports, physical culture, health care and social welfare,
- founding, reorganising and liquidating educational and cultural institutions of district significance, including museums and libraries.

Founding the system of regional cultural institutions, republican and municipal cultural institutions will have to be revised. Some of them will have to be reorganised into regional ones.

Today the only sphere that have started regional system is libraries. There are 5 regional libraries, located in different towns, subordinated to the Ministry of Culture. Municipal libraries are supervised by those libraries. Reorganising the system of libraries, those libraries will be transferred to the districts. On the grounds of municipal libraries five more district libraries will be founded.

Financing of regional cultural institutions is still vague. The Ministry of Culture will seek for their financing from the state, district and municipal budget.

FINANCING

The Ministry of Culture prepares the project of cultural budget and presents it to the Ministry of Finances that forms the project of the Law On the State Budget. The Law is discussed in the Seimas and as a rule budget is shortened, and cultural budget is always shorter than the need is. When the expenditure is confirmed, the Ministry of Culture looks through the expenditure for culture. As a rule, curtailment of expenditure is proportional in all the spheres.

Financing of culture through the Ministry of Culture in State budget expenditure makes up (%):

1989	1990	1991	1992	1993	1994
1.63	1.66	0.96	1.51	1.19	1.14

The means are used for financing (maintenance and activities) of cultural institutions, subordinate to the Ministry of Culture and also for covering the expenses of theatres, concert organisations and publishing books of cultural value and cultural periodicals.

The Structure of Using of the Means (%):

Libraries	16.4
Museums	20.3
Film production	5.4
Theatres and concert organisations	28.8
Publishing	10.5
Other cultural institutions	6.2
Centralised means	12.4

In 1990 the Ministry of Culture started increasing program financing of culture, but so far only a small part of the budget (about 15%) has been allocated to programs. Now a discussion is taking place in the Ministry of Culture that the number of cultural institutions under State budget must be decreased. The larger part of the means must be used for activities, not for institutions. Now program financing includes publishing, film production and music, some regional programmes. Every department of the Ministry has commission of experts that is appointed by the Minister. The commissions distribute means, evaluate programmes and choose priorities.

According to the established standards, local self-government budgets for culture are distributed from the national budget as a lump sum. Then local administration distributes the sum for satisfying various needs of local population. Budget standards can be increased if local self-government is founding cultural institutions. When cultural institutions under state budget are transferred to local self-governments, means for their maintenance is taken from the budget of the Ministry, self-government budget standard is increased.

Expenses for culture in self-government budgets (%):

1990	1991	1992	1993	1994
3.25	2.46	2.04	3.20	3.13

Urban and regional economy infrastructures are different. They function under different conditions. That is why amendment coefficients are used in establishing the need for assignation for social-cultural institutions and creating of basic means. Coefficients are calculated according to the expenditure structure of the recent years (an average expenditure for one inhabitant of Lithuania is considered 1.0). According to the infrastructure of cultural institutions and the

conditions of the self-government, self-governments are divided into 5 groups the amendment coefficient of which varies from 0.819 to 1.365.

In order to equate the possibilities of financing cultural institutions and cultural activities in cities and rural regions, according to the coefficients mentioned above, the calculated expenditure sum is increased 10% for those cities and rural regions in which the average expenditure standard for one person is less than the average standard of the group of cities and rural regions; the expenditure can not be more than the average standard of the group.

The Ministry of Culture has no influence on the financing of local cultural institutions and cultural activities. This influence could increase financing not the institutions, but their activities. In this case cultural institutions of any subordination and individual artists could present their programmes.

While national income goes down and inflation increases, cultural institutions that are under the budget came to a very poor situation. The money is enough only for salaries and for maintenance of the premises. There are almost no means for activities, for acquiring exhibits and books, for restoration.

In 1990–1994 besides budget means, other sources of financing cultural activities were found. Private and semi-private foundations were established. The main of them are:

- Culture Foundation of Lithuania,
- The Lithuanian Open Society Foundation,
- Lithuanian Musicians Support Foundation,
- Vytautas Landsbergis Foundation,
- Children's Foundation,
- Lithuanians of USA Foundation.

These foundations support cultural programmes, cultural activities and individual artists.

Private capital has little influence supporting non commercial culture. Nevertheless, it supports some cultural activities and individual artists.

CULTURAL INSTITUTIONS AND CULTURAL ACTIVITIES

In 1990–1994 the system of cultural institutions had undergone changes, especially systems of libraries, cultural centres, cinemas, art galleries and publishing houses.

Libraries

Today there is no law regulating activities of Lithuanian libraries. In 1992 the Government confirmed the Statute of Lithuanian National M. Mazvydas Library. In 1993 the Government confirmed the draft of the Law on Libraries and presented it to the Seimas for discussion. The main goals of the draft are:

- to establish the system of libraries in Lithuania,
- to establish the compulsory standard for establishing the network of municipal library,
- to determine the fund of Lithuanian libraries,
- to determine financing of libraries.

In 1989–1993 194 libraries subordinate to the Ministry of Culture and Education were closed. Four of them – school libraries and 190 – public libraries (16 city and 174 rural region libraries)³.

³ R Kvietkauskiene. Biblioteky tinklo bukly: faktai ir argumentai.//Tarp knygy 1994 Nr 2 p. 1-3.

Dynamics of closing libraries:

1989	1990	1991	1992	1993
13	18	38	83	23

At the same time 33 new libraries were established, 256 were joined up, 293 public libraries were joined with school libraries.

The main reason for closing libraries is perfection of the system, refusing libraries in settlements without any prospect and charging libraries with a wider service front. That is why 55% of libraries are closed. 21% of libraries are closed because of poor premises or because the buildings were returned to former owners; 8% of the libraries are closed in order to save up local budget money.

In the budget of 1994 it was planned to allot 300 thousand Litas to buy books for public libraries and libraries of general education schools, i.e. 0.08 Litas per inhabitant and 0.06 Litas per school pupil. In fact 1 Litas per inhabitant and 1.5 Litas per pupil is necessary to supply them with printed matters.

Museums

The Government regulations of 1992 on state museum are in force. They regulate founding and liquidating of State and self-government museums, determine registration of museum collections. In 1993 the Government confirmed the draft of Law on Museums and presented it to the Seimas for discussion. The draft of the Law determines the system of museums in Lithuania, the procedure of founding, reorganising and liquidating of museums, their financing.

In 1989–1993 the number of museums didn't decrease. After the restoration of Independence two republican museums propagating communist ideology were liquidated – Atheism museum and Revolution museum. Their exhibits had been transferred to the National Museum of Lithuanian State and Cultural History.

In 1992 there were 14 central museums under the budget of the Ministry of Culture and 36 museums of self governments. In 1993 accordingly 15 and 36.

The Number of Visitors in Museums

1. Individual visitors (in thousands):

	1992	1993
Republican museums	827,5	775,8
Municipal museums	309,9	226,0

2. Organised visitors (in thousands):

	1992	1993
Republican museums	224,2	138,2
Municipal museums	78,3	86,9

In 1989–1993 the number of visitors was decreasing considerably. In 1994 the number of schoolchildren visiting museums increased significantly, reaching the level of 1989.

The attendance of museums can be increased by instilling into life museum educational programmes, by close connection between museums and schools also by expected larger number of tourists.

After 1990 the number of tourists decreased considerably especially from republics of the former Soviet Union. They had made up the major part of tourists. While the infrastructure improves, the number of tourists from Western and Northern Europe increases.

Educational system is transformed on the grounds of cognition of the native culture. This system creates quite new conditions for local cultural tourism.

These factors determine new conditions and new goals for museum activities.

Cultural Centres and Amateur's Creative Activities

There are no special laws or governmental acts regulating activities of cultural centres.

Cultural centres are the main place for amateur's activities, and they have experienced great changes, that are different in cities and in rural regions.

The Changes in the System of Cultural Centres in 1990–1993:

	1990	1991	1992	1993
Total number of the Centres in Lithuania	1120	1100	1011	975
– in cities of republican subordination	16	25	30	29
– in rural regions	1104	1075	981	946

In 1991–1993 87 cultural centres became private. After the privatisation 35 centres were left in the same premises, 12 were moved to other places (schools, kindergartens, former buildings of district soviets). 40 cultural centres were closed as having no good prospects.

The number of cultural centres increased in cities of republican subordination as independent ethnic cultural centres had been founded. Many of urban cultural centres splitted into two or more independent centres.

Some cultural centres of trade-unions and other institutions acquired the status of state cultural institutions. In 1990 when the Ministries of Culture and of Education were joined up, cultural institutions of the Ministry of Education passed on to the regulating sphere of culture (Houses of Schoolchildren, Teachers' Club, Artists' Club).

Urban and rural cultural departments were forced decrease to the minimum the number of workers in cultural institutions because they were short of money.

In 1990–1992 the system of non-state cultural centres narrowed particularly: 62% in the cities of republican subordination, 77% in rural regions. Enterprises, factories and other founders became non-solvent. Especially the number of these institutions decreased in major cities: 40.6% in Vilnius, 88% in Kaunas, 89% in Siauliai.

Cinema

There are no special laws or governmental acts regulating cinema system activity. There are also no documents on protection of the national cinema. Cultural society is arguing about the necessity of Law on Cinema.

According to statistics, in 1989 there were 1500 cinema mechanisms (stationary and portable) showing films. In 1992 only 309 of them were left, in 1994 203. About 70 of them are in cities and in regional centres.

In some rural regions there is no cinema left. But video halls have been established, as well as videocassettes rent places. Still the majority of cassettes are of low quality (show and sound) most of them are illegal copies.

Lately an opposite tendency is observed. People demand local self-governments for opening cinemas or movie halls showing films. E.g. in Plunge rural region there were no movie hall and there are 10 of them now.

85–90% films shown in Lithuania are American commercial films, about 10% European (French, Italian, German, Hungarian) and less than 5% Lithuanian.

Till 1989 films in Lithuania had been created by the only large Lithuanian Film Studio. 6–7 stage films, 50 documentaries and training films had been shot here every year.

From 1992 15 independent creative studios have been established. 4–5 of them are stable, others turn up and die out. Now every year only 1–2 stage films and 50 documentaries (including TV documentaries) are shot. Government gives the priority to films by young producers and to national screen-plays.

State Subsidies for Creating and Buying Films:

Year	For creating	For buying	Total
1993	1.0 mLT (0.25 mUSD)	0.4 mLT (0.1 mUSD)	1.4 mLT (0.35 mUSD)
1994	1.4 mLT (0.35 mUSD)	0.5 mLT (0.125 mUSD)	1.9 mLT (0.475 mUSD)

The main problem of national films is showing. Cinemas are unwilling to show them. That is why films can be seen only in their presentations, competitions and retrospectives. For this reason the main goal of the new Law on Cinema should be assurance of creating and showing national film.

Theatres

There is no separate Law on Theatres in Lithuania, but theatrical society is discussing the necessity of such a Law and the transition from regular staff payment to contract system. The aim is to stimulate creative process in theatres.

Till 1990 there were 13 state theatres in Lithuania (5 in Vilnius, other in other major cities of Lithuania). There was no theatre under self-government budget.

In 1993 there were 12 state theatres: 7 drama, 2 puppet, 1 opera and ballet and 2 musical.

Since 1990 4 municipal theatres (2 in Vilnius, 1 in Kaunas, 1 in Panevezys) have been founded.

Besides, in 1992 non-profit organisation, International Theatre Festival LIFE was established. It has become an important factor of Lithuanian theatrical life and cultural on the whole. The organisation was formed without any state subsidies.

Indicators of State Theatres Activities:

	1990	1991	1992	1993
The number of theatres	13	13	12	12
Performances played	3713	2934	2640	2422
New productions	50	61	48	59
Spectators (thous.)	1407	946	696.5	502

Publishing

Before restoring Independence the process of publishing had been governed by State Committee of Publishing, Print and Book Trade. It had about 50 employees. This institution concentrated all the functions of this sphere, starting with confirming subject-programmes of publishing houses, centralised supply and distribution of polygraphic materials and finishing with distribution of the production. Enterprises were only unconditional executors.

When this centralised governing was abolished, publishing houses as state enterprises became independent.

Today there is the Section of Publishing and Literature in the Ministry of Culture with 3 people working there. One of the main functions of this section today is to support programmes of publishing important for Lithuanian culture publications, granting extraordinary subsidy. Commission of 7 experts helps to evaluate the programmes. The commission approves the programmes of publishers from the point of view of the subject-matter. The programme is supported from state budget compensating publishers for publishing losses. The volume of programmes depends on the means granted by the State for this purpose. In 1994 it was 3 m Lit (except textbooks). Every year 80–90 titles are subsidised.

Results of Publishing Activity

Year	Publishing houses		Books and booklets published	Number of copies (m)
	State	Private		
1988	6	0	3028	25.2
1989	6	1	2686	23.7
1990	6	62	2499	30.3
1991	6	450	2482	34.6
1992	6	618	2361	30.9
1993	5	634	2224	19.2

Though the number of publishers increased greatly, the number of copies of books and booklets decreased.

Books and booklets according to the language (% in 1993):

Lithuanian	English	Polish	French	Russian	German	Other
86.8	3.7	2.6	0.4	4.4	1.2	0.9

Fiction According to the Nation (% in 1993):

Northern Lithuanian	USA	English	Polish	French	Russian	German	Europe
52.3	12.5	6.4	2.3	6.9	2.9	4.3	2.3

(remaining – literature of various countries)

Music

There are no laws and governmental acts regulating activities of concert organisations. We suppose that such a document should include activities of concert organisations and of theatres. Legal status of composers is determined by the Law of Copyright (1994, part of Civil Code).

The goal of state policy in music sphere in 1990–1993 was to preserve concert organisations, recognised musicians and orchestras.

