

**SPRING 2021** 

# Relaunching economies, galvanising values

EYL WORKING GROUP ON ARTS & CULTURE

**EVENT REPORT** 



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## Clinging to culture as a driver for Europe's recovery

Europe's cultural and creative industries (CCI) deserve far greater attention. In 2019, they supported 7.6mn employees and contributed €643bn to the continent's economy. That's equal to 4.4% of GDP, outstripping all other heavyweight sectors, including telecoms, high-tech, pharmaceutical and automotive. Yet the COVID-19 pandemic has put CCI on the back foot over the last year, as these industries struggle to highlight their multiple benefits for our society and its recovery – from jobs and revenue growth to the less-tangible notions of hope, wellbeing and communal identity.

These were some of the key issues, with the focus on cultural funding and digital access and consumption, explored by the European Young Leaders (EYL) Working Group on Arts and Culture in the online debate 'Relaunching economies, galvanising values' on 27 April 2021. Established to share and brainstorm ideas for collaborating on pan-European projects related to arts and culture, this group comprises a wide range of artists, musicians, writers and cultural practitioners in the larger EYL network.

For this Working Group's second meeting, members of the EYL network and a selected number of key external sector stakeholders identified practical actions

When and how do we create an economic business case for the power of culture and arts in Europe? And will the EU recovery from COVID-19 be money-led or governed by both money and values?

**Dharmendra Kanani**, Friends of Europe's Director of Asia, Peace, Security & Defence, Digital & Chief Spokesperson

to financially preserve Europe's creative sectors while boosting EU-wide cultural exchanges. Underpinning this goal is the EU Commission's proposal that at least 2% of EU recovery funds post-pandemic be invested in CCI – with positive spillover into other sectors.

"When and how do we create an economic business case for the power of culture and arts in Europe? And will the EU recovery from COVID-19 be money-led or governed by both money and values?" asked the moderator, **Dharmendra Kanani**, Friends of Europe's Director of Asia, Peace, Security & Defence, Digital & Chief Spokesperson. He remarked how the worst of human nature had at times been evident over the last year, with nations selfishly scrambling to secure healthcare supply chains. Yet there was also now a huge opportunity for Europe to effectively learn its pandemic lessons, so as to create the societies and communities that support a very different kind of value base.

#### Boosting funds for arts and culture

**Anne-Solène Rolland**, Director of National Museums at the French Ministry of Culture and 2020 European Young Leader (EYL40), kicked off the meeting with a question. Is it worthwhile dedicating a large amount of the EU and member states' recovery plans to the cultural sector, as well as the cultural and creative industries (CCI)? Rolland offered three good reasons for such funding: to support community life and togetherness in countries; they are a cornerstone of the attractiveness and soft power for the European Union and all its countries; and they create values in all sectors, including tourism, education and the digital industries.

"Cultural people and organisations working in the cultural field, in the widest sense of the word, are so much more than a sector," added **Sneska Quaedvlieg-Mihailovic**, Secretary General of Europa Nostra. "Culture and education are a vector for achieving so many priority objectives for our society, environment and economy – just when we're talking about building back better." She said this point justifies more support from the funds devoted to the European recovery. The 'Cultural Deal for Europe', a recent proposal of Europa Nostra and the European Cultural Foundation, among others, is addressing this need for ensuring a central place for culture in the EU's post-pandemic future.

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The CCI sector was certainly strong before the latest crisis and has been a big contributor to the European economy, noted **Burak Özgen**, Senior Legal Advisor at the European Grouping of Societies of Authors and Composers (GESAC). Yet as shown by 'Rebuilding Europe', GESAC's newly commissioned study, Europe's cultural and creative economy has been decimated by the effects of the COVID-19 pandemic, losing around 31% of its revenues. The study features three recommendations on ways the sector can recover through: massive funding for the sector, both public and private, with a focus on supporting individual creators; a relaunch strategy to re-open places of culture and live events; and rebalancing policy to ensure a more sustainable and fairer digital market.

#### Funding challenges for CCI: diverse European perspectives

**Katarzyna Nawrot**, Assistant Professor at Poznan University of Economics and 2017 EYL40, voiced her concerns about funding for the arts and culture sector. If the distribution of funds is decided at national level, some artists and creators may be left out: "The Polish government claims to give great support to the cultural sector. But to whom exactly, and to support what values and ideas? Are these values shared by all Europeans or just nation-building ideas?"

Two viewpoints on cultural funding emerged from Lithuania. **Agnija Šeiko**, Artistic Director of the Šeiko Dance Company in Lithuania and 2017 EYL40, echoed the call for the cultural sector "not to go back to the pre-pandemic past". Her main concern was that everything was heavily results-based: "This is where we are very unsafe because without a result you cannot get any subsidy, grant or income." Yet she worried that giving artists a universal basic income might not always work, due to the differences in EU countries' budgets.

Šeiko added that Lithuanian artists often work with French artists and she has heard good things about how the French system supports artists. She shared her company's experience through this crisis: "We managed to survive this year thanks to the different subsidies and help from the government. But without any change or any extra attention and changes in the culture sector and in politics, I think it's impossible to continue like that."

**Agnesta Filatovė**, Executive Director of the Vilnius International Film Festival and 2020 EYL40, was thankful that Lithuania is a small country, as this meant it was not too hard for the country's creative and cultural sector actors to get national funding support. But she acknowledged this is easier for the big players than the smaller ones or for individuals: "The government presumes that artists who appear strong can help themselves, but this leads to inequalities in funding support."

