taught to fear...then we risk defining our work simply as shifting our own roles within the same oppressive power relationships, rather than as seeking to alter and redefine the nature of those relationships. This will result only in the rise of yet another oppressed group, this time with us as overseer...it is our visions which sustain us. They point the way toward a future made possible by our belief in them...There is a world in which we all wish to live. That world is not attained lightly... If as Black Feminists, we do not begin talking, thinking, feeling ourselves for its shape, we will condemn ourselves and our children to a repetition of corruption and error.6

What these futures can look like concretely are organisations like BLM, Contact, Battersea, Urban Woorden and CityLab, which are providing us with possible frameworks for that future.

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**NEW BUSINESS MODELS IN EU CULTURAL POLICY**

*The History of a (Dangerous?) Idea*¹

**BETHANY REX**

Culture has long formed part of the justification for the very idea of Europe. A language of shared identity remains prevalent in policy statements and programme documents and through various cultural initiatives the EU ventures to foster notions of shared ‘European’ culture, memory and values. Now more than ever, with popular consent for the idea of Europe dwindling and the gains made by far right and nationalist political parties who use notions of ‘culture’ and ‘values’ to justify their positions, the EU is increasingly looking to cultural policy and projects as one means of producing what is known as European heritage or culture.² Recent developments, however, mean cultural organisations increasingly depend on the EU, a lesser acknowledged dynamic. This is particularly pronounced where cultural organisations operate within countries marked by deep austerity measures or where state spending on culture is limited or reserved for elite cultural forms such as opera, ballet and museums. For organisations outside the conventionally subsidised arts, the support of the EU may be crucial to their financial sustainability in the coming years.

In contrast to diminishing national government support for culture, the EU is expanding its efforts, as evidenced by the proposed 27% increase to the budget for the EC’s Creative Europe programme, supporting cultural and creative sectors (including the audiovisual industry) in the next long-term budget (2021-2027). While questions remain over how these funds will be allocated, organisations looking for public support can take some comfort in these developments. Given the hope invested in culture by the EU as a catalyst for economic growth, social integration and fostering the shared sense of identity essential to the legitimacy of the European project, it could be argued that the EU’s involvement and continued support for cultural programmes is unlikely to waver in the near future.

This does not remove the possibility of a change in emphasis in cultural policy, however. Many would argue that a shift within the language used by the Directorate-General for Education and Culture (DG-EAC) from an identity-based justification for EU cultural action to an economic one has al-

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1  This title is inspired by Mark Blyth, Austerity: the history of a dangerous idea. (Oxford: Oxford University Press, 2013).

2  Though, as Chiara De Cesari argues, ideas of a shared or common past can be used for inclusive or exclusionary ends for ‘shared culture’ implies cultural difference and cultural otherness.
ready taken place. There is no implication of replacement here, rather contrasting policy pronounce-
ments about the role of culture which imply different norms of desirable organisational behaviour
and purpose coexist. This is significant because cultural policy influences practitioner identities and
the working practices of arts and cultural organisations in explicit and implicit ways. As national gov-
ernments reduce their support for culture, arts and cultural organisations may start to increase their
interaction with other levels of cultural policy, and the values it embodies. Against this backdrop, the
shifting emphasis in EU cultural policy become a pertinent issue.

This essay deals with the introduction of a language of ‘business models’ into EU cultural policy
discourse over the past decade. What follows does not proclaim to be a comprehensive account of
the inner workings of EU cultural policy over this period. What it is, however, is an argument that it
is useful to contextualise these developments. It might be that for practitioners, unsure why they are
being asked to think about their business models recognition that this language may not be directed
to them specifically creates a conscious space for rejection, appropriation or endorsement of specific
elements of the discourse of business models in step with their own goals.

After clarifying why the contents of policy documents matter in the first place, this essay will contend
that there are a number of possible explanations for the appearance of this terminology. Each are
explored in turn, namely: higher level changes to the arguments used to justify EU cultural action;
the introduction of the concept of the Cultural and Creative Industries (CCIs) into policy discourse;
and the legal status of EU cultural policy along with the nature of its policymaking processes. The
conclusion offers a view on how these developments might be interpreted.

WHY DOES POLICY MATTER?
An assumption of this essay is that cultural policy does more than respond to social change or ‘prob-
lems’ which already exist in the world, independent of policy. The point is that policy establishes a
framework for understanding culture which it aims to influence. This essay argues that policy
establishes a framework that frames and gives purpose to specific practices and processes which
are deemed important at the time. Only certain constructions or interpretations of the world are
valid and legitimate, and policy framings have effects on identities, practices and lives. Policy texts and the norms they reflect
shape how individuals and organizations think, act, operate and conceive of possibilities for action.