Concert Organisations Working in Lithuania:

- Lithuanian National Philharmonic Society,
- State Song and Dance Company "Lietuva" ("Lithuania"),
- State Brass Band "Trimitas" ("Trumpet"),
- Lithuanian State Symphony Orchestra (established in 1990).

Lithuanian National Philharmonic Society through its branch offices in Kaunas, Klaipeda, Siauliai organise professional concert activity and maintains:

In Vilnius:

- National Symphony Orchestra,
- Lithuanian Chamber Orchestra,
- Lithuanian, Vilnius and M. K. Ciurlionis string quartets.

In Kaunas:

- Kaunas State Chorus.

In Siauliai:

- Siauliai State Chamber Chorus "Polifonija" ("Polyphony").

In Klaipeda:

- Symphony Orchestra of Lithuania Minor.

Though we succeeded in preserving the main concert organisations (even two new symphony orchestras were founded – State and Lithuania Minor), concert activities have decreased for lack of money:

	1990	1992	1993
Concert organisations	4	5	5
Concerts in Lithuania (for children and pupils among them)	2861	1713	1354
Concerts outside Lithuania	322	86	51
The number of spectators (thous.) (in concerts for children and pupils among them)	756	280	171
	68	99	91

If we analyse the situation of the music activities, it becomes clear, that in future the State will not be able to afford so many music collectives. Some of them, probably, should be transferred to self-governments. The system of State concert organisations should be rationalised.

Besides above mentioned state concert organisations, Lithuanian Musicians Support Foundation exerts great influence over music life in Lithuania. The Foundation was established in 1991. It organises concerts of the best Lithuanian musicians over the whole Republic, awards monetary prizes to Lithuanian performers-winners of international competitions, to the best music critics. It also covers the travel expenses to international competitions. Other foundations also contribute to professional music:

- Culture Foundation of Lithuania,
- The Lithuanian Open Society Foundation,
- Vytautas Landsbergis Foundation.

In 1990–1993 we succeeded in preserving also the main competitions and festivals of professional music:

- M.K. Ciurlionis Competition of Pianists and Organists,
- B. Dvarionas Competition of Young Pianists and Young Violinists,
- S. Vainiunas Competition of Pianists,
- J. Pakalnis Competition of Blowers,
- F. Schubert's and J. Haydn's music festivals,
- Ancient Music Festival,
- Organ Music Festival and other competitions and festivals.

Financing of these arrangements has changed greatly. Till 1989 they had been under State budget. Now non-profit organisations and funds are established to support them. State budget covers only part of the whole expenditure. Other means are from sponsors and participants.

Art

Government decision N. 220 (30.01.1992) "On buying pictures at market price" is in force. It determines that the Ministry of Culture and Education must buy pictures for state depositories at market price. Till then soviet state valuation of pictures and other art peaces had been in force.

Policy of state support for professional art, photography and design is formed and implemented through Art Section of the Ministry of Culture.

The main goals of art support policy are:

- to support initiative (arrangements that are suggested by artists themselves, also by galleries, self-governments),
- to support well done programmes (no matter who is the initiator – state institution or private person. Quality decides everything),
- to support non-traditional arrangements, non-traditional art.

Art policy is implemented through state institutions:

- Modern Art Centre in Vilnius,
- Siauliai Art Gallery,
- Kaunas Picture Gallery (affiliated to Kaunas M. K. Ciurlionis Art Museum). Also keeping in touch with self-government galleries and exhibition halls in Klaipeda, Pavevezys, Kedainiai, Druskininkai, Marijampole, Plunge, Telsiai.

In 1994 100,000 Litas were allotted for organising modern art exhibitions. Additional subsidies can be acquired from the means of regional programmes on cultural support and programmes on youth support.

State buys works of modern artists through Lithuanian Art Museum and Kaunas M. K. Ciurlionis Art Museum. For this purpose in 1994 they got 1.5 m Litas.

Works of photography are bought through Photographers Union. In 1994 it was allotted 5000 Litas.

Commission of Art Experts fixes the sum of financing art, photography and other arrangements (exhibitions, symposiums, plainairs, camps and workshops). The commission takes into account the importance and the perspective of each project.

The situation in

NORWAY

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1 State intervention in the commercial market and Radio and Television

1.1 Legislation

There are less legislative regulations in the cultural sector than other sectors of society in Norway. Our legislation aims in part to safeguard the right of artists to receive income for their works, in addition to regulating public and private activities within the media. Certain other important considerations are also safeguarded by legislation, such as the public library system, language issues and how records are kept. In addition, we have legislation which protects our archaeological and architectural monuments and sites.

1.2 Government grants/subsidies

The Ministry of Cultural Affairs' total budget for 1994 (excluding expenditures for the Olympics) is NOK 2.5 billion. This figure does not include around NOK 155 million in expenditures for the preservation of monuments and sites included in the Ministry of the Environment's budget or around NOK 27 million in expenditures to support the Sami Culture included in the Ministry of Local Government's budget.

A number of other government bodies also employ funds for cultural purposes; examples of these are the large departmental museums (postal service, telephone/telegraph, defence, etc.) and the university museums.

The funds from the Ministry of Cultural Affairs' budget are mainly channelled to cultural institutions (theatres, orchestras, museums). They are a part of our policy for artists (scholarships, guaranteed income, purchase schemes). Funds are used for the construction of cultural buildings and sports facilities, film and newspaper subsidies and as grants for the cultural activities of voluntary organisations.

The central government also uses funds for cultural projects and developmental work and for the preservation and restoration of monuments and sites.

Special appropriations are made for Sami cultural activities over the Ministry of Local Government's budget. These funds are administered by the *Sameting* (Sami Parliament).

A great deal of these funds function as subsidies for cultural events and thus represent an involvement in the commercial cultural market. This is illustrated below in more detail and divided into the following areas *Culture in general media, sports and monuments and sites*.

1.3 Culture in general

Legislation

The Act relating to a Special Sales Tax on Pictorial Art (4 November 1948, No. 1)

The tax goes to a special assistance fund for pictorial artists and amounts to 3 per cent of the total pictorial art sales. This is not an individual copyright; it is a collective scheme.

The Act relating to Rights to Photographs (17 June 1960, No. 1) *The Act relating to a Special Tax to the Norwegian Composer Fund* (9 April 1965, No. 1)

The Act relating to Library Compensation (29 May 1987, No. 23) *The Act relating to the Showing of Pictorial Art and Applied Art, etc.* (29 May 1993, No. 52)

The central government has entered into agreements with the artists' organizations concerning compensation for use of the artists' works (year the scheme was introduced in parentheses):

Library compensation (1948) to authors for use of their books, showing compensation (1988) and exhibition compensation (1978) to pictorial artists, craftsmen and photographers.

The Act relating to the Right of Intellectual Property, Copyright, etc. (12 May 1961. No. 2)

The Act relating to the Right of Intellectual Property, Copyright, etc. secures the rights to the work for the person who has created it, whether it is of a literary, scientific or artistic nature. The Act aims for instance to assure the author or originator of financial rights.

Provisions in the *Value-added Tax Act, Price Act and Tax Act* open up the possibility for certain exemptions in the cultural area. These provisions are often made with the aim to safeguard the finances of the cultural sector.

Book shops and publishers have a special *trade agreement for the sale of books*. The aim is to maintain a fixed price for books, especially schoolbooks. The agreement is dependent on an exemption from the *Price Act* as normally price fixing is forbidden.

Government grants/subsidies

Purchase schemes for literature apply to fiction for adults and children/youths, translated literature, etc. The purchases are undertaken by the Norwegian Council of Culture after an evaluation of the quality is made. The books are distributed to the libraries which are required by law to lend them out free of charge. The scheme has a budget of NOK 60 million in 1994.

The central government, county municipalities and some local authorities have *purchasing and decoration schemes for pictorial and applied art*.

The Norwegian Cassette Tax Fund (1983) allocates funds annually for the production and release of recordings, for the production and staging of concerts and other performances using music, for music festivals and for the production of books, manuscripts, films and videos on the subject of music. In 1993 the total amount of the funds provided was NOK 30 million.

The central government also offers a number of *scholarships and guaranteed income schemes* for artists. These are awarded by a central government committee upon a professional recommendation by committees appointed by the artists' organizations.

The free theatrical market (market outside cultural institutions such as free theatre groups etc.) is also supported in large measure by the central government and the other administrative levels. Thus these activities are also subsidized.

Changes – discussion of changes

When the Fair Competition Inspectorate granted an exemption from the competition laws last year in order to accommodate the intentions of the trade agreement for the sale of books, the exemption was only granted for a period of one year. The agreement must thus be re-evaluated during this period.

1.4 Media

Legislation

The Act relating to Films and Video Recordings (15 May 1987, No. 21).

The showing and trading (sale/rental) of films and video recordings is regulated by a special act relating to films and video recordings. Both the showing and sale of films and video recordings require a license from the local authorities.

The Act relating to a Special Tax on the Recording and/or Reproduction of Sounds and Images (12 June 1981, No. 69).

A tax of 25 per cent on the sale of films and videos goes to the special interest organization for the municipal cinemas (KKL).

The Act relating to Broadcasting (4 December 1992, No. 127).

The Act relating to Broadcasting stipulates rules for the National Broadcasting Corporation (NRK) and other broadcasting companies with regard to commercials and programming. We also have rules which govern ownership of broadcasting companies.

There are rules governing the subject of commercials, rules banning commercials aimed particularly at children and rules restricting the number and length of commercials. Commercials for tobacco and alcohol are forbidden.

In recent years an extensive network of privately owned and commercially financed local radio stations has been established. There are several commercially financed television stations. The broadcasting legislation also applies to these stations.

Government grants/subsidies

Central government support for the production and showing of films is given in order to promote the production and showing of Norwegian films in competition with foreign films. Direct support is given to production and ticket prices are subsidized.

In Norway cinemas are primarily operated by the municipalities. Most cinemas are primarily subsidized by municipal grants.

A license fee finances the government broadcasting company, the Norwegian Broadcasting Corporation (NRK), which operates a commercial free television station and three commercial free radio stations. In 1994 the license fees collected totalled NOK 1.970 million. Everyone who purchases a television or radio is automatically registered and required to pay the license fee.

1.5 Sports

Legislation

There is no special legislation for sports in Norway.

Athletics clubs and athletes at all levels are heavily sponsored. Sponsoring activities are subject to the normal advertising rules.

Government grants/subsidies

Sizeable grants are given to sports organizations to subsidize their operating expenses from the budget of the Ministry of Cultural Affairs. As in other cultural sectors the central government provides grants at the national level, while the county municipalities and the local authorities provide operating grants at the regional and local levels.

In addition to these grants there is a great deal of private funding in the sports sector in the form of user fees, ticket receipts and sponsorship funds. We have a "mixed economy" in this area as well as others..

1.6 Preservation of monuments and sites

Legislation

The Cultural Heritage Act (9 June 1978, No. 50, replaced acts from 1920 and 1951)

The Act has provisions which automatically protect all monuments and sites earlier than AD 1537 and which govern resolutions to preserve later monuments and sites. Individual objects as well as milieus/areas can be preserved.

Government grants/subsidies

The grants given (often to private individuals) in this sector are in some instances deliberately used to stimulate a segment of the craftsman market which it is important to maintain for the purpose of preserving monuments and sites. This may for example be craftsmen with special

knowledge of old techniques. Grants are given to private individuals to promote the selection of certain solutions which are desirable from an antiquarian point of view.

2 The influence of the State on cultural activities at the municipal/local and regional level

In Norway we have been interested for a long time in the democratization and de centralization of cultural affairs and cultural policy. This has greatly influenced how cultural tasks are solved and thus the responsibility lying at the regional and local levels.

There is little legislation regulating this division of responsibility. It is the result of an ongoing political process that has primarily taken place in the form of a dialogue between the central government and the local authorities.

How tasks are solved and the priority given at the regional and local level have been influenced to a great extent by financial means. These means are, however, often linked to other more formal means, for example, by attaching conditions to the use of the central government funds. These funds often require in addition that a certain self contribution be made, and thus the local cultural budgets are inflated.

We have a number of national institutions in the cultural sector which have been important instruments in implementing the national cultural policy at the regional and local level.

The central government has assumed a special responsibility for testing out new ideas and experimenting in the cultural sector, and it has taken the initiative for major undertakings such as the establishment of regional and local institutions (libraries, regional theatres, museums), in addition to the financing of cultural buildings and facilities.

The central government has also assumed a certain responsibility for providing in formation and disseminating knowledge in the field of cultural affairs, and has for example been responsible for a number of publications. The central government has also contributed to research projects in the cultural sector.

Changes – discussion of changes

In 1993 the Storting (Norwegian Parliament) discussed a report on cultural policy, which presented a proposal for a new functional division of the cultural sector. The details of this entailed the central government assuming more responsibility for a number of cultural institutions, at the same time as the funding in many cases would still be shared by two or three of the administrative levels involved. The reform will be implemented in 1995 after discussing the issues with the county municipalities and local authorities where these institutions are located.

The new functional division also means that new tasks will be transferred to the county municipalities. This is part of a development that has been taking place in Norway for several years, whereby the responsibility for parts of the cultural policy has been delegated to the regional and local levels.

It is a clear aim of the central government's cultural policy to obtain better statistics concerning the cultural sector in the years to come.

The Storting passed a resolution to transfer a great deal of the duties associated with the preservation of monuments and sites to the county municipalities as of 1990. At the same time funds were appropriated to establish specialist positions to fulfil these duties. The county municipalities had had a certain responsibility in this area earlier. In connection with the implementation of the Storting's resolution, negotiations with KS, the special interest organization for the local authorities, were held to determine how the implementation would take place.

An attempt has been made to transfer the responsibility for the preservation of monuments and sites to the local authorities by means of a similar model where the central government has provided funding for positions.

