



The Platform
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The Platform is published by AEA Consulting, a company that specialises in strategic and operational planning for the cultural sector. The Platform promotes discussion and understanding of the critical factors affecting cultural planning and the successful management of cultural organisations. Comments or contributions welcomed by Jeanne Bouhey, Editor, The Platform, platform@aeaconsulting.com. Back issues available at www.aeaconsulting.com. If you don't wish to receive The Platform again, then just send e-mail to this address saying 'Just not interested...' and you won't.

Editorial: Valuing Culture

Last month the National Gallery, the National Theatre, the think-tank Demos and AEA jointly hosted a one day seminar in London entitled *Valuing Culture*.

The purpose of the event was to stimulate a debate about the appropriate balance between instrumental arguments for the arts – economic impact, urban regeneration, social inclusion, personal development etc. – and arguments concerning intrinsic worth. The thesis was that the balance is a bit skewed at the moment and that without a better account of the 'intrinsic' arguments than the arts community or the public policy community can generally muster, we are in danger of misrepresenting why the arts are of value to society and therefore deserving of support. This is particularly true given the flimsy, and therefore ultimately vulnerable, empirical evidence for some of the more ambitious instrumental claims for investment in culture. This is not an 'either/or' issue, it's one of balance, and ultimately of integrity.

The standard of debate was extremely high, the views expressed were wide-ranging but considered, and the stakes were heightened by the presence and contributions throughout the discussion of the Secretary of State, Tessa Jowell, and her new Minister for the Arts, Estelle Morris. Both listened to and joined the discussion in reflective, appropriately undogmatic mode. The consensus was that there is indeed work to be done, both analytical and presentational, on the appropriate ways in which cultural organizations receiving public funds should be held accountable and for what they should be held accountable.

The occasion was funded by the Clore Duffield Foundation, the Jerwood Foundation and the Department of Culture, Media and Sport. The background note for the conference can be found at http://www.demos.co.uk/media/vacupr_page269.aspx and the proceedings will be published by Demos later in the year. All those involved in organising and funding the seminar believe the debate is an important one and would like to widen it.

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Conference Reviews:

Conference Reviews: Part 1

Arts & Minds: A Conference on Cultural Diplomacy amid Global Tensions
Presented by The Columbia National Arts Journalism Program (NAJP), the Center for Arts and Culture and Arts International
April 14-15, 2003
New York

When NAJP organised *Arts & Minds* to debate the role of cultural diplomacy in rehabilitating the image of the United States, they could not reasonably have foreseen just how tense things would get in the weekend before the conference.¹ No one could have predicted that as an august collection of diplomats, journalists, artists and scholars converged on New York, entirely different groups would descend on the museums and libraries of Baghdad, Mosul, and Kirkuk.

Even without the backdrop of these events, American cultural diplomacy would have faced much of the sharp criticism levelled against it by some *Arts & Minds* participants. As Frank Ninkovich pointed out in the first panel of the second day, “Cultural Diplomacy in Historical Perspective – From 19th Century World’s Fairs to the Cold War”: *plus ça change, plus c’est la même chose*. Ninkovich, a St. John’s University historian, reminded us that the term ‘Americanisation’ was coined at the 1867 Universal Exhibition in Paris to denote ‘technology without culture.’

This cavil neatly encapsulates Samer Shehata’s indictment of Radio Sawa in a panel entitled “Can Cultural Diplomacy Improve America’s Standing in the Islamic World?”. Radio Sawa, a much-touted American venture in the Middle East, programmes five to ten minutes of news into every hour of its pop music broadcast (alternating US top-40 and Arabic hits). This may be an impressive delivery of commercial radio, maintained Shehata, a member of Georgetown’s Arab Studies Program, but it is largely devoid of culture². Senior Radio Sawa consultant Bert Kleinman predictably disagreed with Shehata, arguing that such criticism misunderstands Radio Sawa’s audience (the under-30 set) and purpose, which he defined as “promoting discussion of US foreign policy by broadcasting the news fairly” and “trying to be what it is [that] people like about the US”.

To hear other panellists, the things people like about the US can seem thin on the ground these days. And not just in Muslim countries, but also in traditionally US-friendly European nations, as Andrew Kohut underscored in “America’s Global Image: Short-Term Branding or Long-Term Exchange?”. Kohut, director of the Pew Research Center for the People and the Press, opened the panel by citing recent poll data on the image of America abroad. In a poll completed in late 2002, 75% of United Kingdom citizens held a favourable image of the US. By late March 2003 the number had fallen to 48%. In Germany the slide went from 78% to 25%³.

¹ *Arts & Minds, A Conference on Cultural Diplomacy amid Global Tensions*, Columbia University, New York, 14-15 April 2003; organised by Columbia University’s National Arts Journalism Program (www.najp.org), the Center for Arts and Culture, Washington, DC (www.culturalpolicy.org), and Arts International (www.artsinternational.org).

² Shehata is not alone in this argument; see, for instance, Michael Dobbs, “U.S. is taking the battle for Arab support to the airwaves,” *Chicago Tribune*, 17 April 2003.

³ The 2002 poll comprised 44 countries and collected 38,000 responses; the 2003 poll was smaller in scale.



Still polls also revealed nuanced attitudes toward America, consisting of more than pure dissatisfaction. Much US cultural output remains popular, especially fashion, film, and music. Many *Arts & Minds* participants lamented the meagre federal resources in place to leverage this enduring appeal, especially since the 1999 dissolution of the United States Information Agency (USIA)⁴. When its activities were folded into the State Department, the USIA controlled a budget of \$1.019 billion and employed 6,352 people⁵. At present the State Department dedicates seven people to cultural affairs, with an annual budget of \$2 million.

In contrast, as we learned in the panel ‘The Cultural Diplomacy of Other Nations’, France employs 180 Cultural Attachés within the Ministry of Foreign Affairs, while Germany budgets approximately \$7 million annually for US-directed German cultural efforts alone⁶. In their discussion of the challenges facing American cultural diplomacy, however, the panellists, foreign diplomats and consular officers, did not focus on fiscal hurdles but instead drew from their own experiences to underscore a point raised throughout the conference: Cultural diplomacy works best when grounded in dialogue and exchange, rather than ‘branding’ or marketing, from whose principles American cultural diplomacy has borrowed heavily of late⁷.