This is why it matters that a language of ‘new business models’, likely introduced with the needs and
cultures of different industries in mind, is being endorsed as a solution to the challenges facing arts and

shape culture. Consequently, it is significant when policy alterations are made which have the
potential to influence arts and culture policy.

The DG-EAC was only able to make these claims because the category of the CCIs was already com-
monly accepted as a way of talking about a broad range of potentially disparate industries under the
same label. Because of this, the economic achievements of industries that would not be understood
as ‘cultural’ in the conventional sense were used as evidence for the ability of culture to solve econom-
ic problems. Notably, it is the commercial achievements of very specific parts of the digital economy
and IT services industries that provided the evidence to substantiate claims of the CCIs’ potential

HOW DOES POLICY WORK?
As shown, policy texts and the norms they reflect can have effects on arts and cultural organisations
and their business practices. This essay argues that the introduction of concepts such as the Creative
and Cultural Industries (CCIs) and ‘business models’ in recent EU policy discourse are an example
of how policy can influence cultural practice.

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4 These observations, and others throughout the essay are based on Foucault’s ideas of discourse. The
basis of this idea is that there are multiple and competing ways of knowing the world and everything
in it. Only certain constructions or interpretations of the world are deemed valid and legitimate, and
the ability to make ‘truth claims’ has to do with power relations. Different meanings circulate and are
considered ‘true’ at different historical moments and across geographies. Discourse informs how we
understand and know the world and this shapes how we act, and how we conceive of what forms of
action might be legitimate and possible. This perspective is useful for our discussion as it brings into
focus the cultural meanings attached to cultural organisations, and encourages us to think about how
certain ideas about their role have changed over time. See, Michel Foucault, The History of Sexuality:
Volume 1. New York: Pantheon, 1976 and Power/Knowledge. Selected Interviews and Other Writings


6 Annabelle Littoz-Monnet, ‘Agenda-Setting Dynamics at the EU Level: The Case of the EU Cultural Poli-
to reinforce the economic competitiveness of the EU and to provide jobs and growth. Emphasising shared concerns between the ‘cultural’ and ‘creative’ sectors, such as issues of intellectual property rights, served to substantiate the rationale for the CCIs grouping amongst practitioner audiences, as did efforts to convince resistant stakeholders that framing culture within a narrative of economic productivity was the only way for the DG-EAC to ensure the importance of the cultural sector was recognised across the EU institutions and to obtain greater financial support in the future.

At this point it is useful to note that the Creative and Cultural Industries (CCIs) is a policy construct. It is a term used by policymakers to group organisations ‘which have their origin in individual creativity, skill and talent and which have potential for wealth and job creation through the generation and exploitation of intellectual property’ together. Although the malleability of several of these terms makes it difficult to see this definition as anything other than an expedient feat of political rhetoric, the invention of this terminology has had reverberations beyond its origins in the UK New Labour government (1997-2010). The idea of grouping such a range of activity together entered policy lexicon in the late 1990s in the UK, and then found its way into EU circles later into the 2000s. CCIs is defined in EU policy statements as comprising ‘inter alia architecture, archives, libraries and museums, artistic crafts, audiovisual (including film, television, video games and multimedia), tangible and intangible cultural heritage, design, festivals, music, literature, performing arts, publishing, radio and visual arts’. It is easy to take issue with the CCIs as a term of reference but regardless of whether this is an appropriate way of talking or thinking about the multiple stakeholders working in the arts and the other industries referenced in these definitions, this label has taken hold within policy circles and continues to influence the shape of policy, both in terms of the norms it contains and the nature of the problems and solutions it proposes.

Now that the CCIs are seen as part of the answer to the problem of differing rates of economic growth and employment patterns between member states and the global competitiveness of the EU itself, this could be regarded as opening a space where all types of creative and cultural organisations in receipt of EU funds are expected to play their part in achieving these outcomes. Hence, the emphasis within cultural policy on themes such as ‘new business models’ could be explained as part of an effort to encourage business-like practices and commercial mentalities in the sector so as to promote a particular form of success. Whilst there may be a grain of truth in this argument, it assumes there was a straightforward intention behind the inclusion of this language that can be identified after the fact. This is not necessarily the case and perhaps it is also useful to think through the range of conditions that made it possible for this to occur in the first place. One of those conditions was the strategic use of the CCIs discourse by EU policy actors. Not only did this mean policy referred to the achievements of a multitude of ‘industries’, it also followed that the target audience of policy expanded.