3 State subsidies at local and regional level and municipal funding

In spite of the introduction of a new revenue system in Norway in 1986, which dictates that allocations from the central government must be made on a lump sum basis, there has been a great deal of earmarking, especially in the cultural sector. Most often the reason for such earmarking has been the fear that the cultural sector would lose out in relation to other sectors which are of greater financial importance and for which there is a longer tradition in the local administration.

Also in cases where financial contributions are made through central government institutions, conditions are often stipulated for use of the funds.

Other sources of financing for cultural activities at the local and regional level are the county municipalities and the local authorities. The county municipalities use approximately 1 per cent of their total budget on the cultural sector and the local authorities use approximately 5 per cent.

A significant portion of the local cultural activities are financed by the "people themselves" through dues to voluntary organizations, volunteer work, raising money (bazaars, flea markets, etc.) and by voluntary community work projects. Voluntary work represents a significant portion of the financing for sports facilities.

There is some private sponsorship of cultural activities. Before this was most prevalent within sports, but in recent years other cultural areas have also received sponsorship funds, with perhaps most of the funds going to music.

Changes – discussion of changes

The report on cultural policy which was discussed by the Storting in 1993 proposed that some of the central government grant schemes should be delegated to the county municipalities as of 1995. In connection with this the Storting has pointed out that this must be implemented in a manner which will not interfere with the county municipalities' freedom to decide how to solve their regional tasks. The Ministry of Cultural Affairs is currently discussing how the implementation can be carried out in practice as the Storting has also expressed some concern about the loss of central government control.

4 State bodies responsible for formulating and implementing cultural policy

We would like to divide these bodies into four groups:

- Top level central government bodies
- Other cultural bodies at the central government level
- Performing national institutions
- Supervisory bodies

Top level central government bodies

Ministry of Cultural Affairs

Highest level of and primary responsibility for the Government's cultural policy (general culture, preservation of culture, media, sports).

Ministry of the Environment

Highest level of responsibility for parts of the Government's cultural policy (preservation of monuments and sites, outdoor life).

Other cultural bodies at the central government level

Norwegian Council of Culture (independent, experimental and developmental measures, purchase schemes)

Directory for Cultural Heritage (directorate under the Ministry of the Environment)

The Norwegian Film Institute

Norwegian Directorate for Public Libraries

Norwegian Media Administration

Norwegian Museum Development

Performing national institutions

Norwegian Travelling Theatre

Nor Concert (Norwegian State Foundation for Nation-wide Promotion of Music)

National Archives of Norway

National Office for Research and Special Libraries

National Library

Museum of Contemporary Art/Travelling Art Exhibitions

National Gallery

The Archaeological Regional Museums

Norsk Film a.s (Norwegian Film, Ltd)

Nordnorsk Filmsenter a. s (Film Centre of northern Norway, Ltd)

National Film Study Centre

Supervisory bodies

Norwegian Directorate for Public Libraries

National Board of Film Censors

Other general supervisory bodies such as the Office of the Auditor General.

5 International cultural exchange

The major differences resulting from the various nations' social, economic and political history and their present situation presents a major challenge. Even though the nations are different, they still have strong common roots and interests.

It is important to gain knowledge of each other's differing realities in order to conduct a genuine dialogue concerning the common challenges facing us.

The central government has a major role to play here. It is the responsibility of the central government to develop a policy and stimulate international co-operation through the providing of financial support. Central government bodies such as the Norwegian Directorate for Public and School Libraries will be responsible for relations at the professional level.

At the same time the regional and local levels have important duties at a more practical level (cultural co-operation, friendship work) and the "third sector", represented by the voluntary organizations, can make a significant contribution by virtue of their extensive network of human resources. A great deal is happening already at the regional and local levels throughout the country.

The situation in
POLAND

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1. State intervention in the commercial market and Radio and Television

The political and social reforms which started in 1989 designed to build a democratic state and market economy, included the domain of culture as well. They have been inspired by the conviction that a partial commercialisation of cultural activities lead to a stronger connection of these activities with social needs (when eliminating apparent and showy actions) and would initiate supplementary sources for the financing of culture (which would compensate the decrease of public expenditure for culture).

The processes of privatisation, of introducing market economy and commercialisation, occurred with different dynamics and scope in various fields of culture, but generally developed more quickly than in other spheres of economic life. The restoration of national bodies to private ownership and the launching of market forces were most rapid and became almost total in such branches as the press, the books, film distribution, phonography and videography – where even a powerful "black market" appeared. The commercial sector of radio and TV broadcasters have developed more slowly (because of the lack of respective legal regulations). Commercialisation of film production takes place most slowly because of the lack of a strong private capital.

With the development of the commercial market in culture, its negative effects have begun to prevail over the positive ones mass entertainment (mostly imported from the West) has begun to replace all of the more ambitious form of creation (especially of domestic origin). The state is consequently forced in carry out a twofold policy towards the market in the cultural domain: on one hand – it is obliged to create favourable conditions for the introduction of market forces in such cultural industries as printing, phonography, cinematography (since there is no means to subsidise them), on the other – it must protect national artistic creation against excessive commercialisation.

The intervention of the Ministry of Culture and Fine Arts is most firm and constant on the press market, aiming to ensure financial stability for several prestigious periodicals devoted to literature, the fine arts, musical and drama production. This year the Ministry financed the setting up of a new non-commercial weekly magazine, devoted to the popularisation of artistic production.

The direct intervention of the state in the book market is minimal nowadays and reduced to the supporting of about 40 titles yearly, whereas it is considered vital to help about 300 titles yearly. (Every year the Ministry of National Education and the Committee of Scientific Research support about 400 academic and popular scientific books.) Several thousand publishing houses form the core of the book market; they publish some 15 thousand titles yearly, with the average circulation of 5 thousand copies. The Ministry intends to create a system of interventionist state purchases for public libraries. Libraries belong mostly to local governments (which do not have sufficient means for this purpose).

Regulations concerning taxes and customs duties constitute instruments of indirect state intervention in the book market. At present books produced in Poland and provided with an ISBN number are exempt from VAT (this principle is valid only to the end of 1995 year), and a 6% importation tax has been imposed on books imported to Poland. As these instruments serve to the protection of the printing industry against foreign competition, they do not deserve preferences to valuable books and they in fact even favour commercial editions.

The law on radio and television broadcasting, in force from March 1993, creates a local background to the transformation of the RTV national consortium into a system of public broadcasting companies and to granting concessions to private, commercial broadcasters. By virtue of the Law every broadcaster is obliged to support national audio-visual production and

to make the cultural and artistic goods accessible to the society (though public broadcasters should do it on a larger scale, than private ones), e.g. by way of filling at least 30% of the annual broadcasting time (without the time reserved for daily news, sport transmissions, publicity and TV competitions) with programmes of domestic producers; one third of these programmes should be made by domestic producers independent of the broadcaster. Public broadcasters, while being maintained by the licenses and by the publicity, nowadays have considerable financial means at their disposal, which make it possible not only to introduce technical modernisation, but completely fulfil the above mentioned obligations by law, thanks to which several dozen independent producers of TV programmes could appear and develop. Private broadcasters, who already are in possession of concessions or expect to get them soon, create efficient competition for the public ones and intercept a considerable part of their auditorium and of the income from advertising. One can expect that it would contribute to the commercialisation of radio and TV-programmes. Under these conditions the state does not provide any subsidies for ambitious radio and TV-production, the only means of restraining commercialisation will be legal instruments resulting from the Law, i.e. instructions for public broadcasters and conditions of granting (depriving, renewing) licenses for private broadcasters.

Reform of cinematography, which already started in the 80-ies, tend to transform it from a national industry, totally financed from budgetary means, into a mixed, national-private cinematography, based at least partially on private capital. This process continues to develop rather slowly, mainly due to the lack of private capital interested in (risky) film production. The Committee of Cinematography is allocating body of budgetary means for the support of cinematography (i.e. for financing film production and for subsidies addressed to film production companies). In 1993 twenty one cinema feature films were produced in Poland, 18 of which were supported from the budget (subsidies from the budget for cinematography amounted to 55% of film production costs). This year a principle was adopted according to which the maximum subsidy for feature films must not exceed 4.5 mld zlotys (about 25-40% of the average production costs), whereas the rest of the means should be obtained by the producer (state or private) from other sources (in practice mostly from foreign co-producers). This is a temporary solution and work on the new Law on Cinematography continue, aiming to introduce new principles of financing film production.

In May 1994 a new Law on Copyright come into force, considerably broadening the legal protection of interests of interests of the literary, musical and audio-visual work by authors and producers, which approaches to European standards. It is expected that this Law would make it possible to efficiently combat the "pirate market", in this way contributing to the development and profitability of more ambitious forms of artistic production. The new Law also created the possibility to obtain supplementary means for the support of valuable literature editions, and namely the income transferred to the Artistic Production Support Fund, in the amount of 5-8% from the sale of the artistic work, to which the author's rights expired (the so-called "dead hand fund").

2. The influence of the State on cultural activities at the municipal/local and regional level

From the beginning of the present decade, a constant decentralisation of responsibilities and of financial means in the field of cultural policy has been carried out. The following laws have played the main role in this respect:

- The Law on Local Government, of 8 March 1990,
- The Law on the Division of Jurisdiction Repartition to different authority levels, of 17 May 1990,

– The Law on Organising and Implementing Cultural Activities, of 25 October 1991.

On the basis of the above mentioned law regulations, numerous cultural institutions (such as public libraries, culture centres, museums, drama theatres, etc.) have been transferred to the jurisdiction of local government. Consequently, these institutions are nowadays financed from the communes (local councils) budgets within the means available, but the closing down of cultural institutions is also admitted, in case of evaluating their performance as unsatisfactory or due to lack of financial means. In practice, the real decentralisation of financing culture was introduced in 1991, after the liquidation of the Cultural Development Fund.

The communes (local councils) receive subsidies from the state budget, but they are free to decide about their distribution. According to the above mentioned laws, the commune is obliged to satisfy the collective needs of the local community, e.g. the cultural needs. It means e.g., that they have the obligation to protect the dissemination of cultural institutions at the local level.

National institutions (a.o. the Ministry of Culture and Fine Arts), as well as voivodship boards, also have the possibility of granting clearly targeted subsidies to local governments or cultural institutions under their jurisdiction, which give the occasion to precisely establish the way of allocating the accorded financial means. In practice, the modest budget of the Ministry of Culture and Fine Arts does not allow to adopt this form of influencing local institutions.

A frequent form of co-operation between the Ministry of Culture and Fine Arts and local representatives of cultural life is the organisation of nation-wide conferences, consultation meetings, seminars, training etc. On behalf of the Ministry, it is the Cultural Participation Department which plays the main role in such activities. Research work on the cultural functioning at the local level is also carried out under the auspices of the Ministry, mainly by the Institute of Culture. The results of this research are published and often constitute the subject of discussions during meetings with the participation of local government representatives.

Some cultural institutions are directly under the jurisdiction of the state, i.e. of the Ministry of Culture or of the proper voivode. The means of financing the institutions at these two levels are transferred from the State budget. The Ministry of Culture and Fine Arts participates in negotiations concerning their allocation. Agreements between the Ministry of Culture and the voivodes are also adopted in practice. From the formal point of view the conclusion of such agreements does not have an obligatory character.

The management and financing brought about by decentralisation and the partial accomplishment of the designed goals, also produced some negative effects, which became evident first of all in the liquidation of numerous cultural institutions, due to financial difficulties. In consequence, legislative changes are now being considered, aiming to create more favourable material conditions for the development of culture. The law concerning the change of the present law on the organising and carrying out of cultural activities is in preparation as well. A Cultural Fund, supported from the state budget and from other sources, is also planned. This Fund would make it possible to support local cultural initiatives without infringing local government autonomy nor withdrawing the general subsidies they receive.

In order to ensure a better consolidation of the help accorded to the development of culture on the local level, the Ministry of Culture and Fine Arts is preparing a program of activities for the benefit of culture in the countryside and in small towns. The activity of the inter-ministerial commission will also facilitate the introduction of the projected legislative changes in the cultural field. It concerns e.g. new laws on libraries and museums and on reprivatization in the framework of the field of activity of the Ministry of Cultural and Fine Arts.

3. State subsidies at local and regional level and municipal funding

In 1992 0.01% of the general expenses from the state budget was assigned to culture. According to the plan for 1994 0.69% of the general budgetary expenses of the state have been assigned to culture.

In Poland every year budgetary law regulates the amounts transmitted to the Ministry of Culture and Fine Arts, to the so-called "co-ordinated ministries" and to voivodes. According to the plan for 1994, 38.4% of the means assigned to culture from the state budget should be given to the Ministry of Culture and Fine Arts, whereas 59% should be at the voivodes disposal.

The means allocated for the disposal of the Ministry of Culture and Fine Arts disposal are assigned to the so-called "subject subsidies" for national cultural institutions, to "purpose subsidies" for non-governmental institutions (for instance cultural associations), for the implementation of governmental tasks they carry out and to the so-called "central capital expenditures".

At the local level, local governments establish expenses for culture independently.

The table shows which part of the global public expenditure for culture in the period from 1991 to 1992 was spent on culture by various disposers.

The structure of public expenditure for culture in 1991 and 1992 years*

Disposer of means	contribution to the expenditure, in %	
	1991	1992
I. State budget	58,3	56,3
in which		
Ministry of Culture and Fine Arts	17,4	18,5
Co-ordinated ministries**	4,9	2,7
Voivodes	36,0	35,1
II. Local government budgets	41,7	43,7
Total expenditure	100,0	100,0

Source: Report from the implementation of the state budget in 1991 and 1992, Ministry of Finance.

* According to the budget classification adopted in Poland, the expenditure for art, drama, music and film schools is schools included in the education sector; expenditure on film production – in the sector of "different material services"; the expenditure on state cultural management – in the sector "state administration". Consequently, these expenses are included in state expenditure for culture and fine arts.

** "Co-ordinated" ministries are those receiving funds for cultural institutions subordinated to them from the state budget via the Ministry of Culture and Fine Arts.