Indeed, among the Americans at *Arts & Minds*, those who advocated most eloquently the importance of listening over selling were seasoned practitioners of cultural exchange, to whom the organisers wisely gave the last word. In the final panel, “Culture as a Tool of Statecraft: Case Studies”, they indicated that to divine the future direction of its cultural actions, the US need only look to its record in using less aggressive diplomatic techniques. Successful efforts shared several common denominators: freedom of planners to act on their own initiatives and react to developing opportunities, manageable (usually small) scale, reasonable timeline, leveraging of existing resources, and active dialogue between collaborative partners. A sample includes:

- Exhibition exchange programmes (including curators) between nine mid-sized French museums and nine of their American counterparts, undertaken by Felix Rohatyn, former US ambassador to France.
- Musical and cultural events facilitated in conjunction with the North Sea Jazz Festival by the former US ambassador to the Netherlands Cynthia Schneider, featuring US artists in collaboration with their European counterparts.

⁴ The USIA web site remains, however, preserved in amber at a federal depository library at the University of Illinois at Chicago (<http://dosfan.lib.uic.edu/usia>).

⁵ Of which: 904 foreign service personnel, 2,521 locally hired overseas foreign nationals, 2,927 US-based civil service personnel (<http://dosfan.lib.uic.edu/usia/usiahome/factshe.htm>).

⁶ For a cogent assessment of various countries’ cultural outlay, see Margaret J. Wyszomirski, Christopher Burgess, Catherine Peila, “International Cultural Relations: A Multi-Country Comparison,” *Cultural Diplomacy Research Series*, Arts International and Center for Arts and Culture, 2003.

⁷ On this phenomenon in general, and the October 2001 appointment of advertising executive Charlotte Beers as US Undersecretary of State for Public Diplomacy and Public Affairs in particular, see Richard Tomkins, “Brand of the free,” *Financial Times*, 19 October 2001 (<http://news.ft.com/ft/gx.cgi/ftc?pagename=View&c=Article&cid=FT3MLCVB0TC&live=true&useoverridetemplate=ZZZFKOXOA0C&tagid=ZZZLZDL1B0C&subheading=media,%20entertainment,%20%20sport>). Beers’ March 2003 resignation may provide opportunities for more productive strategies, such as those suggested by Robert Satloff: “Re-engage the World,” *Baltimore Sun*, 9 March 2003 (<http://www.washingtoninstitute.org/media/satloff/satloff030903.htm>).



- Far-flung exhibitions and forthright discussions of topical, high-quality US cultural output, such as David Denby's 1978 screening of *All the President's Men* in Cracow.

In addition to the tangible benefits of cultural exposure, small-scale efforts such as these provide perhaps even more important and intangible rewards in terms of collaboration and interaction. Personal, spontaneous relationships often produce the catalysts that allow seminar presentations, film discussions or concerts to transcend to true cultural exchange. The Fulbright Program perhaps best exemplifies the enormous possibilities of such interaction, and the success of America's future cultural diplomacy would be greatly enhanced by continued investment in such exchange-oriented programmes.

This is not to say that there is no room for bigger ventures, such as the wildly popular Cold War visits of American jazz legends like Louis Armstrong to Russia and other countries behind the Iron Curtain⁸. Fondness for these high-profile programmes needs to be tempered by an awareness of their function as propaganda (they were often funded by the CIA), but they nonetheless serve to illustrate an important point about the levels to which American cultural diplomacy is capable of pushing itself.

In sending African-American musicians to Communist countries during the 1950s and 1960s, the US conveyed strong messages regarding the diversity of its cultural heritage amidst the tumult of its own civil rights debate. Moreover, expending enormous resources in order to engage Cold War 'enemies' culturally indicated a high level of commitment to engendering positive attitudes toward the US in ostensibly sceptical audiences. If the US wishes to turn the current tide of anti-American sentiment, it needs to challenge itself in this way again, by engaging its dogged detractors in places like Muslim Africa, Afghanistan, and the Middle East in sustained, forthright dialogue that does not shy away from discussion of America's faults and idiosyncrasies as well as its strengths.

Arts & Minds demonstrated the array of US cultural resources that might be brought to bear on such discourse. Only by establishing opportunities for exchange and nurturing that exchange over the long term, however, is it likely that America can demonstrate that it can listen as well as be heard. As Richard Ford pointed out at the close of the conference, when people are free to represent and acknowledge their own personal values, there is much to hear and say.

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⁸ Compellingly described at *Arts & Minds* by Penny von Eschen, Associate Professor of History at the University of Michigan; see her forthcoming book *Satchmo Blows Up the World: Jazz, Race and Empire During the Cold War*, Harvard University Press, c. 2004.



Conference Reviews: Part 2

*The Financing and Managing of Culture in the US and in France:
New Synergies and Interdependencies Between Private and Public Sources of Support
March 6-7, 2003
Paris*

This symposium was organised by the French-American Foundation and the *Centre Français des Fondations* and hosted at the French Ministry of Finance in Paris. It attracted over 400 participants and panellists. On the American side, foundations and the corporate world were represented, as well as scholars and researchers, and arts managers. French speakers included an overwhelming number of senior civil servants, museum directors (the French performing arts appeared slightly under-represented), experts on tax and non-profit law, and political scientists. The importance of the topic to the French political agenda was marked by the delivery of the opening and closing remarks by a representative of the Ministry of Culture and by the Minister of the Budget Alain Lambert.

The symposium had been preceded by two study trips, one in the US and one in France, the purpose of which was to enable professionals from both countries to exchange information and ideas. The March symposium was also followed a couple of months later by a two-hour session in New York to disseminate the results of the conversation to a wider American audience.

The thesis under examination was that the stereotypes that have long characterised two seemingly antagonistic models – an American model based on private philanthropy and a French model based on central State funding – are evolving and progressively converging. At the heart of this evolution is an intensifying connection between private and public funding, and this in turn is affecting the management of cultural organisations.

This is a time of significant change for French cultural institutions. Museums in particular have been the centre of attention with a set of legislation that seeks to ensure that works of art acknowledged as national heritage remain on French soil, a new *Haut Conseil des Musées* that oversees the 1,200 certified “*musées de France*”, and fiscal measures destined to increase private support to museums’ acquisitions. The Ministry is now pushing forward another group of measures to encourage patronage and private giving, while the Ministry of the Interior is seeking to encourage the creation of private foundations and to modernize foundations law. The largest museums will also be devoted an increased managerial autonomy, and the *Réunion des Musées Nationaux*, currently in crisis, is being reformed.

Meanwhile, the cultural sector in the United States has experienced a 20-year period characterized by unprecedented programmatic growth, expansive construction and creative managerial as well as funding practices. It is now facing a particularly challenging context, since all sources of funding (government, foundations, corporations and individuals) are decreasing at the same time while increased fixed costs represent a continuing pressure.

In fact, at a time when the cold climate makes it a particularly difficult environment for American organisations, the French looking to the US may seem a paradoxical move. Why is the American model so attractive to the French? Is the French evolution appropriate and desirable?