THE EXCESSIVELY INCLUSIVE NATURE OF EU CULTURAL POLICY

Academic and professional commentary has critiqued the CCIs label on various grounds. The insight most relevant for understanding the introduction of ‘new business models’ into policy is the way invented terminology, which claims to describe reality, in fact goes on to influence that reality, shaping what forms of action are considered justifiable. The take-up of the term within EU policy circles has meant its policies now address the CCIs rather than the ‘cultural sector’ or ‘arts and cultural organisations’. This results in the implication within policy that the same problems and solutions apply to the diverse range of sectors grouped under this term.

There is a history here as to, a certain extent, EU cultural policy was directed at a broad audience before the CCIs concept took hold. The 1992 Maastricht Treaty makes reference to the audiovisual sector and cultural heritage preservation as a target for EU cultural intervention. However, contemporary definitional developments, combined with changes to how cultural programmes such as Creative Europe are structured, have resulted in further expansion to the target audience of the EU’s policy interventions, providing a rationale for inclusion of ‘new business models’ as one in a long list of policy priorities.

The most important formal arrangement to note in this regard is the introduction of Creative Europe in 2014 and the developments surrounding it. Prior to this, the EC’s cultural and audiovisual programmes were split into separate programmes: Culture, MEDIA and MEDIA Mundus. Creative Europe still comprises separate strands: Culture, Media and a cross-sectoral strand, but all under the same policy framework, drawing on a discourse of the CCIs. Additionally, and perhaps more significantly, digital technology has become part of the remit of audiovisual policy, joining former mainstays of television and cinema. What has meant is that the needs of industries as diverse as software development, video gaming, music and performing arts are addressed under one policy framework. Introducing a language of business models does not seem incongruous when we consider the diversity of stakeholder needs EU cultural policy is now attempting to address.

Indeed, there is an adaption imperative for those industries which have felt the impact of technological...
change and digitalisation. These issues cannot be ignored by industries such as the music business. From declining customer valuation, changing listening and ownership models (e.g. the difference between buying a song and buying the rights to listen for a limited timespan) to revenue-generation models based on the gamut of activities an artist engages in beyond making records, industries outside the domain of the subsidised arts rely on individuals entering into a financial exchange with them in order to generate revenue to survive. There is some debate as to whether strategies to address these developments have resulted in change to existing business models, mainly because different understandings of what a business model actually is means there is often disagreement as to when adjustments to operating practices can be identified as resulting in a new business model. Nevertheless, the music industry may need to explore new business models to protect revenues following several decades of rapid technological change, while such concerns may be of less importance to a small-scale performing arts company unconcerned with increasing their revenues beyond what they need to survive.

This is not to deny the opportunities and challenges new technologies and the digital age present to arts and cultural organisations, and a pragmatic reading of policy could interpret this shift in language as a well-intended attempt to speak to the concerns of its broad audiences through the use of vague terminology. However, when policymakers use a discourse of 'new business models' or 'business model change' in policy texts as a solution to these issues, they also create the conditions for norms associated with business models to filter into the day-to-day practices of cultural organisations, though of course the influence of any discourse needs to be empirically studied rather than assumed. One way of reading business models as is part of a neoliberal agenda interested in high levels of economic growth and capital accumulation by reproducing unequal social relations (Barnett 2009). In this critical reading, presenting business models as a solution to the problems supposedly facing arts and cultural organisations, forms part of a move to inculcate in them a drive towards objectives consistent with a neoliberal project. Another explanation for the introduction of this terminology is that 'new business models' is deliberately vague. Rather than being linked to a particular set of imagined stakeholder needs or an ideological project, the term acts as a placeholder to represent a host of other concerns that policymakers would prefer to hint at rather than clearly state.

STRATEGICALLY VAGUE?