Every year the amount of funds for culture assigned to separate voivodes is established in the budgetary law. The number of cultural institutions in the voivodship area and the number of people employed there are the main factor influencing the height of subsidies. This concerns these institutions for which the voivode is the "organiser".

Voivodes finance these institutions mostly by way of "subject subsidies" (i.e. subsidies addressed to the institution as such, and not for a definite purpose).

Furthermore, such "national tasks" as: protection of monuments, cultural exchange with foreign countries, festivals, etc. are financed from the voivodes' budgets. Some of these tasks are delegated to voluntary organisations and to local governments, with financing by way of "purpose subsidies".

Local governments decide on the development of culture in the communes. The development of culture in the communes is financed from the state budget (money is transmitted to the communes in the form of "general subsidies") and from the communes' own income. The mode of employing the means forming the general subsidy is defined only in a very general way, leaving a broad field for independent decisions of local government bodies. Instructions limiting the general mode of distribution result mainly from the discerning of separate elements of the subsidy. The general subsidy granted to the commune from the State budget comprises: the subsidy for the main current expenses of the commune; subsidy for its own tasks in schools and other educational institutions, subsidies for capital expenditures and the equalising subsidy (which contains an element of the horizontal equalising of finance). Despite the general character of the requirements which determine the mode of spending the general subsidy, two elements of it can be assigned to the support of culture: the subsidy for main current expenses of the commune and the equalising subsidy.

Results of research carried out in the Institute of Culture show that in 1991 communes assigned from 1% to 17% of their budgets to culture.

4. State bodies responsible for formulating and implementing cultural policy

Cultural problems are dealt with by specialised bodies of central, regional and local administration. Despite the progress of democratisation (support given to administration by social consultative bodies) and decentralisation (transmission of capacities to public administration at lower levels), central government administration plays the main role in defining the state cultural policy and in forming the principles for the financing of culture.

In the cultural sector the Ministry of Culture and Fine Arts is the main central administration body. The Ministry consists of the following departments: the Secretariat, the Book and Reading Department, the Museums Department, the Artistic Training Department, the Fine Arts Department, the Culture Dissemination Department, the Economic Department, the Legal Department, the Department for Cultural Co-operation with Foreign Countries, the Ownership Transformations Bureau, the National Minorities Bureau, the Polish Cultural Heritage Abroad Bureau, the Budget and Administration Bureau. The organisational structure of the Ministry meets the directions of interests of the main public patron of culture in Poland.

The State Service for Monuments Protection, as well as the Committee of Cinematography, are subordinated to the Minister of Culture. The Committee of Cinematography is the central government administration body dealing with film production and distribution. Furthermore, the Ministry also acts as organiser for the national cultural institutions and supervises the artistic training system.

A need arises, the Minister convokes consultative bodies, for instance the Drama Theatre Council and Music Council. As these bodies do not have decisive competencies and are convoked "from above", it is difficult to determine their influence on cultural policy and to say whether they really represent some precise circles and their interests – or whether they only have the character of expert groups made up of respectable personalities. One of such bodies – the Fine Arts Council – was dissolved recently, by the decision of the Culture Minister. Co-operation with the Fine Arts Council was superseded by meetings which have a character of direct consultations with representatives of fine arts circles and art reviewers, which take place in cultural institutions.

Permanent Parliamentary Commissions of Culture play an important role in the process of legislation in the field of culture. Some of the capacities they have are as follows: giving opinions on new laws and resolution projects, preparing reports specifying the commission's atti-

tude to new laws and resolutions, investigating reports and information prepared by the Minister of Culture, analysing activities carried out in the field of culture. At the request of the commission's main board, the Minister of Culture and the heads of other central institutions in this domain are obliged to present reports and information.

At the regional (voivodship) level, the voivodship boards, which are bodies of state administration, decide on the cultural policy. Culture is most often included in the sphere of activities of departments which are also responsible for education, health protection, social services and sports. At this level, the "socialisation" of cultural policy by means of intervention of consultative bodies occurs rarely.

At the local level cultural problems lie within the capacity of local governments on the basis of the law of 1990 (see point II).

5. International cultural exchange

After 1989, the principle of administrative control over the circulation of cultural goods across national frontiers ceased to be valid. The means of ideological and political disturbances of the objective diffusion laws which govern the international flow of culture ceased to be used.

Nowadays there is no European country which questions the principle of the free flow of culture. Consequently we can say that the situation returned to the state existing before the imposition of the "iron curtain". A certain phase in history came to an end in many respects the situation returned to the state when such factors as the natural force of the influence of a given culture, its traditional relationship with other cultures, its attraction, language influences etc. were decisive for the directions and intensity of the circulation of cultural goods on international scale.

Obviously, a great change occurred in the meantime: the traditional culture transmission such means of the transmission of traditional culture as face to face communication, book, printed press, drama theatre etc. were dominated in the last half of our century by electronic mass media and by the cultural industries based on them. Sometimes we say that we have to do with an inversion of culture: turned in the past towards man, it became more and more dominated by powerful information – communication systems, in which the technology, and not the human factor, has a decisive influence. It changes radically the conditions for the development of cultures, the circulation of cultural products and the participation of societies in international exchange.

The changes mentioned above have both an advantageous and unfavourable influence on the cultural relations in Europe. Advantageous, because the artificial barriers imposed by states restrained the access of societies in our region to the cultural products of other countries. If Europe intends to become a community, it is obvious that the maintaining of such barriers would be anachronistic and would make our countries returns to the period of societies closed or semi-open.

The negative side of this change and of the processes it causes is the domination of market forces and commercialisation with all its negative consequences. This means that the weaker countries, which have neither the powerful means for the transmission of culture, nor the experience in using free market rules, are in a worse position. A measurable effect of this is the formation of the one-way flow of culture between Western European countries and Middle or Eastern European countries. Obviously, nobody expects a full balance of the exchange, which may never be possible, because of the different potentials of cultures and of the force of their influence. Nevertheless, excessive disproportions do not contribute to the construction of desired interconnections between societies, nor to inter cultural communication.

Another negative phenomenon is the considerable decrease of the level of cultural communication between post-communist countries. There were different causes of their e.g. the traditional gravitation of many among these countries to centres of western civilisation and not to the central of Eastern ones, the need to compensate the forms of the cultural co-operation imposed in the past. There is no doubt, however, that our societies suffer losses when neglecting their mutual contacts. If they want to be closer to Europe, they must not go away from each other. It would be harmful, as the tradition of these countries constitutes a rich reservoir of cultural creativity, from which artists of recognised eminence have drawn their inspiration. It should suffice to recall such names as Singer, Kafka, Yonesco, Hasek, Combrowicz, Schulz and others.

The problem of the role of the state arises again to international cultural contacts, and this is a very delicate question, because of previous abuses in this field. Some mechanisms which could rectify the blind market element are needed. Despite the liberalisation of international trade, such rectifying mechanisms exist in this domain (e.g. protectionism) and are recognised internationally. It should be implemented in the field of culture as well; in the first place state institutions, or – on a broader scale – public institutions can effectively constitute the subject of cultural policy and of international co-operation in this domain. The question concerns the way to find an optimal point of balance between the extremes, on one hand state control over the flow of culture, and on the other – the circulation of cultural goods on a completely unrestrained basis, following the rules of the free market. Such an optimal point is very difficult to find. Paradoxically, it seems that some western countries, having more experience with the market practise and big cultural potential, understand the need of establishing such rectifying mechanisms much better. In this context the active role of France is worth mentioning. This regards the negotiations – in the framework of GATT – on the adoption of solution which would take into consideration the specific role and status of cultural products, as constituting not only a merchandise, but also a social good which deserves protection.

Taking into consideration the above mentioned conditions, one can formulate the following remarks on the counteracting the negative effects of the commercialisation of the flow of culture and of the glaring disproportions in mutual communication:

- first: the restoration of these forms of multilateral (Conference of Security and Co-operation in Europe) and bilateral cultural co-operation, which thanks to the engagement of public institutions supporting development in the sphere of culture made it possible to promote the culture which can not successfully compete in the free market,
- second: considering the idea of preparing and publishing in all the official European languages a modern history of cultural and intellectual development in Europe; it would underline the universal traits of European development, as well as specific traits of separate nations and regions. The Council of Europe would be able to undertake such a task,
- third: undertaking of joint actions designed to use video technology to further the mutual education in the cultural heritage of European nations; in the future this would probably constitute an effective and relatively cheap form of learning about the other nations' artistic output,
- fourth: the elaboration and publishing in every language of the basic canon of European humanities. This would be a European-wide initiative, with an international publishing committee. It would be useful for all the societies, but first of all for those which proclaim the idea of the return to Europe, and in which this canon is still not accessible enough. Such a canon constitutes a specific *lingua franca*, without the knowledge of which European elites and societies have difficulties to understand each other.

Already in the past, any substantial, interesting and what is most important – realistic proposals have been formulated during numerous European forums (e.g. during the Cultural Forum in Budapest and during the Cracovian Symposium of the Conference for Security and Co-operation in Europe, devoted to the Cultural Heritage in 1991 year). It would be worth going back to some of them, despite of the lapse of time they are still pertinent. By way of example we can

mention the idea of a European-wide cultural foundation, the author of which was Guenter Grass, as well as the idea of a TV theatre of European drama classics, or co-operation in preparing and organising exhibitions on some fields from the domain of regional culture, disappearing folklore, etc.

A separate group of questions, which can be only signalled, concerns the threats for the national heritage, connected with the violent opening up of countries and with the illegal exportation and turnover of works of art. It would be necessary to negotiate an agreement on taking preventive means against such pathologies. As we know, there is a considerable freedom of regulations and practices, despite the existence of formal obligations of relevant conventions.

The situation in
RUSSIA

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Modern concept of division of funding of culture between central, local and municipal authorities

Slightly less than ten years ago Russia started its difficult and painful way of reforms in its political, social and economic system.

In order to create for our people really good living conditions, to return Russia to the civilised way of development it was necessary to ensure transformation from totalitarianism to democracy, to create a foundation of civil society in which the power is based on the rights of people and does not suppress a personality. It was essential to dismantle a hardly centralised and nearly absurd planning system of state control of economy and to revive the institutes of a market economy.

The first in the history of Russia truly democratic Constitution adopted by unanimous vote in the end of the last year proved that society is ready to follow this way to renovation and stability. The agreement between Russia and the European community concluded last June, its acceptance as a democratic state with its economy in transformation prove the right goals which we have chosen.

Within the context of contemporary thinking it is stipulated that national revival and creation of new Russia is real and stable as long as these historic goals will be correlated with the fundamental role of culture in the life of a man and society because it is culture that determines the way of life of people, their understanding of themselves and others, their actions, convictions and system of values.

A transformation to new paradigms of cultural life, to new correlation of human rights and roles, to organisations of citizens and of the state in the sphere of culture is possible as a result of new cultural policy.

For decades cultural policy in Russia was based on the dictatorship of official communist ideology, universal control of powerful structures over the development of cultural processes, over the activities of those who created cultural values, over the activities of various organisations. In this respect important goal of new cultural policy is a guarantee of a freedom of creativity, of forms and types of cultural activity. But the freedom itself is not a guarantee of prosperity of culture. It needs protection and state support including protection of cultural environment, funding of organisations of culture which cannot finance themselves, support of young and adult talents who can't easily adjust to new realities of life. Culture also needs protection from ideologies, political movements and parties, religious organisations, unlimited commercialisation of people engaged in cultural sphere, incompetence of powerful structures, indifference of public opinion. It needs protection from state when it shows its paternalism and interferes into creative process. Creative freedom itself needs protection.

Principal changes in cultural policies cannot happen by themselves. In the developed democracies they have been forming for decades. Russia has to do it in several years. That is why in early 1990's the Parliament of Russia adopted a decision to include into its activity preparation of a law on culture.

The experts involved in preparation of the Act were well aware of the point of view of many politicians, scientists and people of culture that any law on culture was useless, it was a violation of internal structures and relations which ensured the development of this phenomenon, that it was an invasion into it which was fatal for culture. This all was well known from our own and foreign experience.

A prepared draft was in a way a constitution of culture. It included:

- rights and freedoms of culture such as a freedom of cultural activity, of creativity, of joining the cultural values, of property, of setting up cultural organisations and associations,

- rights and freedoms of peoples and ethnic communities in the field of culture: the right of preservation and development of cultural and national identity, the right of cultural and national autonomy,
- the responsibility of a state to prepare federal state programmes of preservation and development of culture, to ensure public access to cultural values – liberties and independence of all subjects of cultural activities, to overcome monopoly in the sphere of culture, to create conditions for self-realisation of talents, to provide priorities for development of national cultures and preservation of cultural heritage,
- separation of responsibilities in the field of culture between federal, regional and municipal bodies of administration and control,
- legal basis for economic support of culture – conditions and rules of creation of cultural organisations, rights and duties of founders of these organisations, questions of property and privatisation, funding of cultural activities, formation of financial resources and entrepreneurship, policy of investments and external economic activity. It determined the questions of price policy, labour and wages, social insurance of people working in the sphere of culture,
- legal rights of international cultural activity.

The law adopted in October 1992 in many ways helped to preserve cultural potential of Russia. It eased the entrance of culture and its creators into new economic relations in the circumstances of radical expansion of rights of regional and municipal authorities in the field of culture. It helped to preserve state principles of cultural policy, correlation of budgets of different levels in funding of culture and the unity in calculation of financial ensurance of it.

In accordance with the law of culture there were made amendments to the taxation law in Russia. Non-commercial cultural organisations are now free from all kinds of taxes – payments for the land, for the property, VAT, income tax and other government taxes. Introduction by this law of a minimum level of budget funding of culture equal to 2 % of the Federal budget expenses and 6 % of regional and municipal budgets as well as formation in the budgets on all levels of budgets of cultural development funds was very important for stability of financial situation in culture.