Even as speakers described national specifics that are rooted in an intricate mix of historical, intellectual and social factors, a number of interesting parallels emerged. New philanthropic practices and players have emerged, playing an increasing role in the funding and shaping of culture – in France, associations and new forms of entities or collaborations at the level of local government (*communautés d'agglomération* and other forms of *intercommunalité*), as well as increasing intervention from the European Union; in the US, venture and 'new' philanthropists have brought new managerial practices to the nonprofit world, while the local dimension has gained in importance, with the proliferation of local arts agencies and the devolution of federal funds to state arts agencies.

It was fascinating to witness in both countries a certain awareness that cultural provision has traditionally been based upon supply more than demand and the ensuing series of questions with respect to the legitimacy of top-down cultural provision. And, more importantly, the necessary diversification of funding due to the limits and sometimes failure of traditional sources of support – whether the state in France, or old-type philanthropy and patrons in the United States (particularly exemplified by the current crisis that some symphonic orchestras are undergoing there.)

Seen from the French perspective, the assessment makes sense: comparisons between US and French philanthropy show striking differences that suggest untapped resources, as shown by the table below.

	US	France
<i>Note: in early July 2003, the \$ was around 0.88 to the €. It used to be around \$1 to the €.</i>		
Total charitable giving	€12 billion	€2.35 billion
Individual giving	160 billion	2 billion
Foundation giving	25 billion	?
Corporate giving	9.05 billion	0.35 billion
Households making gifts	Approx. 85%	23%
Average amount given	1,620	350
Number of foundations	61,000	2,000

Source: These figures were compiled by Francis Charhon for a presentation on May 5, 2003 in New York. They draw on a range of data including material provided by the French Ministry of Culture, Americans for the Arts, Giving USA, the Independent Sector and the Foundation Center.

In order to justify the measures to boost private giving, the Ministry of Culture stresses that private giving to social, artistic and environmental causes represents 2.1% of GDP in the US versus less than 0.1% in France.

This is perhaps where the comparison becomes dangerous. It is tempting to simplify and present one model as more advantageous than the other, depending upon the standpoint. The French may be baffled by the extent of American private generosity, but Americans are rightly envious of the



French support to artists and investment in cultural diplomacy – not to mention central government funding, which includes many more ministries than the sole Ministry of Culture. In reality, the French system is increasingly based, like its American counterpart, upon a mosaic of sources, and aggregate amounts matter as much as the share represented by individual sources of income. The French Ministry of Culture allocates nearly €2.5 billion to cultural affairs out of €6.2 billion from all the ministries combined⁹. Meanwhile, all levels of local governments together contribute almost twice as much as the Ministry of Culture – €4.1 billion from town, department and regional councils combined, out of a total of approximately €10.3 billion that fund cultural organisations, all sources of income considered¹⁰. We are thus far from an “all Ministry of Culture” state.

By comparison, the Foundation Center’s latest survey of Arts Funding¹¹ calculates the total revenue of non-profit arts and culture organisations at \$23.5 billion. Even though the comparison deserves to be refined, this bodes well to French culture if compared to the total number of arts organisations and total population that live in the United States – and supposedly benefit from the cultural provision available.

This was a vital and sophisticated gathering, refreshing for all participants thanks to the juxtaposition of the two realities. The themes explored revolved around financial health and the endless quest for the adequate mix of funding – although earned income was conspicuously absent from French considerations, at least in this specific setting. After all, American arts organisations have to generate 50% of their revenue through earnings¹², which is the other side of the coin. American endowments, which are unknown to French organisations, would probably have deserved a larger space, too. The significant contribution that American volunteers represent, although difficult to quantify, was also left aside, although this figure is also helpful to understand the ‘wealth’, in the largest sense of the word, of American organisations. The Independent Sector’s survey of *Giving and Volunteering in the US* evaluates that volunteers in the non-profit sector represented 5.7 million full-time equivalent in 1999, while arts, culture and humanities represented 5.2% in the distribution of volunteer assignments in 1998 – something like 300,000 full-time equivalent jobs.

Some of the issues that did come under scrutiny – and the agenda was full already – included notions and mechanisms of governance, accountability, evaluation, innovation and risk taking – both artistic and managerial. The cold climate in the US and the challenges that it poses, especially to the smaller and mid-size organisations, offered a new and somewhat tempered perspective on a system characterized by a supply-side approach to culture where paradoxically, there is no identifiable mechanism to manage an essentially Darwinian process. In other words, while the American financing and managing of culture is creative and flexible, it is also subject to the same boom and bust, and commensurate waste, that is a feature of the American economy more generally.

⁹ *Effort Culturel de l’Etat*, appendix to the 2003 Budget. Quoted by Jean-François Chougnat at the symposium.

¹⁰ These figures were quoted by Mr. Chougnat in his presentation. The latest figures for local governments spending are from 1996 and they are available on the website of the Ministry of Culture www.culture.gouv.fr

¹¹ *Arts Funding IV* http://www.fdncenter.org/research/trends_analysis/pdf/03arthl.pdf

¹² Per *Arts Funding IV*



The issues discussed underscore elementary and wider issues. Who between the citizens and the government is better in charge of the public interest? Where does the definition of public benefit lie? What is a desirable level of responsibility for philanthropy and ‘civil society’ in social and cultural affairs?

In the end, what I found most striking (as a French national working with cultural organisations in the United States and France) was that despite old historic ties, an ongoing dialogue, and a relatively close familiarity with each other’s system, there were still significant misunderstandings. Some traditional practices appeared mostly as perplexing peculiarities, such as the presence of a number of French government representatives on the board of cultural organisations. For the readers who are also shocked by this apparent conflict of interest, the French response was that these representatives often do not attend the board meetings, and when they do, they do not exercise any specific mandate or effective power.

Some concepts that are essential to the understanding of cultural organisations are difficult to translate in French. Stewardship is one such concept *par excellence*, which conveys the idea that museums in particular – but the analogy could be extended to other cultural organisations – responsibly manage the works of art placed under their supervision in the name of past, current and future generations, the nation, or even humanity¹³. Even words that translate easily sometimes have different assumptions underlying them, such as philanthropy – for the American audience, this is an extremely positive social mechanism, while some French participants tend to see it in the same pejorative light as “*charité*”, something you bestow on people without their consent and that primarily puts your conscience at rest. Even the notion of governance covers two realities so different that I doubt listeners put the same meaning behind the word, American boards bearing much more flexibility and responsibility in the decisions that affect a cultural organisation than their French equivalents. Last but not least, diversity and its connection to race and ethnicity is another fraught issue. How best to ensure inclusive participation in the arts, both by audiences and artists? While American practice suggests that organisations with distinct programming focused on minorities is a desirable development, and that a diverse staff is more likely to programme diverse artists and cater to minority audiences, the French prefer to consider society in its entirety, refusing to reflect a segmented society by segmented artistic programming.