A closer look at the policy in which this theme is presented suggests it is helpful to view the introduction of 'new business models' as a vague headline under which a diverse range of themes loosely associated with 'business' rather than business models can then be introduced. Business models are about more than how an organisation makes money and business model research in management literature explores broader questions to do with an organisation’s core logic for creating value. Its policy usage seems to ignore this understanding. The following extract taken from the guidelines accompanying the call for proposals to commence in 2019 illustrates the reductive emphasis on financial matters:

"The opportunities offered by the new technologies make it necessary to develop and test new models of revenue, management and marketing for the cultural sectors. At the same time, the cultural and creative operators should enhance their financial and business skills, to allow them to better perform at the market and to take full advantage of the funding opportunities that are changing along with the financial context." 16

New business models, then, appear to function as a container for a whole host of other areas policymakers have identified as issues practitioners ought to address. As the extract quoted above makes clear, nestled under the umbrella of ‘new business models’ are several priorities which are liable to be claimed as part of the extension of economic and managerialist principles into the largely publicly-funded cultural realm.

The ubiquity of vague language can be partly explained by a brief look at how policy texts are developed within the EC. Both legislation and policy are initiated by the EC and subsequently evaluated by the Council of Ministers and the European Parliament. No political party has control over either institution, meaning consensus must be reached in order for progress to be made. 17 Relatedly, EU cultural policy is not a homogenous entity with a single robust agenda. Rather, different priorities and beliefs are discernible across each of the main institutions and each of the member countries are home to distinctive cultural sectors facing challenges specific to the social, political and economic circumstances they operate within.

What this means is that EU cultural policies often contain diverse and sometimes conflicting visions of what policy relating to culture ought to consist of and what its aims should be. Similarly, it means policy often contains broad generalisations so as to ensure the needs of its diverse target groups are acknowledged. In part, the loose and broad language of policy can be read as a means of coordinating and reaching compromise between the competing interests and political circumstances of the member countries and other stakeholder interests with a voice at the table. The use of lists in policy documents serves the function of addressing a range of interests simultaneously and can also be seen as part of an assumption that potentially disparate objectives can occur at the same time.

This loose and seemingly inclusive narrative coheres with the legal status of EU cultural policy as a supplement to member state action, meaning its policies cannot appear as overly prescriptive. As consensus between member states must be reached, this encourages policymakers to avoid constructing an aggressive or impassioned narrative relating to the role of culture, meaning a broad-church approach is favourable. These factors are part of the reason why development of ‘new business models’ is not singled out, but forms part of an inclusive policy agenda intended to speak across multiple groups and diverse geographies. As well as needing to be accepted by a diverse range of political actors, EU cultural policy ad-


dresses a vast range of industries, some of whom would cite ‘new business models’ as a relevant concern.

This discussion suggests there are a number of explanations for where business models came from. By exploring a range of potential influences with a bearing on these developments, rather than over-emphasizing the influence of one, we see that policy is made within a specific political and institutional setting and cannot be divorced from these wider conditions as they shape the content and ambitions of policy. Yet, as indicated throughout, policy can produce unintended outcomes and clearly more research is needed to understand the way particular ideas such as ‘business models’ are received at the level of practice. It is only through empirical study of these dynamics that we can gain insight into whether or not this really is, as indicated in the essay’s title, a dangerous idea.

CONCLUDING THOUGHTS

This discussion leaves us not with answers but with new questions, namely: how open is the space for negotiation between policy prompts and organisational reality? Although the vagueness of EU cultural policies opens the possibility for tactical allegiance with policy objectives to unlock important financial support, the impact of national political decisions on the independent cultural sector means there may be little choice than for these funds to be spent responding to immediate needs or on projects that lead to revenues. Each of the member countries has distinctive traditions and infrastructures of financing cultural activity, and the political, social and economic circumstances faced by those operating in these contexts are as diverse as the organisations themselves. However, although the meaning of ‘new business models’ and what constitutes ‘newness’ in this area remains unsettled, the persistent issue of financial insecurity might serve to limit the possible projects that might be pursued under this heading. Resistance or appropriation may be possible but that does not mean the conditions exist for this to occur.

In a spirit of pragmatism, ‘new business models’ could be read as a helpful attempt at a policy solution from EU policymakers based on an awareness that government funds available to non-national cultural organisations prioritising cultural rather than economic ends are scarce. However, it would be dangerous to disregard the potential for policy ideas which reflect particular norms and world views to mould organisational practices and professional identities into a shape they may not have assumed, had a different lexicon been used.

It is easy to talk about the need for new business models, but it is much harder to outline what these developments entail for organisational practices, values and outcomes. It is harder still to assess their implications for how cultural practitioners understand themselves and the work they do. There is some recognition of the dangers of a purely financial framing for culture in recent reports published by policy coordination groups within the EU, yet more detailed policy work is necessary to ensure language used with different audiences in mind does not have unwelcome effects on those it was not intended for.


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