It is common knowledge that decline of productivity, inflation, preservation of gross national product which accompany the process of conversion of military industry as well as change to market economy influence first of all the social sphere in general and culture in particular. Fortunately it was possible to avoid any shock. It can be proved by the dynamics of network of cultural organisations funded from the federal, regional and municipal budgets.

Number of cultural organisations in Russia in 1990–1993

	1990	1991	1992	1993
Theatres	375	402	413	427
Concert organisations and companies	153	175	188	208
Libraries	50,239	50,438	40,863	51,111
Cultural centres	55,759	56,208	56,464	56,975
Museums	1,257	1,357	1,379	1,478
Recreation parks	730	705	681	653
High learning institutions of culture and art	37	38	46	48
Colleges of culture and art	255	258	260	257

Under these circumstances it is more complicated to compare the values of funding of culture from the budget. The growth of prices of goods and services, indexation of salaries and other consequences of inflation are partially compensated by the state from its budget. It must be taken into account when we compare the data mentioned below.

In 1993 the allocations for culture and art compared with 1992 grew:

- 6.7 times in federal budget,
- 12.3 times in regional and municipal budgets,
- 11.3 times in consolidated budget.

Serious impact on united cultural sphere of Russia is exerted by the federal programme of preservation and development of culture and art prepared in compliance with the law on culture. These programme for 1993–1995 was adopted by the government in the end of 1992.

It is aimed at the revival of cultural potential of the Russian Federation, at the development of national cultures of peoples and ethnic groups (there are more then 100 of them in Russia), at the revival and development of Russian provincial culture. Any regional or municipal cultural body can participate in realisation of this programme on a competition basis, including state and private organisations, artistic unions, legal entities and any individual. Great variety of cultural activities demands differentiation of programmes. The most important of them are:

- study, preservation and restoration of unlovable monuments of history and culture which are under the protection of the state,
- formation, restoration, preservation and effective use of museum and library collections,
- revival and development of traditional artistic culture, stimulation of amateur art,
- preservation and development of national cultures of peoples of Russia, of the international cultural co-operation,
- support of young talents in culture an art,
- introduction of new technics and technologies.

Presented projects and proposals are considered by a special group of experts and advisers set up for every section of the programme. These decisions are taken into account in funding of the approved projects. In 1992–93 about 25 % of allocations to culture and arts in republican budgets were used for these purposes. It should be pointed out that these allocations help to solve not only problems of culture itself but contribute to strengthening of the federation and unity of the Russian state.

Federal and regional cultural policy – traditions and innovations

Contemporary political process in Russia can be described as a search and political fixation of necessary balance between national and regional interests. We witness an intensive process of formation of a national Russian state (81.5 % of the population are Russians) which is an extremely difficult process in the conditions of natural, ethnic, cultural and economic complexity of Russia which in many cases is reflected and fixed in its present administrative and territorial structure.

Adoption of the Constitution of the Russian Federation at the Referendum on 12 December, 1993 created new framework of relations "Federal centre – subjects of Federation". It created a basis for contemporary democratic federate organisation of the state. It was principally important for stabilisation of political situation in Russia when articles 4 and 66 gave absolutely clear formulation of equality of status of all subjects of federation both national republics with their constitutions and purely Russian regions and areas with their charters. The first have one special right – to introduce and to use in their administrative sphere a second state language (art. 68). It was very just to withdraw from the next of the Main Law the category of "sovereignty"

in relation to the subjects of the federation and as a result of it – the right of withdrawal from the state, the introduction of regional or republican citizenship. Only the population of Russia as a whole is a bearer of sovereignty and is the source of supreme power.

The Constitution has also fixed the principle of economic, political and legal unity of the Russian Federation eliminating legal basis for the attempts to establish on a regional basis any form of totalitarian control like theocracy or dictatorship of proletariat.

Unfortunately the Constitution does not reflect systematic regional policy of federal government. Regional policy in the Russian Federation is only being worked out now and in many ways under the influence of impulses from "below" – from the regions.

The process of development of reforms is being carried out now mainly at the level of common sense and every day practice at the level of federal centre and subjects of federation. Practically all powerful structures lack:

1. sufficient knowledge of subjects of regional policy,
2. various institutes responsible for its realisation,
3. a well thought over and developed perception i.e. strategy and selection of means and ways on the basis of peculiarities of our country and the international experience.

We cannot ignore one more factor which determines the difference between the centre and regions and regional policy in Russia after the elections of organs of legislative power of the subjects of federation which took place in most regions in early 1994. These results showed defeat of all national parties and victory of regionalists i.e. those who promised to support the interests of local population and to solve local problems. As a rule elected regional elites tend to conservative populist forces in the society and are represented as a rule by former communist and administrative bureaucrats greatly influenced by local "groups of pressure". The last observation is specially important for elaboration of regional cultural policy because local social and cultural institutions in our country traditionally have small potential and possibility of political influence. In addition to that the "new old" administrators still keep traditional Soviet experience of residual funding of the needs of population in the social and cultural spheres. All this is an extra argument in favour of activation of both federal and regional policy as a whole and its social and cultural direction in particular.

What tasks and directions of the regional cultural policy are more important from the point of view of federal organs of power judging from the peculiarities of contemporary political and economic process on the Russian society?

One of the goals of the slate regional policy is achievement of regional social equality i.e. living standards of different regions. This process is directly linked with economic development. In the sphere of culture it means to measure equal access of population in every region to cultural values, to satisfy their cultural needs. Because of disproportional development of the former USSR some national autonomous regions as well as newly formed state national administrative units do not dispose of sufficient materiel infrastructure for the cultural sphere. These territories which are subsidised as a rule lack normal buildings for theatres, museums, libraries, and their collections etc., lack necessary equipment. In relation to areas like Mountain Altay, Touva, Ingoushetiva, Northern Osetia and others they prepare and develop special investment programmes the high participation of the state budget. Similar state support is provided in the territories where political circumstances create a special way of life: border areas like Pskov region to where the army units are moved from the Baltic republics or regions which receive now the main stream of refugees from the republics of Central Asia and Caucasus. These are Allay, Stavropol, Krasnodar and Rostov regions.

The Ministry of Culture of the Russian Federation which is responsible for the state cultural policy has two main principles of relations with the regions:

- ensurance of vertical and horizontal co-ordination in realisation of the state cultural policy and support of united cultural space of the country,
- creation of conditions for preservation and development of original and unique peculiarities of culture of regions and preservation of variety on the Russian culture.

One of the main mechanisms of implementation of these principle today is the Federal Programme of preservation and development of culture and arts. The structure of the Federal Programme reflects the priorities in the state cultural policy:

- preservation of cultural heritage,
- development of national cultures,
- support of young talents, crafts, museums and libraries, introduction of new technics and equipment for cultural institutions.

The funding of projects which are presented to the Ministry of Culture by regional cultural bodies, organisations and individuals is done on a competition basis on the recommendation of expert committees of the Ministry which include well known professionals in every aspect of the programme.

The implementation of the first stage of the Federal Programme (1993–1994) showed its narrow bureaucratic character which in the conditions of dynamic development of Russia looked ineffective. The reason for it was traditionally limited sphere of activity of the Ministry of Culture which dealt mainly with recreational side of life of the population of the country and maintained at a needed level the elements of folklore culture and historic traditions. Radical changes in the structure of society, living standards, cultural stereotypes, criteria of values – all this strongly demand a reorganisation of social and cultural policy of the state on the basis of a modernised model. In this case the "modernisation" means not only technological and computer revolution but a complex of transformations of social, cultural and political character which will allow the population of the regions to receive in acceptable form all variety of achievements of civilisation without sacrificing its identity. This task seams very complicated because Russia lacks the experience of socio-cultural programming, it lacks the network of socio-cultural monitoring. At the same time the old state stereotypes hampers the relations between the organisations. A new structure of the Federal Programme is being worked out now taking into account the above mentioned positions. It should be put into reality in 1996. One of its major tasks will be stimulation of activity of so called "agents" of socio-cultural modernisation which will include various creative unions, national history groups, ethnic communities and other non-governmental organisations. All of them being generators of ideas of modern society act as generators of innovations in the sphere of culture. We hope that the adoption by the State Duma of a law on non-commercial organisations which is being discussed now in its commissions will contribute to numerical increase and legal and economic strengthening of those subjects of cultural policy which are specially important for our country now.

Decentralisation of state control demands corrections in mechanism of relations in the state cultural policy. Until recently it operated mainly vertically the Ministry of Culture and cultural control bodies in regions which corresponded to the scheme of direct control of the state. Federalisation of Russia, obtaining by regions of experience of really self-control determines a change to relations based on the principle of subsidiary i.e. solution of problems at a best suitable level. For example the question of opening of a publishing house is solved at a level of district, a question of TV broadcasting in the national language – at a level of republic within Russia, the programme of improvement of higher education is solved at the federal level and so on. In the sphere of culture there is a scheme of distribution of authority between federal and regional cultural bodies approved by the law on culture which is in a way a cultural constitution which is in operation since 1992. Amendments concerning the division of administrative power between the centre and the regions (for instance regarding protection of monuments of culture

and history) are adopted after their discussion in the Federal Council of Culture and Arts which is an annual meeting of all leading figures of cultural institutions in the regions. They are also managed by special by-letteral agreements between the Ministry of Culture and regional administration.

The borders of cultural regions as a rule do not coincide with administrative territorial division and economic relations. It means that separation of these regions as special ones supported by effective administration is a source of establishing of inter-territorial links as means to narrow the gaps between them which will potentially allow to strengthen the unity of the state. We witness the formation of inter-territorial amalgamations as autonomous and comparatively independent systems. There are 8 regional associations of economic co-operation. Within their framework coordinational cultural councils are being formed. To establish relations and to organise co-operation with them is one of the most serious tasks which recently appeared and was realised by us. The beginning of it was a signing of the agreement with the largest inter-regional association "The Siberian Accord" which unites 19 subjects of Russian Federation.

The agreement determines the matters of concern, authority and responsibility of the sides regarding the development of culture in the region of Siberia. It envisages creation of a joint all-Siberian TV company, publishing and printing houses, cultural bodies of regional importance (musical education centre for young musicians attached to the Novosibirsk conservatoire). Agreements on different cultural projects specify forms and proportion of the Ministry of Culture in their realisation.

An agreement of co-operation was signed with the heads of the cultural bodies of Northern Caucasus. Last April the Ministry of Culture and Primorive region in Far East concluded an agreement on forms of cultural co-operation which for instance envisages 6 % allocation from regional budget to support culture and compulsory co-ordination with the Ministry of appointment and dismissal of the heads of the regional cultural organs. Agreements are being prepared with the Association of Far Eastern territories and Central region and others.

Apart from traditional requests of financial support territorial bodies more and more often address the Ministry of Culture to provide expert advisory assistance in elaboration of regional programmes and separate projects of cultural development. During the last 6 months the experts of scientific research institution which are under control of the Ministry of Culture provided assistance to local groups during preparation of programmes for the Pskov, Smolensk, Kostroma, Omsk regions and others. We estimate the expert-consultant and intellectual potential of the centre as a main resource in development of mutual understanding with regions.

The situation in
SCHLESWIG-HOLSTEIN

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Die Verantwortung des Staates für Kunst und Kultur

I. Allgemeines

Artikel 5 Abs. 3 der Deutschen Verfassung ("Grundgesetz für die Bundesrepublik Deutschland") ist die "Magna Carta" der Kunstfreiheit:

Artikel 5, Abs. 3 "Kunst und Wissenschaft, Forschung und Lehre sind frei. Die Freiheit der Lehre entbindet nicht von der Treue zur Verfassung."

Kunst und Wissenschaft werden in der Verfassung sowohl als subjektive Freiheitsrechte wie auch als institutionelle Garantien verbürgt. Die umfassend und vorbehaltlos garantierte Kunstfreiheit betrifft nicht nur die künstlerische Betätigung selbst (Produktion), sondern auch die Darbietung und Verbreitung des Kunstwerkes (Rezeption). Die Gewährung der Kunstfreiheit erstreckt sich daher auch auf die Medien, die Kommunikationsmittel wie z.B. auch Buch, Bildträger, Tonträger. Damit enthält die Verfassung ein Freiheitsrecht für alle Kunstschaffenden und alle an der Darbietung und Verbreitung von Kunstwerken Beteiligten, das sie vor Eingriffen der öffentlichen Gewalt in den künstlerischen Bereich schützt. Aus Sinn und Zweck der Kunstfreiheitsgarantie ergibt sich zunächst für die staatliche Gewalt das Verbot, auf Methode, Inhalte und Tendenzen der künstlerischen Tätigkeit einzuwirken, insbesondere den künstlerischen Gestaltungsraum einzuengen oder allgemein verbindliche Regeln für diesen Schaffensprozeß vorzuschreiben. Die Verfassungsnorm erschöpft sich aber nicht in dieser negativen Bedeutung. Als objektive Wertentscheidung

stellt sich vielmehr der moderne Staat zugleich die Aufgabe, ein freiheitliches Kunstleben zu erhalten und zu fördern. Schon von daher wird klar, daß eine "Staatsfreiheit" der Kunst weder als absolutes Abstinenzgebot noch in allen Situationen als strikte Neutralitätspflicht des Staates aufzufassen ist. Dies gilt vor allem für Förderungsmaßnahmen.

Das Kulturverfassungsrecht der Bundesrepublik Deutschland erschließt sich aus vier Geltungsebenen: aus den Landesverfassungen, aus der Bundesverfassung, aus dem kommunalen Kulturverfassungsrecht und aus dem sich zunehmend verdichtenden Konturen des europäischen Kulturverfassungsrechts.

In der Bundesrepublik Deutschland, dem Bundesstaat, lebt das Kulturverfassungsrecht in besonderer Weise aus der aktiv erfüllten Kulturhoheit der Gliedstaaten, denen das Grundgesetz den Kulturbereich grundsätzlich überläßt (Artikel 30, 70 ff., 83 ff. GG).