This was a constructive first meeting where each model focused on presenting itself and learning from each other. It certainly deserves a longer discussion in order to refine the comparison. Are American organisations richer in the end? What are the ties that go with affluence? How does wealth get repartitioned among individual organisations? How does it translate into access to audiences and quality of programming? How well does the whole arts ecology work? It leaves one hoping that the conversation will go on and that more bridges will emerge.

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¹³ Suggestions for translation welcome! at JBouhey@aeaconsulting.com



Conference Reviews: Parts 3 & 4

Partnerships

As resources continue to contract at an alarming rate, arts organisations continue to quest for the Holy Grail of solutions that will help carry them through difficult times. They soon discover that they are not alone on this quest as they encounter other organisations along the way that share similar values and similar challenges. These organizations discover that by banding together, they can achieve goals that they would not achieve on their own. Thus, various ‘alliances’ and ‘partnerships’ are formed in hopes of making the journey easier.

The impetus for these partnerships can be both internal and external. In some cases, organisations take it upon themselves to seek out potential partners with similar missions to their own. In other cases, funders encourage organisations to come together with the promise of funding their collaborative effort. Results in both cases are often mixed, with some initiatives being very successful and others not faring so well, illustrating that partnerships are not always the answer.

Nevertheless, “partnerships” and “strategic alliances” have become the two buzz terms in the nonprofit world of late. Over the past few months, two conferences in New York City have focused on this theme, bringing a bevy of practitioners and consultants to town to herald their successes and warn of potential pitfalls.

*National Arts Marketing Conference (NAMC)
CollaborACTION! Arts Marketing and Sponsorship Partnerships that Work
Presented by the Arts & Business Council Inc. and ArtsReach
Sponsored by American Express, The National Endowment for the Arts and Altria.
April 12–15, 2003
New York*

An all-star line-up of arts marketing professionals converged on Times Square in mid-April to share their collaborative experiences with their peers from across the country. This was the second NAMC conference, following the successful 2001 event in San Francisco. However, in light of the current economic environment, conference registration and participant morale were both significantly lower than they were at the last conference.

Panels covered a wide range of issues surrounding the theme of collaboration as individuals presented case studies on community partnerships, private/non-profit collaborations and joint research initiatives. Here are some of the highlights:

Community Collaboration

Tom Kaiden, Deputy Director of the Greater Philadelphia Cultural Alliance (GPCA), described the success of PhillyFunGuide.com¹⁴, a joint marketing initiative launched by GPCA in October

¹⁴ http://www.artsmarketingconference.org/handouts/kaiden_PhillyFunSaversCaseStudy.ppt



2002, aimed at developing a master schedule of information on upcoming cultural events in Philadelphia.

The schedule was designed for use by consumers, institutions and media outlets in hopes of creating a central location to find/list cultural events that are happening in the area. The website also provides users the option to sign up for “PhillyFunSavers”, a last-minute ticket discount programme similar to the e-saver model developed by the airlines.

The initiative has been very successful, with the website attracting over 40,000 unique visitors each month and PhillyFunSaver membership growing at a rate of over 1000 new registered users each week.

Private/Non-profit Partnerships

Dionne Rogers, Director of Market Development for American Express Company in Washington DC and Maggie Boland, Director of Institutional Advancement at Arena Stage spoke about *American Express College Nights*, a programme aimed at developing younger audiences for the theatre. On select nights during the run of a show, Arena Stage offers \$10 tickets to college students. American Express subsidized this programme with a grant totalling \$125,000 over two years.

Arena Stage’s goal is to build an audience of future theatre attenders, though not necessarily Arena Stage attenders. The company realizes that many of the students who come through the programme will move on to other cities, but it hopes that they will take their love of the theatre with them, moving from single ticket buyer to subscriber to donor and eventually maybe even board member. American Express has similar aspirations, hoping to build a base of future Amex cardholders. The co-branding opportunity also provides Amex additional exposure to the college demographic.

This programme’s success lies in its use of student ambassadors and their use of guerrilla marketing tactics to recruit audience members from various college campuses in the DC area. Student ambassadors are given a subscription to Arena’s season in exchange for their commitment of time and effort to make the programme a success. They are also invited to special events and galas so that they feel like they are an important part of the Arena family. The ambassadorships have become much sought after and graduating ambassadors carefully select their successors.

Joint Market Research

Ellen Salpeter, Director of Heart of Brooklyn¹⁵ (HOB), A Cultural Partnership, spoke about the value of joint market research, using results from their recent study¹⁶ to illustrate the power of partnership.

¹⁵ HOB is comprised of six institutions situated near Prospect Park and includes The Brooklyn Children’s Museum, The Brooklyn Public Library, The Brooklyn Museum of Art, The Brooklyn Botanical Garden, Prospect Park Alliance and the Prospect Park Zoo

¹⁶ http://www.artsmarketingconference.org/handouts/salpeter_WhyGoItAlone.ppt



In the spring of 2002, the HOB Board of Directors, comprised of senior staff members from each institution, got together to refine what they knew about their collective audience. They pooled information from past individual research initiatives to create a knowledge resource for the consortium. This survey of materials helped HOB pinpoint specific areas that needed further exploration and enabled them to develop a set of key research questions that were of overall importance to the consortium as a whole.

Almost 2000 visitors to HOB attractions were intercepted in the fall of 2002, creating an audience profile that included information on the types of activities visitors liked, which attractions visitors bundled and which institutions were entry-points to other institutions in the consortium. HOB has since used this information to develop new marketing initiatives, including a monthly HOB calendar with suggested visitor itineraries and neighbourhood outreach programmes.

Thomas E. Backer, PhD

Partnership as an Art Form: What Works and What Doesn't in Nonprofit Arts Partnerships

At Monday's lunch session, Dr. Tom Backer presented highlights from his newly completed study¹⁷ on collaborations and partnerships in the arts. The focus of the discussion was on what could be learned about partnerships, reasons for partnering now and what to be cautious of when entering into partnerships.

Throughout his presentation, Dr. Backer stressed that partnering was not always the answer to the problem. In the current economic climate, many partnerships are being born out of necessity with mixed results. In some cases, partnerships are successful at achieving economies of scale by combining facilities, resources and knowledge. Other hastily created partnerships suffer from malaise and planning fatigue with no tangible results.

In his view, successful partnerships are based on systematic planning, awareness of potential power struggles or organisational history that might impede the process, willingness to invest money, time and human resources, learning from other existing case examples and coming up with long term goals for sustainability.