Die schleswig-holsteinische Landesverfassung enthält hierzu auch ausdrücklich einen Artikel. Artikel 9 der Landesverfassung Schleswig-Holstein lautet:

"Förderung der Kultur

1. Das Land fördert und schützt Kunst und Wissenschaft, Forschung und Lehre.
2. Die Förderung der Kultur und der Erwachsenenbildung, insbesondere des Büchereiwesens und der Volkshochschulen, ist Aufgabe des Landes, der Gemeinden und Gemeindeverbände.

Nach der grundgesetzlichen Kompetenzverteilung hat die Bundesregierung keine General- und Grundsatzkompetenz in Sachen Kultur, ihr kommen nur einzeln aufgezählte Kompetenzen zu: vor allen Dingen in der Zuständigkeit des Bundes für auswärtige Kulturpolitik bzw. in der gesamtstaatlichen ("nationalen") Repräsentation.

Die Bundesrepublik Deutschland ist in Anspruch und Wirklichkeit ein Kulturstaat, nur ändert dies nichts an der beschriebenen Kompetenzverteilung und Zuordnung zwischen Bund, Ländern und Gemeinden in Sachen Kultur. Auch Bundeskompetenzen (etwa die zur auswärtigen Kulturpolitik) müssen in Rücksichtnahme auf die föderalistische Vielfalt ausgeübt werden. Da das Landes- und das Bundesverfassungsrecht erst gemeinsam den Staat Bundesrepublik Deutschland ausmachen, kann sich die Bundesrepublik im Ganzen mit dem Prädikat "Kulturstaat" schmücken, unabhängig von einer ausdrücklich geschriebenen Staatsziel-Bestimmung "Kultur".

Das kommunale Kulturverfassungsrecht wird durch Landes- und Bundesverfassungsrecht gemeinsam konstituiert. Das Grundgesetz enthält in Artikel 28 Abs. 2 ausdrücklich eine Art kommunales Kulturverfassungsrecht, denn hier werden die örtlichen Gemeinschaften als kulturelle Gemeinschaft vor Ort definiert. Die Länderverfassungen enthalten ausdrücklich kommunale Selbstverwaltungsgarantien. Im kulturellen Trägerpluralismus bilden die Kommunen eine dritte Säule, oder besser gesagt die eigentliche Basis der Kulturarbeit.

Das Verhältnis von Staat und Medien wird in der Verfassung definiert in Artikel 5 Abs. 1.:

"Jeder hat das Recht, seine Meinung in Wort, Schrift und Bild frei zu äußern und zu verbreiten und sich aus allgemein zugänglichen Quellen ungehindert zu unterrichten. Die Pressefreiheit und die Freiheit der Berichterstattung durch Rundfunk und Film werden gewährleistet. Eine Zensur findet nicht statt."

Der Rundfunk (Hörfunk und Fernsehen) gehört in gleicher Weise wie die Presse zu den unentbehrlichen Massenkommunikationsmitteln. Er ist ein ebenfalls entscheidender Faktor im Prozeß der öffentlichen Meinungs- und Willens-

bildung. Die institutionelle Freiheit ist deshalb für ihn ebenso wie für die Presse gewährleistet. Die Rundfunkfreiheit deckt nicht allein die Auswahl des dargebotenen Stoffes, sondern auch die Entscheidung über die Art und Weise der Darstellung einschließlich der Bestimmung über die Form einer Sendung. Erst wenn die Wahrnehmung der Rundfunkfreiheit mit anderen Rechtsgütern in Konflikt gerät, kann es unter Umständen zu Einschränkungen kommen. Die Regelung des Rundfunkwesens in den Ländergesetzen verwirklicht weitgehend die aus Artikel 5 entwickelten Grundsätze der Rundfunkfreiheit. Ein Monopol öffentlich-rechtlicher Rundfunkanstalten existiert nicht mehr. Mittlerweile hat es sich mehr und mehr durchgesetzt, daß rechtsfähige Gesellschaften des Privatrechtes Träger von Rundfunkanstalten sein können, wenn sie nach ihrer Organisationsform hinreichende Gewähr bietet, daß in ihr die gesellschaftlich relevanten Kräfte zu Wort kommen und die Freiheit der Berichterstattung unangetastet bleibt. Artikel 5 schützt auch den Film als Medium der Nachrichten und Meinungsverbreitung. Der Bereich der geschützten Tätigkeiten entspricht insoweit demjenigen der Presse. Soweit der Film Ausdrucksmittel und Erzeugnis der Kunst ist, steht er unter dem Schutz des Kunstfreiheitsparagrafen.

II. Beantwortung der Fragen

1. Wie ist das Verhältnis des Staates im Feld der Kultur, eingeschlossen die Massenmedien, zum kommerziellen Markt (Buch, Film, Fernsehen und Radio etc.) gestaltet
 - a) in der Gesetzgebung und
 - b) im Unterstützungssystem?Ist hier ein Wandel erkennbar, sind hier kürzlich neue Entwicklungen entstanden oder in der Diskussion?

Die Verpflichtungen des Staates zum Schutz und zur Förderung von Kunst und Kultur (und deren Freiheit) (s.o.) ist der verfassungsmäßige Ausgang staatlichen Handelns. Im Rahmen dieser Verpflichtungen kooperiert der Staat auch mit der Wirtschaft in den Feldern der Kultur.

- a) Rundfunk: Der Staat ermöglichte in den 80er Jahren die Zulassung privater Rundfunkanstalten. Die privaten Rundfunkanstalten unterliegen der gesellschaftlichen Kontrolle, jedes Land hat eine Landesrundfunkanstalt gebildet, die in öffentlich-rechtlicher Struktur auch die privaten Rundfunkanbieter kontrolliert und die Verhandlungen über Frequenzen führt. Das private Rundfunksystem finanziert sich nicht durch staatliche Zuschüsse, auch nicht durch eigene Gebührenerhebungen, sondern bisher einzig und allein durch Werbeeinnahmen. Im Unterschied dazu erheben die öffentlich-rechtlichen Anstalten Gebühren zur teilweisen Deckung ihres Finanzbedarfes. Die privaten Rundfunkanstalten treten nicht selten als Sponsoren für kulturelle Projekte in Erscheinung.

- b) Film: Es gibt in Deutschland keine staatliche Filmproduktion. Allerdings gibt es eine staatliche Filmförderung sowohl durch die Bundesregierung als auch durch die Länder. Der Bund und die Länder haben eine öffentlich-rechtliche Anstalt gebildet, die Filmförderungsanstalt, die weitestgehend die Filmförderung abwickelt. Die Filmförderungsanstalt finanziert sich über die Filmabgabe, eine Gebühr, die von den Film- und Videovermarktern erhoben wird. Die Filmförderungsanstalt unterstützt sowohl die Produktion als auch die Distribution von Filmen. Sie gewährt auch Investitions- und Betriebskostenhilfen für das Abspielen. Daneben haben sich mehr und mehr spezifische Länderfilmförderungen in allen Feldern ent-

wickelt, die Filmförderungen der Länder speisen sich aus den Kulturretats der Länder.

- c) Buchmarkt: Der Staat selbst betreibt keine Buch- und Literaturproduktion, dies geschieht in Deutschland durch die Buchverlage. In Deutschland gibt es eine Buchpreisbindung als Besonderheit gegenüber anderen Märkten. Darüber hinaus stützt der Staat die Buchproduktion, Literaturproduktion, indem er dem Buchhandel nur einen ermäßigten Umsatzsteuersatz von 7 % aufbürdet, gegenüber 14 % der normalen Märkte.
- d) Bildende Kunst: Die Kunstproduktion vollzieht sich grundsätzlich nicht im staatlichen Auftrag. Durch Subventionen und Ermäßigung des Umsatzsteuersatzes auf 7 % fördert der Staat allerdings die Kunstproduktion. Eine Art "Solidarpakt mit den Künstlern" ist die in Deutschland allgemein verbreitete Regelung von "Kunst am Bau"/"Kunst im öffentlichen Raum". Wenn staatliche Institutionen bauen, erklären sie sich bereit, einen gewissen Prozentsatz der Bausumme (max. bis 2 %) für Kunstproduktionen zur Verfügung zu stellen. Diese Regelung gilt für alle Ebenen des staatlichen Handelns.
- e) Theater und Musik: Die Bundesrepublik Deutschland ist flächenmäßig versorgt mit Opernhäusern, Theatern und Orchestern. Diese überaus kostenträchtigen Einrichtungen werden sämtlich durch den Staat finanziert, wobei in der Regel eine kommunalen Trägerschaft existiert. Häufig gibt es jedoch auch die Trägerschaft durch das jeweilige Land. Auch der Bund beteiligt sich bei der institutionellen Förderung einiger Orchester. Daneben gibt es noch ein freies, d.h. nicht öffentliches Theater- und Orchesterleben. Auch hier beteiligt sich der Staat in einem Prozentsatz an der Existenzhaltung.

- f) Museen: Die Bundesrepublik Deutschland ist flächenmäßig versorgt mit Museen in allen möglichen Bereichen. Die meisten großen Museen haben eine öffentliche, staatliche Trägerschaft. Die öffentlichen Einrichtungen haben entscheidende Funktionen zur Präsentation auch der aktuellen zeitgenössischen Kunst. Durch die öffentlich renommierten und öffentlich getragenen Kunsteinrichtungen investiert der Staat indirekt in seine Künstlerschaft. Die Museumspräsentation letztlich entwickelt die künstlerische Produktion.
- g) Künstlerische Ausbildung: Die künstlerische Ausbildung in der Bundesrepublik Deutschland ist weitestgehend eine staatliche Aufgabe. Jedes Land trägt verschiedene Einrichtungen der künstlerischen Ausbildung: Musikhochschulen oder Kunsthochschulen. Das heißt, in der Bundesrepublik Deutschland gibt es in der Mehrzahl staatlich ausgebildete und damit anerkannte Künstlerberufe.
- h) Weiterbildung: In der Bundesrepublik Deutschland gibt es flächendeckend ein Netz öffentlicher Weiterbildungseinrichtungen. Überall gibt es Volkshochschulen in staatlicher Trägerschaft. Daneben entwickelt sich allerdings immer stärker auch ein privates Weiterbildungsnetz für alle möglichen Bereiche.
2. Wie ist das Verhältnis des Staates zu den kommunalen und regionalen Autoritäten im Bereich der Gesetzgebung, der Meinungsbildung und Beratung, der Unterstützungen. Welche Entwicklungen zeichnen sich hier ab?

Das Verhältnis zwischen Bund, Länder und Gemeinden ist in Form des kooperativen Föderalismus in Deutschland geregelt (s.o.). In der Gesetzgebung gibt der Bund die Rahmenbedingungen vor. Alle Ausführungsgesetze obliegen der Länderebene. Die Kommunen sind in den meisten Fällen

die Träger der kulturellen Einrichtungen. Es gibt ein unterschiedlich organisiertes Informationsnetz zwischen diesen verschiedenen Ebenen.

Am Grundsatz des kooperativen Föderalismus wird sich in Zukunft nichts ändern. Die jeweiligen Ebenen legen die Ausgaben für Kultur im Rahmen ihrer Budgethoheit auch selbständig fest.

3. Sind die staatlichen Unterstützungen allgemein oder für spezifische Vorhaben im Bereich der Kultur und der kulturellen Institution? Haben die Gemeinden das Recht der eigenen Steuererhebung und wie wichtig ist dieses Recht?

a) Bund, Länder und Gemeinden regeln die Verteilung der für Kultur zur Verfügung stehenden Mittel nach eigenem Gutdünken. Es gibt Rahmenbedingungen durch den Staat (z.B. Hochschulrahmenbedingungen, steuerliche Gegebenheiten). Die Länder stimmen ihre Kulturpolitik ab in der dafür eingerichteten Kultusministerkonferenz. Die Kommunen haben ebenfalls ihre eigenen Kooperationsinstitutionen.

b) Die Kommunen haben auch das Recht auf Steuereinnahmen (sog. Bagatellsteuern). Die gewichtigste Einnahme eigener Steuern ist die Einnahme der Gewerbesteuer. Deshalb gibt es einen Wettbewerb zwischen den Kommunen und Gebietskörperschaften im Bereich der Gewerbeansiedlung. Die großen Bereiche des Budgets allerdings werden durch steuerliche Zuweisungen durch Bund und Länder an die Kommunen gegeben.

Zahlen zum Verhältnis von Bund, Länder und Gemeinden s. im Anhang.

4. Was sind die organisatorischen Instrumente des Staates um Kulturpolitik zu formulieren und zu implantieren. Welche Aufgaben bleiben in den Ministerien und welche

Aufgaben werden Kulturräten überwiesen? Gibt es hier Veränderungen?

Bund, Länder und Gemeinden vergeben Mittel im Bereich der Kultur in eigener Verantwortung. Hierzu schaffen sie sich spezifische Instrumentarien und eigene Beratungsinstitutionen. Der Staat hat auf allen Ebenen differenzierte Kulturverwaltungssysteme ausgeprägt. Der Staat hat in Deutschland keine Tradition in der Überweisung der Rechte der Kulturförderung an Kulturräte (anders als in Großbritannien oder Schweden). Wohl bemüht sich der Staat auch auf allen Ebenen mit den unterschiedlichen Lobbygruppen und in enger Abstimmung mit den Interessenvertretungen der Betroffenen politische Vorgaben zu machen und politische Entscheidungen zu treffen. Die meisten größeren Vorhaben werden auch in spezifischen Beratungsgremien erörtert und vorentschieden. In Deutschland gibt es allerdings nahezu nirgendwo eine Delegation der Entscheidungsrechte an Kulturräte.

Am eingespielten System der Kulturverwaltung wird sich aller Voraussicht nach auch nichts grundlegend ändern, abgesehen davon, daß innerhalb der Verwaltung sich voraussichtlich enorme Veränderungen vollziehen werden. Es ist auch abzusehen, daß zunehmend Formen privater Eigenbetriebe im Bereich der Kultur zum Tragen kommen. Es wird viel diskutiert über neue Trägermodelle im Bereich von Theater und Oper, letztlich auch im Bereich der Museen. Hier gibt es mittlerweile auch erste und einschlägige Erfahrungen.

5. Internationaler Austausch und Einfluß erhält eine wachsende Rolle im kulturellen Feld unserer Länder, wie sehen Sie die Effekte?

Internationaler Austausch und Einfluß wächst zunehmend, nicht zuletzt auch durch die Internationalisierung der Bildwelten über die elektronischen Medien. Internatio-

nale Kooperation im Bereich der Kultur ist notwendig, ist fruchtbar, ist gewollt, ist zukunftsweisend. Wichtig hierbei ist, daß sich die kooperierenden Einheiten auf der Grundlage wirklicher Partnerschaft begegnen. Eine überbordende Dominanz des einen über den anderen auf der Grundlage unterschiedlicher materieller Situationen könnte verheerend wirken und als Bestrebung kultureller Hegemonie angesehen werden. Echte Partnerschaft heißt, daß weniger gut ausgestattete Einheiten von denen Hilfe erhalten, die besser ausgestattet sind. Partnerschaft kann und muß nicht heißen, daß es sich hierbei immer um regionale Quotierungen handelt. Projekte sind nicht deshalb sinnvoll, weil numerisch die verschiedenen Regionen immer gleich vertreten sind.

Kooperation soll auch heißen, daß Fremdheit und Nähe, Wiedererkennbarkeit und Andersartigkeit eine Chance hat, sich zu präsentieren. Kooperation soll nicht heißen, daß hier nur Projekte verwirklicht werden, die einem "internationalen Stil" huldigen. Kooperation soll auch die Chance bieten, Entdeckungen der Andersartigkeit zu machen.

Kooperation darf sich nicht auf die scheinbar leichter zu konsumierenden Bilderwelten und Musikwelten beschränken, auch diese Welten entstehen vor dem Hintergrund spezifischer nationaler Sprachlichkeiten. Es ist notwendig auch die Vielfalt der unterschiedlichen Kultursprachen der kooperierenden Räume mit ins Kalkül zu ziehen und diese Unterschiedlichkeit auch herauszuarbeiten. Verheerend wäre auch die Nivellierung des kulturellen Niveaus auf internationale Anglizismen. Das internationale englische Sprachniveau befindet sich in der Regel auf einem relativ niedrigen Niveau und spiegelt überhaupt nicht die differenzierten Ausdrucksmöglichkeiten der jeweiligen Nationalsprachen wieder.

The situation in
SWEDEN

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1 State intervention in the commercial market and Radio and Television

Commercial market

First of all a distinction must be made between interventions in the market for books, press, film, phonogram and video on the one hand and television and radio on the other.

During the latter part of the 1970s and in the 1980s subsidy schemes were devised for literature, cultural periodicals and sound recordings, i.e., areas where production had previously been left entirely to market forces. This type of subsidy had previously been allocated within the film industry, but nowhere else. There has been time to evaluate and extend these schemes, and there is a highly developed pattern of subsidies in all these sectors.

Film

A background of dwindling cinema audiences from the mid-fifties obliged the state to take effective measures to change market structures. The 1963 film agreement was made, and it has since been extended to embrace the increasingly significant media of television and videograms. From the mid-1970s, direct state subsidies have also been allocated, the real value of which has multiplied many times over. The actual agreement between the State, the film and video industry, Swedish Television and Nordic Television is from 1993 and generates 190 million kronor per annum. Film shows at the cinema are exempted from VAT and instead cinemas pay 10% of their income to the Film Institute. The State pays 62 million kronor under the agreement and 61 million kronor in addition to the agreement to film cultural activities.

Literature

The situation on the Swedish book market with rising book prices and apprehension as to the effect of abolishing retail price maintenance on books (which happened in 1970) led the government to set up an investigation in 1968 which resulted in the system of book subsidies we have today. Unlike many other state subsidies, which are general in form and are allocated in accordance with comparatively vague guidelines, literary subsidies are granted for the publication of specific books in accordance with special selection procedures and calculations.

Today, the government distributes 50 million kronor in grants to assist the production and distribution of literature. That is a small amount in a market with a sales turn-over of 3 billion kronor (1993, excluding VAT).

Several suggestions have been made from time to time with a view to tightening the guidelines for allocating literature grants, but they have always been rejected – one reason being that to accept them would involve much larger allocations.

Current subsidies are aimed at supporting the publication of high quality products.

The subsidies are allocated through the help of a number of expert groups in the National Council for Cultural Affairs.

Press

The level of state subsidies is 0.4 billion kronor, a sum which should be seen in the context of private expenditure on the purchase of newspapers and magazines amounting to 6.7 billion kronor in 1992. The intention is to ensure that daily newspapers representing several different political attitudes can be maintained in all parts of the country.

The type of press subsidy which is relevant to cultural policies affects only a small subsection, namely cultural periodicals. The subsidy is 19 million kronor, but important for each of the more than 200 periodicals receiving a subsidy.

Phonogram

The latest sector in which the state has intervened is that of recordings.

As in the case of literature subsidies, the sums allocated by the state are comparatively small, amounting to a total of 6 million kronor (1993/94) in a market where private expenditure in 1992 was as much as 2.2 billion kronor.

Video

In the video market there are no subsidies, but the most important decision affecting the video market is that the film agreement involves a levy on the hiring of pre-recorded video-cassettes. Income from this levy goes to the Swedish Film Institute.

General remarks

As in most countries, stress is placed on subsidies for producing the goods rather than for promotion and distribution. Subsidies usually go to a particular product, as distinct from other areas of culture where they go to the producers, the cultural institution, the independent group or the association concerned.

All types of trade subsidies are from time to time brought up for discussion and also reviewed in studies by governmental committees and other bodies. The press subsidy is just now being studied by a committee giving special consideration to possible changes in the VAT system because of the rules in the European Union. The press is now exempted from VAT. Other types of subsidies than the press subsidy are small in relation to the market and have until now been considered well designed to satisfy the goals set up.

A Parliamentary Committee set up in 1993 to evaluate the basic Cultural Political decision taken in 1974 will also look into the trade subsidies to see if changes are necessary. The Committee will present its proposals in 1995. The aim is to get a decision by Parliament in 1996 to come into effect from January 1997.

Television and Radio

The area of Television and Radio is regulated by laws and agreements.

The public service companies in the field of radio and television are organised in three different companies: Swedish Television, Swedish Radio and Swedish Educational Radio. The companies are responsible for production of programmes and also for what is broadcasted. Each company has its own regional organisation. There are two television channels and four sound radio channels.

A third, commercial, terrestrial distributed television channel (Nordic Television/ TV4) started broadcasting in late 1991. Two more ad-supported TV channels targeting the Swedish audience are distributed by satellite.

During 1993 private commercial radio was introduced.

The public broadcasting companies are financed through licence fees, the level of which are decided by Parliament. Sponsoring of limited scope is permitted in the public service companies, but not advertising.

The observance of agreements between the State and the different companies is controlled by two different state authorities, that have been reorganised from July 1st this year.

The media policy has changed a lot in recent years because of both the technical development giving room for more channels and the liberal-conservative government's intention to open up more means of communication.

The above mentioned Cultural Committee has the task of studying the relation between the traditional field of culture and the media. The National Council for Cultural Affairs has underlined in a communication to the Committee the lack of preparation of media decisions by an authority outside the Ministry, which is the common model for most fields of society in Swe-

den, a model explained in the answer to question 4. The media have such huge importance for every inhabitant that it should – according to the Council – be natural to have decisions well prepared, specially considering the interaction between the cultural and the media fields.

2 The influence of the State on cultural activities at the municipal/local and regional level

Four means by which the intentions of the state cultural policy objectives can be translated into action can be distinguished, namely establishing norms, opinion forming, organisational solutions and money.

- *The establishments of norms* is expressed either in legislation by parliament or in declarations of principle from government, approved by parliament; cultural policy objectives, for instance.

Legislation by parliament has the greatest effect on norm building, but is seldom used within cultural policies, with the exception of the field of broadcasting. Legislation is found primarily within the field of preservation of cultural heritage. Legislation on freedom of the press and copyright as well as tax legislation are also of fundamental significance to cultural life.

But both government and parliament have until now repeatedly rejected suggestions of legislation as a general means of guidance in cultural policy. The Parliamentary Cultural Committee is presently considering the idea again.

- *Opinion forming* also includes the spread of information and knowledge. Impulses and ideas stemming from government play a large part, not least when new ideas are introduced and when the state does not have more than limited direct means of guidance at its disposal. An example of this is a campaign to promote culture in schools.

The spread of information and knowledge is an important task of central authorities. Several authorities and cultural institutions bring out information and publications. The National Council for Cultural Affairs publishes information on cultural policies within its area of responsibility and on its decisions and standpoints. It publishes studies and publications of different types. Printed information is complemented by conferences and seminars. Statistics is another form of information.

- Division of responsibility is expressed in *organisational solutions* that have a guiding effect. Organisational structure can also be seen as an aid to making other means of guidance effective. See the answer to question 4.

- The most important means at the disposal of national cultural policy is *money*. See answer to question 3.

One of the basic tasks of the Parliamentary Cultural Committee is to consider if the means of guidance used by the state are functioning well in a situation characterised by economic restrictions, especially for the municipalities. The question is if a minimum standard – upheld until now – can be kept. That means that every means of guidance must be studied, as well as the interplay between the different means. The use of goals and their follow-up will be a key question. 8 general goals decided in 1974 have been important but the question is how they have been used on each level in the cultural planning system. A (three) four-year planning of the state budget has just been tried once but the methods must be developed. This is a field where an international exchange of experience can be very useful.

3 State subsidies at local and regional level and municipal funding

State subsidies

The most important change concerning government grants in the 1974 cultural policy act was the introduction of a *basic grant-related subsidy* for staff costs in regional and local institutions set up and developed as a result of decisions made by local authorities. With just one exception, the basic grant is worked out from the average staff costs in a given type of institution, and the state subsidy is normally 55 per cent of the basic grant.

The basic grant system was first introduced in the spheres of theatre, dance and music (1974). In 1977, similar grants were awarded to regional museums and in 1979 to county libraries.

The duties of the government, parliament and the National Council for Cultural Affairs in allocating the basic grants are as follows:

- Every year, in response to proposals from the government, parliament decides the size of subsidies and the number of basic grants to the various types of institution.
- In accordance with the parliamentary resolution, the government draws up rules to govern the distribution of monies. The National Council for Cultural Affairs may draw up supplementary regulations.
- The government decides which institutions are eligible for subsidies within each category and every year establishes the size of the basic grants in the various areas.
- The National Council for Cultural Affairs distributes the basic grants among the institutions entitled to receive them, in response to applications received.
- Supervision of the grants system by the National Council for Cultural Affairs is general in nature and does not involve checking the details.

In 1994/95 the total cost for the State for these local and regional institutions is 494 million kronor.

In addition hereto a lump-sum grant to music in the regions is settled by negotiation between the State and the County Councils. This grant amounts to 233 million kronor in 1994/95.

There is a general trend that the State decentralises decision making to municipalities with the intention of giving them more freedom to make priorities in a situation when their resources are decreasing or not increasing enough to satisfy the needs. With that background Parliament decided in 1992 to merge the subsidies to schools and social affairs etc. in a big lump sum subsidy to each municipality, calculated on some general principles, considering the structure of the population, distance etc.

In the proposal from the Committee that prepared the reform, the above mentioned basic grants were proposed to be included, which meant that they should disappear. Government and Parliament did not follow this proposal. For several reasons the basic grant system was kept. The subsidies do not go to all municipalities and not directly to municipalities but to the institutions. In the field of education and social affairs there are laws and other centrally decided documents such as curricula. In the field of culture an important way of realising a national cultural policy was to keep the subsidies and the rules linked to them. It is the task of the Parliamentary Cultural Committee to study the existing subsidy system as one of the most important means of guidance.

Ideals in the field of policy can sometimes change rapidly. There has until now been agreement between all the political parties about the "lump sum subsidy" reform. The Social Democratic opposition, however, recently presented a changed model involving the introduc-

tion of sector subsidies with special conditions, just to make it more easy for Parliament to influence development in the municipalities.

Municipal expenditure

Municipalities have extensive powers of self-determination based on their independent powers of taxation and the considerable resources they thus yield. Out of the total public consumption and investment the local authorities spend three times more than the state. The income of the municipalities comes from

- income taxes decided by each municipality within a maximum level decided by the Parliament,
- state subsidies with the aim of achieving an equal standard,
- income from enterprises owned by the municipalities.

No legal provisions govern the 286 municipalities with regard to the cultural sector. Local authorities act independently according to their own political decisions. In practice, all local authorities are involved in the whole cultural sector, public libraries being the most widespread activity.

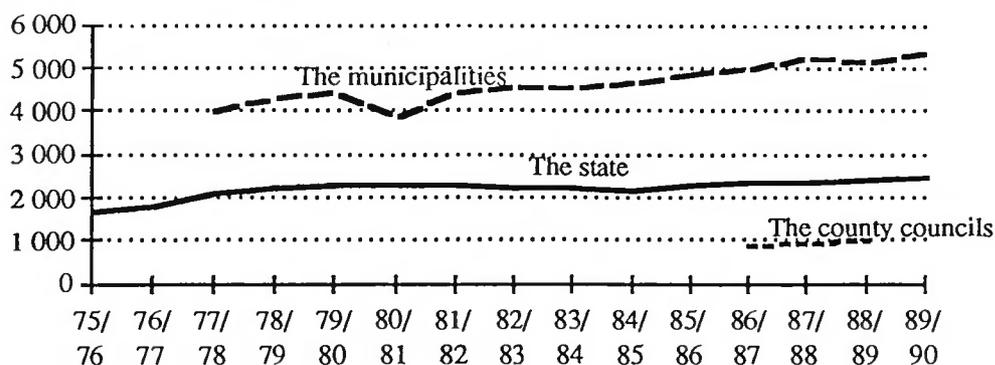
Each municipality and county council decides on its level of aspiration itself. This entails a great deal of responsibility and considerable risk. The level of cultural input has come to vary a great deal between individual local authorities, whose size ranges from less than 10,000 inhabitants to the major cities with between 237 000 to 684 000 inhabitants.