Collaborating for Success II

A Conference on Creating and Operating Multi-tenant Nonprofit Centers

May 15-16, 2003

New York

The focus of this conference was on the nuts and bolts of setting up and running a multi-tenant nonprofit centre. Presenters and participants spanned the nonprofit spectrum. As a result, many of the case studies and scenarios presented were very specific to an industry or geographic location, and although interesting, were difficult to imagine being applied to arts organisations.

However, a number of presentations were very relevant. Virginia Loulouides, Executive Director of Alliance of Resident Theaters (A.R.T./New York) spoke about her experience setting up two

¹⁷ http://www.humaninteract.org/images/hiri_b25.pdf



multi-tenant facilities in the New York area in hopes of creating more affordable office space for her constituents.

Recently, A.R.T. opened its second multi-tenant space in the Fashion District in Midtown NYC. At the time they negotiated the lease (just before September 11, 2001), A.R.T. was optimistic that they would have no trouble finding tenants for the space. Two years later, they are struggling to maintain and attract new tenants in light of the current economic climate, as small and mid-size organisations face challenges they have never faced before. Luckily, a good relationship with the landlord has resulted in concessions that have allowed A.R.T. to continue operating the space.

For me, the most interesting presentation was Lorne Buchman's financing model for the 9th Street Media Arts Consortium¹⁸ in San Francisco. The model illustrated how a consortium of arts organisations in the Bay Area partnered with a local developer and philanthropist to create a mutually beneficial agreement that culminated in the purchase of a new building.

Faced with increasing commercial rents in the Bay Area, four film festivals, which had already been cohabitating in rented space, decided to explore the option of buying a building. The organisations formed a consortium with its own 501(c)3 status and found a private partner. The consortium and the investor entered into a 50/50 partnership in an LLC which purchased the consortium's new home. The LLC then leased the building back to the consortium at a rate that covered the cost of operating the building plus a 7% ROI. As a 50/50 partner in the LLC, the consortium was also entitled to the 7% ROI, which they could invest back into the consortium to defer some of the annual lease expense. In addition, every philanthropic dollar raised decreased their overall rent. The lease agreement also provided the consortium the option to buy out the investor after 5 years.

As we see more and more organisations exploring various types of partnerships and alliances, it is crucial to keep abreast of their fortunes. Both of these conferences offered a glimpse into the world of collaboration and provided a number of solid examples that will be of assistance in these uncertain times.

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¹⁸ <http://www.ninthstreet.org/>



Some reflections on the future of public libraries in the United Kingdom

Public libraries were introduced in the Victorian era to persuade the working classes to better themselves and to avoid the temptations of drink and sloth¹⁹. This would be no more than an amusing illustration of changing social attitudes – but for the fact that most public libraries have developed little since. Leaderless without a national advocate body and financially dependent on cash-strapped local authorities, they have struggled to respond to changes in social demographics, in public demand, in disposable income levels, and in information sources available. As a result usage levels are in long term decline²⁰.

To regain relevance in the 21st Century public libraries will have to consider their identity and respond to user needs in a far more sophisticated way. Every community is unique in terms of demography, access to information sources, and educational attainment, so every public library will have to address the specific parameters that will influence its success or failure. There is no longer a standard ‘jelly mould’ solution²¹. Nonetheless, emerging trends within the sector and recent attempts to encapsulate what a library ought to be, provide some lessons. This article examines:

- The role of ‘non-core’ facilities alongside traditional ‘core’ library functions;
- The role of public libraries as centres for Council/community interaction; and
- The ethos of, and salient lessons learnt from, recent capital projects.

‘Non-core’ facilities

The quality of ‘non-core’ facilities – in particular Internet terminals, café and retail elements, and programmes of activities – has a significant effect on perceptions of libraries and their usage²².

At first many public libraries saw the Internet as a direct challenge. However the latter’s prevalence is such that information seekers do not face a straightforward either/or choice, although there is an element of competition. Rather they expect the Internet to be assimilated into libraries via access terminals, a virtual presence, and training activities. This needs to be as good as commercially available alternatives. Substandard ICT facilities would both be ignored by those who could afford their own systems, and also run the risk of creating a virtual underclass of those who could not²³. This would be especially unfortunate as disadvantaged communities are thought to be the most likely to benefit from Internet and ICT access²⁴.

¹⁹ *The public library: its origins, purpose and significance* (Murison, 1971)

²⁰ *Building Better Library Services* (the Audit Commission, 2002).

²¹ *Framework for the Future: Libraries, Learning and Information in the Next Decade* (DCMS, 2003).

²² *Building Better Library Services* (the Audit Commission, 2002).

²³ Local Futures Group report for IBM, cited in the Guardian 4th March 2002.

²⁴ Much government policy has revolved around ICT access for disadvantaged communities, for example via NOF and the Phoenix Fund.



Virtually all major new public libraries now contain café facilities²⁵. The primary motives for this are:

- Making the library environment more welcoming and less formal; and
- Matching similar improvements within commercial sector bookshops such as Borders.

The income generated is usually relatively small compared to overall budgets. Again, given the element of commercial competition it is not feasible to provide a facility inferior to commercial sector alternatives.

The relationship between retail and public libraries is less clear-cut. The viability of any retail element clearly depends on the offer in the surrounding area. Even where demand can be identified, it is unlikely that this will be sufficient to sustain a ‘full’ bookshop within the public library. As a result, retail in public libraries tends to take the form of small staff-operated retail points. This implies a need for appropriate staff skills.

Finally, the last few years have seen a proliferation of activities in public libraries – including reader development projects, learning courses, local history projects and outreach services. Such initiatives will be critical to libraries’ future success²⁶. In management terms this implies ensuring appropriate opening hours, and that staff have appropriate people and organisational skills.

Community/Council interaction

Despite declining usage, public libraries’ relative prominence as focal points for the community has arguably increased during the last 20 years²⁷. The reasons for this are complex but are principally thought to be the reduction and centralisation of local authority facilities; the decrease of group leisure activities; and erosion of faith in “the Council” proper and LEA schools. As many local authority services stage a return to communities as part of a drive for customer-focused delivery, there has been interest in the potential to capitalize on public libraries’ status by locating alongside or within them²⁸. 15% of new public library developments are physically linked to a local Housing Department office, 15% to a school or college, and 12% to other local authority facilities²⁹.

Two key variables can be identified for co-location of other Council facilities with public libraries:

1. Type of co-located facility, i.e. providing voluntary or obligatory services. The former might comprise sports or art facilities, offering the opportunity to create a community cultural destination from elements that may not have in isolation been able to attract significant usage levels. The main challenge is physical design – how to minimise tensions between the typical usage of individual elements (e.g. noisy gym versus quiet library).

The latter tend to be transactions with the Council and are typically conducted via Customer Service Centres (CSCs), One Stop Shops and similar. Synergies can be seen in terms of the

²⁵ *Libraries Must Also Be Buildings? New Library Impact Study* (re:source – the Council for Museums, Archives and Libraries, 2003).

²⁶ *Framework for the Future: Libraries, Learning and Information in the Next Decade* (DCMS, 2003).

²⁷ *Op cit.*

²⁸ A further driver for co-location is of course the need to make maximum use of limited property portfolios. While this an understandably important decision-making factor for many Councils, the public typically responds negatively to perceived cuts to costs and services.

²⁹ *Libraries Must Also Be Buildings? New Library Impact Study* (re:source – the Council for Museums, Archives and Libraries, 2003).



library's status as a focal centre for the community and the CSC's role of delivering essential services to that community. There is also the opportunity to attract those using the obligatory service (the CSC) to the voluntary service (the public library). The main challenge is one of ambience – how to incorporate 'official' facilities while preserving the identity of libraries as 'non-official institutions'³⁰.

2. Extent of integration, which ranges between:

- Minimal – where the library and other services are co-located as discrete elements in the same building or complex with little overlap save a shared reception;
- Medium – where services benefit from joint promotion and collaboration on a small number of projects; and
- Maximum – which has typically taken the form of an external service operating a 'branch' within, and making usage of, the library itself.

For public libraries to not take advantage of potential synergies with any co-located local authority services seems an opportunity lost³¹. Most successful library services work in a network of alliances and partnerships – typically with schools, leisure services, social services, museums etc.³². It is a natural progression for such partnerships to be substantiated by integration at a physical level. It is also worth remembering that many now-familiar facilities within libraries – such as ICT terminals, cafés, children's and teen areas, business support services, meeting rooms and so forth – were once thought of as 'ancillary extras'.

Comparable developments

Below are five major new public library projects. All are considered popular successes. They illustrate in particular the breadth of thought put into the central questions of *What is this library trying to be?* and *How do we portray this through internal and external design?*.

Bow Idea Store – the public library as information mall. In the most explicit example of taking inspiration from the retail sector, LB Tower Hamlets is re-working its libraries into Idea Stores. The aim is to provide a series of small information 'malls', each offering a selection of active or passive services and a place to hang out. At Bow, non-core and ancillary facilities are situated prominently near the entrance to draw users in. Strong control is maintained of visual design and branding, with colour coding throughout and 'casual' staff uniforms (branded T-shirts).

Stratford Library – the public library as multicultural community hub. The central aim was to design a genuinely accessible facility for the multicultural local community. This has been achieved through dedicating the majority of the ground floor to pan-cultural 'attractors' and social areas – the café, AV collections, a teen lounge with televisions, and ICT terminals. Foreign language collections are displayed prominently on the 1st floor, with inscriptions in a variety of languages decorating the library throughout. Strong colours have been used to create a vibrant feel and to aid navigation.

³⁰ For example, public libraries are often cited as delivering on access and education agendas because they provide a more neutral learning environment appropriate to groups such as those excluded from schools.

³¹ It can also lead to conclusions that the motivation for co-location was financial rather than delivering the best possible service.

³² *Framework for the Future: Libraries, Learning and Information in the Next Decade* (DCMS, 2003).



Peckham Library – the public library as local regeneration icon. The twin aims were to replace two smaller branch libraries with a larger single facility, and to regenerate the local area through a new Town Square offering public (library and health centre) and private (retail) facilities. A striking external design was required to attract ex-users of the replaced libraries and to project a message of confidence and renewal to the outside world. The latter has undoubtedly been achieved: the library attracted extensive publicity and won the Stirling Prize for Architecture 2000. Although it is less remarkable internally, usage and user satisfaction have also increased significantly.

Croydon Clocktower Complex – the public library as arts and cultural centre. The Central Library is the single largest element within the complex, which also houses a small arts cinema, permanent and temporary galleries, town museum, multipurpose venue, TIC, arts workshops and a café. Again retail has provided the inspiration in terms of the aim to create a ‘cultural mall’ offering a variety of facilities and activities, and in terms of internal design. The co-location of the individual cultural elements has:

- Created a bona fide destination from elements that may not have in isolation been able to attract significant usage levels or become a focal point for the community;
- Allowed the development of joint projects, for example temporary exhibitions developed by the Local Studies and Archives Centre and the museum; and
- Made viable the creation of shared ancillary facilities such as a crèche.

Bournemouth Library – the public library as town centre tenant. A key element in the Triangle regeneration zone, the new library is intended to catalyse the extension of Bournemouth’s core retail and leisure area. Formerly open car parking, the zone has been transformed into retail units intended for leading high street brands, and the library. A striking design was required to create an attractive vista from the present core town centre. A major public space and transport interchange is planned as a forecourt.

Conclusion

The success of these projects shows that public libraries can still be relevant in the 21st Century – provided the right concept is developed. The 21st Century public library should:

- Offer high quality non-core facilities and scope for activities alongside core facilities;
- Maximise synergy with any co-located external services without creating conflicting ambiance; and
- Utilise high quality design that is appropriate to the immediate surroundings and that proclaims to prospective users the role of that specific library.

It is also worth remembering that the long term success of any facility is inextricably linked to its operation once completed. Physical improvements to the public library environment must be matched by:

- Staff with enhanced skills. These skills are likely to be in highly transferable areas such as customer service and ICT, which raises issues of training, recruitment, and remuneration; and
- Investment in ongoing maintenance of building fabric and fittings. The UK public/cultural sector is littered with examples of capital projects that have subsequently been rendered ineffective by lack of subsequent investment.

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Book Review:

Culture Incorporated. Museums, Artists, and Corporate Sponsorships

Mark W. Rectanus

University of Minnesota Press, 2002

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Much literature on corporate or arts sponsorship tends to be of a hands-on nature and aimed at practitioners – sponsors themselves or employees of corporate sponsorship, marketing, PR and/or development departments. As a corporate practice and business strategy, corporate sponsorship for the arts and most of its literature assume a given framework of institutional and social relationships within which its success is assessed in terms of cost per audience reached, degree of recall or recognition generated and so on.

It is surprising to find a publication on corporate sponsorship by a scholar and professor of German language, literature, and culture. And indeed, Mark W. Rectanus' book *Culture Incorporated. Museums, Artists, and Corporate Sponsorships* is a critique of corporate sponsorship in/of the arts, arts institutions and artists that abandons the "how to" in favour of the "why" and "so?". Informed by a paradigm familiar from cultural and media studies, Rectanus conceives of arts events such as exhibitions and their accompanying sponsorship as contested sites where artists, arts institutions, nonprofit organisations, governments and corporations define their multiple relationships and struggle for space and social power.