The basic 1974 government resolution calls *municipality responsibility* for the support of cultural activities "one of the foundations of public cultural policy measures. A great many needs are best appraised at local level. It is natural for local authorities to regard measures in the cultural sector as an effective means of creating a better environment."

The *county councils* are responsible for certain tasks for which a municipality is too small an area. This applies above all to theatres, orchestras, museums and libraries. County councils have increased their efforts in the cultural sector. At county level, there are also state agencies known as County Government Boards. They are responsible for heritage protection and also provide general support to cultural development projects.

Development of total cultural expenditure

Public cultural expenditure during the decade 1979/80-1989/90, in million kroner in 1990 monetary value



Source: SCB and National Council for Cultural affairs

During the 1970s the cultural expenditure of the state, municipalities and regions increased considerably in line with the 1974 decision. In the 1980s there was also an increase but at a much slower speed. The municipal expenditure increased by about 20% during the decade. The 1990s have seen a halt in the increase of municipal expenditure and in many municipalities it is a question of reducing the cultural budget as a result of diminishing tax income and the prohibition to increase taxes in combination with automatically increased expenditure for e.g. old age care. The state has largely managed to keep the level of its cultural budget, including the subsidies to the cultural institutions.

Total public spending on culture amounted to 8.5 billion kronor in 1989 or 994 kronor per head of population. This figure includes both central and local authorities.

Out of the total state expenditure, culture represented 0.67 per cent in 1982/83 and 0.71 per cent in 1991/92. The sum was 1.9 billion kronor in 1982/83 and 3.4 billion kronor in 1991/92. See the following table.

State cultural and media expenditure. In billions of Swedish kronor

	Current money value		Fixed money value (91=100)	
	1982/83	1991/92	1982/83	1991/92
Culture	1.4	2.5	2.6	2.5
Mass media	0.5	0.9	0.9	0.9
Culture and mass media	1.9	3.4	3.5	3.4*)
Total state expenditure	277.9	478.5		
Percentage culture and media	0.67	0.71		

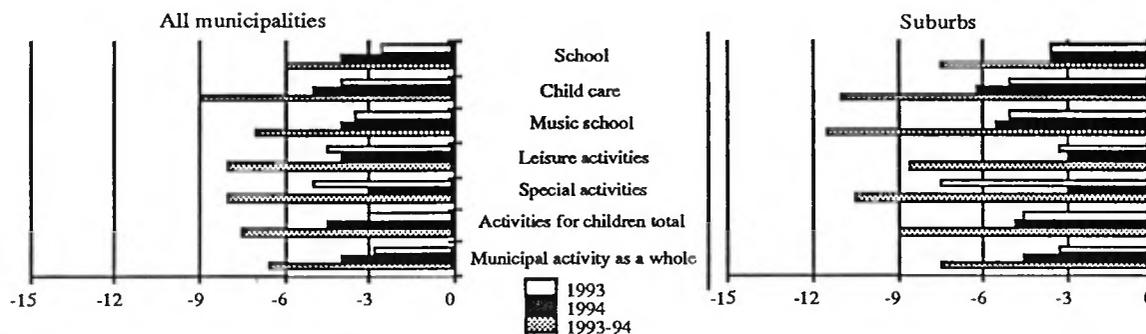
*) Preliminary figure

Source: Government budget outcome, National Audit Bureau

In 1975/76 the proportion of cultural expenditure between state, counties and municipalities was 46%, 4% and 50%. In 1989 this proportion had changed to 38 %, 8 % and 54 %. The municipalities have increased their efforts considerably, which is very satisfactory. At the same time it is serious that at least some municipalities are now compelled to decrease their expenditure for cultural purposes. This is combined with extensive changes in the political organisation, meaning a decrease of the number of politicians involved in decision making.

Current statistics on the effects of municipal cutbacks for children and youth show that in 1994 there were cutbacks of about 4%. The cutting affects different fields and types of municipality as is shown in the following diagrams.

Cuts in cultural support to children in municipal budgets 1993-94



Source: National Board of Health and Welfare: (Children's lives in times of change)

4 State bodies responsible for formulating and implementing cultural policy

Parliament and Government

An important feature of the Swedish system is a separation of policy making and implementation. Ministries are concerned with policy making and financial allocations; implementation is the responsibility of separate agencies with boards of their own.

Parliament, acting in response to government proposals, makes decisions concerning objectives, the organisational principle of state cultural agencies, and allocations of money for cultural purposes. Parliament has a special Standing Committee on Cultural Affairs to draft measures relating to culture and the mass media.

The government decisions are taken collectively, with the Minister of Culture acting as Rapporteur for cultural matters. Although the Minister does not formally make decisions herself, in practice she exerts very great influence as head of the Ministry of Culture. She is the main representative of the government in cultural policy matters. The Prime Minister plays the role of co-ordinator.

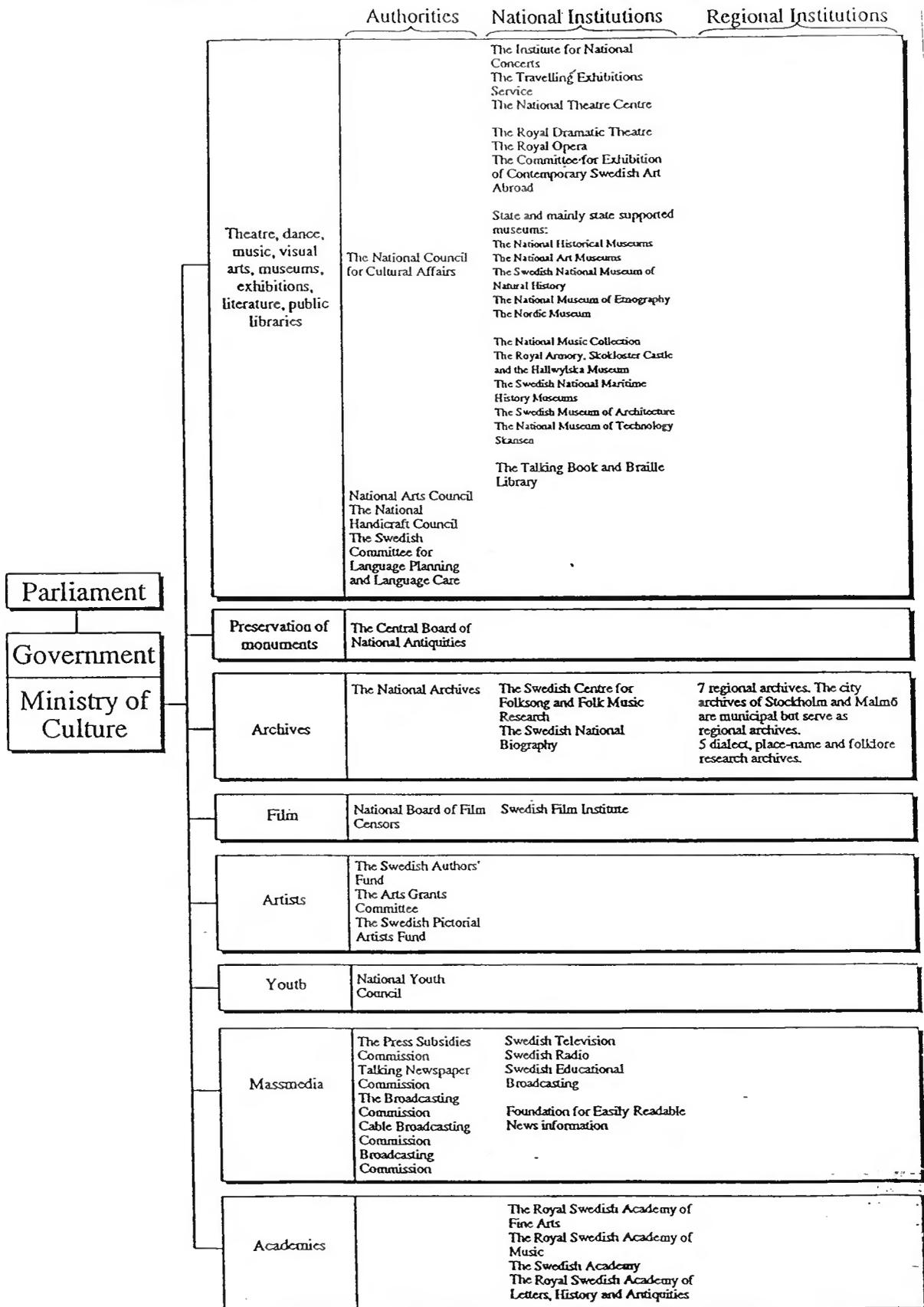
Decisions concerning budgets of state cultural institutions and various allocations to regional and local cultural institutions and for other cultural purposes are made by government and parliament. Regulations on grants are laid down by the government.

Within the Ministry, cultural policy matters are the responsibility of two departments: The Department of Mass Media Policy is in charge of broadcasting, film, publishing and the press; The Department of Cultural Affairs deals with museums, theatres, dance, music, visual arts, public libraries, grants to artists archives and the preservation of cultural heritage.

Central administrative bodies

At the national level there are three main bodies. The implementation of cultural policy is handled mainly by the National Council for Cultural Affairs and, in their respective fields, by the Central Board of National Antiquities and the National Archives Board. For more detailed information about the state cultural administration and its relation to state cultural institutions see the following figure.

Figure 1 The State Cultural Administration in Sweden 1993



The Swedish National Council for Cultural affairs was founded in 1974. The work of the Council covers both the distribution of financial support and the provision of advice to the Ministry specially concerning the State budget, recently changed to a three year budget system. The Council's spheres of responsibility are theatre, dance, music, museums, exhibitions, handicraft, public libraries, literature, cultural magazines. Press, cinema, radio and television as well as support to individual artists is not a direct responsibility of the Council. However, the Council's jurisdiction covers the whole cultural sector; it pursues research and development projects and awards financial grants for specific activities.

One of the tasks of the Parliamentary Cultural Committee is to see if there is a need of change in the way of communicating between the different levels of the state administration. They also look into the role and organisation of the National Council for Cultural Affairs. In general there is no reason to believe that the basic idea of the division between the policy making level and the implementing body will be changed.

The Council of Europe examiners said in 1989 in their report about Swedish national cultural policy that "light control is a hallmark of the Swedish system of policy implementation at all levels. High public spending is combined with a small bureaucracy. There are few countries in western Europe which can match the Swedish grant giving system for its simplicity and a lack of strings of any kind." They recommended i.a. that the Council should "play a major development role and become this source of wild cards and inspirational elements which the present arrangement perhaps fail to provide".

A decision taken by Parliament in June adds a new organisation to the cultural administration. A foundation will be set up on July 1st with the aim of giving special support to new development initiatives. The foundation has a fund of 500 million kronor coming from the abolished wage-earner funds. The setting up of this foundation adds a new element to the central decision making structure. No preparatory studies of the consequences have been made in advance. Parliament assumes that the Parliamentary Cultural Committee will consider the consequences of the new fund.

5 International cultural exchange

A lively international cultural exchange has a long tradition in Sweden, but being a country with a small language creates problems for the exchange, specially in the fields of literature, theatre and film. Translation to and from Swedish is expensive. That obstacle does not exist for music, visual arts and dance. The geography of Sweden is another limiting factor, as well as its position in the outskirts of Europe.

A special State Committee has studied the field and recently presented a report. The above mentioned Parliamentary Committee is also considering the implications of the new European situation for cultural policy.

The single role of earmarked state money for international exchange should not be stressed too much. The basic Swedish principle in this field is that every institution and organisation takes the responsibility for its international contacts. We can expect an increased interest everywhere to participate. The municipalities are also showing increasing interest in international cultural co-operation.

There is, at present, a special demand for information on the cultural consequences of European Union. The National Council has produced an extensive report on the subject.

Among ideas currently discussed to broaden the cultural exchange is that Sweden should participate in the cultural satellite programme ARTE started through German-French co-operation.

In the first letter of invitation to this seminar a reference was made to a discussion during the Conference of the Ministers of Culture of the Baltic States on the need to remove obstacles restraining cultural exchange. The Government has commissioned the National Council for Cultural Affairs to undertake a study to see what needs to be done.

The main obstacle is according to the view of the Council – also confirmed in the report from the newly published report from the above mentioned State Committee – the lack of money. Another obstacle is an inbuilt tendency to direct exchanges towards a few big cultural metropolises: New York, Paris, London and Berlin. But of course there are also administrative and legal obstacles that must be analysed.

In the same letter of invitation a reference is made to the coming report from the World Commission for Culture and Development and the sub report undertaken by the Council of Europe. The Swedish authorities have the hope that these reports will present new arguments for increased cultural political efforts to the decision makers, not least in the field of international cultural exchange, including the very important exchange of experience in the field of cultural policy. This seminar will be a platform for an exchange of views of how this exchange in our region can be developed and maybe also broadened to include decision makers at the local level.

Note

For detailed information in English about different aspects of Swedish Cultural policy we refer to the two reports in the Council of Europe National Cultural Policy review series: *Swedish Cultural Policy, A national report*, Stockholm 1990, and *National Cultural Policy in Sweden, Report of a European Group of experts*, Stockholm 1990.

The reports are also available in German, French and Swedish.

The figures in the reports are not up to date but very much of the description and remarks are still valid.