Through arts sponsorship, corporations – according to Rectanus – actively participate in the production, reception and dissemination of meanings and social identities; indeed they may engage in sponsorships as a response to challenges of their legitimacy: By (re-)defining social, political and economic boundaries, they aim to deflect attention from and criticism of themselves. Appropriately, artists who in their work undermine or critique the role of corporations, or who explicitly do without corporate sponsorship are interpreted (both by Rectanus and in public discourse) as acts of resistance. Rectanus' work thus addresses corporations engaging in arts sponsorship as a powerful force not only within, but also *of* culture.

Much of Rectanus' argument is not surprising to those familiar with cultural or media studies, and within this intellectual context, its novelty lies more with the area to which he applies it. From within sponsorship studies, however, his points are compelling because he manages to tie familiar arguments (such as widespread finger-pointing at the Guggenheim for its "commercial" programming) into a larger critical perspective, and allows the reader to think out of the box. Rather than analysing the commercial success or failure of individual projects, Rectanus points the reader's attention to its cultural effect.

One of Rectanus' points is that cultural institutions are faced with blurring boundaries: between public and private, content and commercial, high and low art, global and local, product and image, non-profit and for-profit, consumption and pleasure; and that this emergent conceptual change forces many arts administrators, particularly in museums, to rethink their programmes, audience targets and ethical guidelines. Indeed, Glenn Lowry's (Director of MoMA New York) recent lecture at New York University, entitled "Museums and the Public Trust", addressed the difficulties facing museums when maintaining their public's trust while re-negotiating their



relationships with ever-increasing demanding funders and sponsors. Rectanus' claim for "full disclosure" – calling for a new ethos of transparency and honesty by arts institutions in terms of the involvement of funders/sponsors/partners in strategic alliances in their activities – sets a high standard that comes at the right time.

While I find Rectanus' argument novel and compelling, I feel that the downsides of the framework of thought he adopts are also manifest in his book – a framework that is homogenising and fails to address the particularities of different national and cultural settings. For instance, there is a great discrepancy between the US and Germany (the two sites from which he chooses his examples) in terms of the prominence of sponsorship in the arts and public attitudes toward it; the functions of and relationships between government, enterprise and the individual as they pertain to "third sector" purposes (including the arts and culture), along with concepts of "artistic freedom", are vastly different in both countries.

Except for readers who are entirely unfamiliar with concepts and language of cultural studies, Rectanus is a smoothly flowing and stimulating read. The various chapters are buttressed by a plethora of examples (among them: Absolut, Annie Leibovitz & American Express) that serve well to illustrate and "colour" the author's points. The book has much to offer to the practitioner willing to take a step back and open up to reflection on the cultural consequences of the larger project he/she is involved in. Nevertheless, its perspective, language and publisher predetermine the book (unfortunately, in my opinion) for a career within academia.

Note: An interesting "read-along" to Culture Incorporated might be Derek C. Bok, Universities in the Marketplace: the Commercialization of Higher Education (Princeton University Press, 2003).

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Book Review: A Walk on the Demand Side

Branded: The Buying and Selling of Teenagers

Alissa Quart

Perseus Publishing, 2003

ISBN 0738206644

This book is an easy, compelling read that I believe is directly relevant to arts organisations' marketing and audience development efforts. It breezes through the world of youth culture and musters anecdotal but powerful evidence for the thesis that contemporary pre-teens and teenagers are basically mechanisms by which their parents' disposable income is mercilessly siphoned off by corporate capitalism.

The fashion, music, film and video, junk food and beverages, communications technology and service, and health sectors, all highly concentrated, invest heavily in understanding how to play on the susceptibilities of teenage consumers through the most



sophisticated viral marketing, brand spin-offs, product placement, cause related marketing and sponsorship strategies – penetrating deeper and deeper into previously un-commoditized areas such as schools’ adoption, in both the UK and the US, of branded teaching materials, sponsored sports kit or franchised vending machines in school corridors. These are all aimed at building loyalties that last a lifetime. These industries similarly spend millions on cruising the world of street culture looking for spontaneous trends in youth culture that can be appropriated and exploited commercially. Quart interviews the shock troops involved and they spill their sinister beans.

That’s market capitalism, so what’s the problem? Well, this market – minutely calibrated and researched through the most sophisticated analysts and ‘cool hunters’ – comprises minors; self- and statutory regulation is weak and skilfully circumvented; and the vast majority of marketing effort focuses on exploiting insecurities, particularly sexual insecurities, or on instilling inappropriately expensive or precocious aspirations. The result is that kids get older younger and their horizons are narrowed prematurely by the thrall of passive consumption.

So why does this book matter to arts administrators and policy makers as well as the parents on whose neuroses it plays on so well? (Mine anyway...). The justification for markets at the heart of economic theory is premised on autonomous consumer preferences expressed through purchasing decisions. The optimality of market solutions falls apart where those preferences can be manipulated. Generally, we take a view that consumers are smart and rational, we see through advertising pretty easily, and at heart it’s about improving information and therefore the quality of our decision-making. ‘Hidden persuaders’, as the advertising and marketing industries were termed by Vance Packard in the groundbreaking 1950’s study, help us to satisfy desires and at worse over-stimulate them a bit, rather than manufacturing ‘needs’ wholesale. Quart’s book suggests that this is naively optimistic perspective.

Marx’s theory of ‘false consciousness’ and his Frankfurt school descendants’ ‘repressive tolerance’ were attempts to argue, like Quart (who would probably be surprised to see herself in this company) that the autonomous, rational individuals of neoclassical economics are in reality a sucker jerked around for private gain. For the Frankfurt School’s leading arts maven, Theodor Adorno – who incidentally coined the term ‘cultural industries’ – popular culture was in effect, neither, popular nor culture. But these have been highly unfashionable arguments until recently and regarded as unjustifiable, elitist and improvable nonsense.

Indeed, Thomas Frank has recently argued, in an effective polemic called *One Market Under God* (Doubleday, 2000) that what goes for Quart’s teens goes for all of us, victims a corporate propaganda on a scale before never seen in a non-totalitarian society. We are curiously supine in the face of corporate depredations in part, he argues, because of the odd alignment between the philosophers of the unfettered free market – the neo-cons – and the broadly left wing theoreticians of cultural studies – ‘cult studs’ – who are ‘able to find seeds of rebellion and resistance in almost any of the culture-products once scoffed



at as “lowbrow” and [who] accordingly turned their attention from the “narrow cannon” of highbrow texts to the vast prairies of popular culture.”

The overwhelming academic ascendancy of cultural studies as the framework through which matters of taste and artistic quality are viewed and its unexamined celebration of all things ‘popular’; the prevailing paradigm of free-market theory; and the deluge of management literature celebrating uncritically the triumphal strategies of big business, have together led to a systemic tendency of all but paranoid old lefties to ignore the burgeoning corporatization of culture and the manipulation of taste(s) for shareholder gain.

Frank’s *One Market Under God* and Quart’s *Branded*, like Naomi Klein’s *No Logo*, and indeed, the smarter parts of the anti-globalization movement, can all be seen as fragments of a deepening understanding, maybe a rediscovery, of the extent to which our leisure time and activities are increasingly the object of highly intelligent, vertically integrated corporations who successfully subvert and mould our impulses to their ends. Clear Channel, the entertainment conglomerate that now owns agents, venues, promoters, managers, merchandise and food and beverage franchises and radio stations in the rock and pop field in Europe and America, is one obvious example in the performing arts. Take a look at www.clearchannel.com if in doubt. Even the big business-infatuated Bush administration reluctantly has to look at the possibility of Clear Channel being forced to divest itself of some of its monopolies.

The confidence required to readdress these issues without being accused of being either patrician or Marxist may get another boost from an unexpected quarter – the burgeoning field of ‘happiness studies’, in which economists like Richard Layard and Bruno Frey and experimental psychologists like Mihaly Csikszentmihalyi (of *Flow* fame) are conferring to analyse empirical data on the relationship between happiness – subjectively assessed but confirmed by brain scans – and relative and absolute income. It’s a fascinating field, sounds like sci-fi, but begins to provide a base for policy conclusions that do not automatically defer to the answers the market throws up. See for example Richard Layard’s overview in the *New Statesman* at (<http://cep.lse.ac.uk/layard/RL362.pdf>) or Robert E Lane’s magisterial book *The Loss of Happiness in Market Democracies* (Yale, 2000).

Time and money are finite commodities. The more you have for one thing, the less you have for another. Arts organizations are not fighting each other for audiences/visitors and their time, attention and money; they are fighting Quart’s and Klein corporate predators and Clear Channel, Disney and MTV. It is a pitifully unequal battle and youth is one of its principle battlegrounds. Both arts marketers and corporate strategists know that the tastes and preferences created in this formative period tend to endure.

Basic economics tells us that goods and services are provided at the price where supply and demand meet - where the curves defined by the maximum you can charge and the minimum you can pay cross. If these curves don’t cross, the market doesn’t provide that



service, at least without some help. In the case of the arts, that help can come in the form of reducing costs, by funding the supplier (arts organisations), or by boosting demand from audiences.

Most support for the arts in the United States and in Europe comes from subsidising supply rather than stimulating demand. There are myriad variations of supply side support – grants, awards, subsidies and revenue funding, whether from public agencies, foundations or individuals. This form of market intervention is particularly significant where, in order to encourage wider social access, an organisation or its funders eschew opportunities for maximizing revenue – or in the case of national museums in Britain or the Smithsonian in America, eschew charging anything at all.

In the last ten years, there has been a big expansion in the number of arts organisations, their size, their investment in buildings, and their programmatic ambitions in areas such as educational outreach, where mission and available money have tended, unusually, to converge on a fundable priority. This growth has been driven primarily by the supply side of the equation (more politely we tend to call this ‘mission driven’ growth) rather than the demand side. Social and political agendas, the extraordinary ability of the arts community to create compelling rationales for public and private funding, and the buoyancy economy of the world economy at least up to April 2000 have all fuelled an historic expansion.

Market pull – demand – has not spontaneously kept apace, leading to a changed balance between earned and ‘unearned’ income and an underlying anxiety that there may be ‘excess capacity in the industry’ – that is, too many arts buildings, arts organisations and too much programming for the level of demand out there...

These fears are being voiced increasingly by the arts community for a number of reasons:

- The poor performance of the economy has had an immediate impact on all forms of contributed and earned income, more acutely felt in the United States than in Europe, because the peaks and troughs of the economic cycle are more severe, but present still marked throughout Europe;
- Secular changes – demographic changes such as changes in the ethnic composition and age profile of the population, with different patterns of cultural consumption and different cultural tastes; and technological changes that make canned entertainment increasingly attractive and accessible.

But a third reason for the fear of supply and demand being out of kilter is that the arts community is, compared with its corporate competitors for our time and money, woefully under-skilled and under-resourced to compete with the sort of profit-driven ingenuity and determination with which Quart’s book brims. In the thinly capitalized micro-businesses that the arts sector comprises, marketing techniques are *relatively* unsophisticated;



available technologies under-utilized; and planning timeframes truncated, notwithstanding the best collective efforts of initiatives such as those of the Lila Wallace Foundation (www.wallacefunds.org) in the United States and the Arts Council in the United Kingdom (e.g. www.newaudiences.org.uk)

Furthermore, a significant proportion of available marketing resource is directed, enthusiastically and often appropriately, towards extremely ambitious agendas of social inclusion involving pioneering – that is, unproven – strategies. It may be called long-term audience development, and be both worthwhile and politically expedient, but the rate of return on investment is negative rather than positive in all but the very long term, and the opportunity cost is high. Meanwhile, study after study demonstrates how fragile audience loyalties of the average arts organization currently are, and how weak are the profiles – the brand recognition – of all but the most intelligently positioned organisations and well resourced organisations.

So a reasonable conclusion is that given the astonishing marketing heft of corporate competitors for arts audiences' time and money in the political economy of advanced market capitalism, we need a readjustment of the balance of resources and policy priorities in the arts from the supply side to the demand side, and pay more attention to the branding of the arts and their profile – the sort of thing the American Alliance of the Arts has begun, but on a less genteel and street-wise basis. But the efforts are unlikely to work unless they can co-opt at least some of the resources – intellectual, organisational, technical and financial – of the hidden persuaders themselves, the branders, advertisers and marketers. Larger and more strategically acute arts organisations, like the Tate in London or the Met in New York, can go it alone and create and manage a brand effectively but few others can. Some form of collective action is necessary and funders, the traditional naggers for collective action, probably need to push the issue forward.

Finally, if all this sounds a bit heavy going and doomy, two highly readable summer-reading novels have recently been published that explore exactly these themes. *Pattern Recognition* by William Gibson (Putnam, 2003) is a thriller on the theme of viral marketing and the net; and *Palladio* by Jonathan Dee (Vintage, 2003), probably the better novel, is an intellectually, though not stylistically, ambitious and largely successful riff on the relationship between advertising and aesthetics – really! – and a sort of Saatchi *roman à clef* to boot. Have a good summer.

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