The arts and culture sector needs more funding support, argued **Alexandra Dariescu**, award-winning concert pianist, Producer of the 'The Nutcracker and I' and 2018 EYL40: "No arts organisation is going to survive without their artists. We have spoken about a universal income, but we must remember that artists are taxpayers as well."

Speaking frankly, Dariescu added: "The pandemic has been very tough for artists like me because of the cancellation of events." She also noted that funding support has concentrated more on arts organisations, rather than artists, with sometimes disastrous consequences: "A UK Musicians' Union survey discovered that more than a third may go into a completely different industry. We're talking about top artists and concert masters of big orchestras. They have become drivers delivering goods and so on, after years of blood, sweat and tears to get the excellence they needed."

#### Europe's recovery also hinges on a cultural rebound

"People often say that the CCI are a key part of Europe's economy, but politicians especially must be convinced that's the case," remarked **Mary Fitzgerald**, journalist, Euro-Mediterranean specialist and Trustee of Friends of Europe. However, she was impressed by the European Parliament's September 2020 resolution on the cultural recovery of Europe. In her view, the resolution emphasises how this recovery will not only be economic, but also involve reinventing and reimagining this sector for the future.

# It's important to experiment with more creative ways of combining commercial and cultural initiatives and spurring collaboration of this type

Stephan Petermann, Architect at Eurolab

**Stephan Petermann**, Architect at Eurolab based the Netherlands, believes the New European Bauhaus, a creative and interdisciplinary initiative launched by the European Commission and linked to the EU Green Deal, has tremendous potential to build such quality: "It's important to experiment with more creative ways of combining commercial and cultural initiatives and spurring collaboration of this type."

This viewpoint was backed by several other participants. **Isabelle Schwarz**, Head of Public Policy at the European Cultural Foundation (ECF), foresees great potential for the New European Bauhaus to be a gateway for culture, notably the sector's "intersectionality and inter- or multi-disciplinary aspects". Schwarz argued though that it's a good time now for everyone in the cultural sector to "pause before reconstruction and not commit the mistakes of the past."

The New European Bauhaus initiative could certainly stimulate new networks and partnerships in the cultural sector, said **Isabelle de Voldere**, Senior Expert for Competitiveness & Innovation at IDEA Consult and co-author of the European Parliament report, 'Cultural and creative sectors in post-COVID-19 Europe'. The report focuses on three flagship areas for policy action: a fair work system for the cultural and creative sectors; supporting digital cultural development in a sustainable way; and producing a European policy framework that properly recognises the value for society of these sectors.

De Voldere acknowledged that, even before the pandemic, "cultural and creative sectors have been characterised by fragile organisational structures and working practices – notably project-based working processes, high uncertainty and the non-profit character of money activities." Particularly vulnerable in this sector are "non-standard workers".

#### Culture as a bridge builder

"We need to step up support for the cultural and creative sector, to boost social and economic impacts at individual level and help mental health at the macroeconomic level," said **Jan Wilker**, Programme Manager of Education and Employment at the Goethe-Institut. He believes the cultural sector also forges vital links between cultures and between countries, whereas the pandemic has led to many exchanges and dialogue at the global level being cut and reset: "We must empower the culture sector to be that bridge builder again, to resolve conflicts, bring social innovation and creativity, and make our democracies more resilient and livelier."

This pandemic should make us pause and reconsider what we value as a society, maybe distinguishing between shareholders' values and shared values. Moreover, who defines value and how do we do that? These comments were made by **Stefan Kalmár**, Director of the London's Institute of Contemporary Arts (ICA) and one of Manifesta 13 Marseille's Artistic Team members. "I don't think we need new business models, but we might need to reassess what we value and what role culture can play in creating what we value," he added.

Maybe we need to move from recovery to rediscovery of what our shared values are and what role culture can play in sharing, expanding and including more people in those values

Stefan Kalmár, Director of the London's Institute of Contemporary Arts (ICA)

Kalmár said now is also a good time to think about how we can build back better and consider what foundations we're building: "Maybe we need to move from recovery to rediscovery of what our shared values are and what role culture can play in sharing, expanding and including more people in those values."

**Francesca Sanderson**, Director of Arts Programmes and Investments at Nesta, was keen for creative and cultural organisations to collaborate and learn from each other's experiences during lockdown. It's important to strike a balance between competition and cooperation, while examining how to "build a community of sharing".

Schwarz too recommended that culture be part of a broader movement for system change, so it should engage with other sectors. She saw interest expressed in such collaboration across different sectors, including culture, but she lamented the lack of an instrument or policy framework for developing these new kinds of partnerships.

#### Staying mindful of the pandemic's wider impact

"Mental health is a key issue now for people in this sector," said **Kamilla Sultanova**, Owner of ConnectUZ, workforce diversity trainer, inclusion advocate and EYL40, based in Finland. More broadly, she considers the role of culture is to address political divisions and inter-ethnic relations, which have been strained everywhere by the pandemic.

Sultanova believes that culture can be "activated" by listening to the voices of artists and young people because cultural workers and their representatives can be the drivers of change: "What I've learned, including with the EYL seminars that I've been part of over the last five years, is to use artists to really promote that understanding. In all my events and projects, I try to have artists with us, as that kind of advocacy and representation of artists is essential."

Culture can play a vital role in tackling mental health problems, especially for children, some of whom have been out of school for a long time, said **Francesca Cavallo**, best-selling Italian author of 'Night Stories for Rebel Girls' and EYL40. "Part of the investments in culture should also take into consideration that this will be a large opportunity to recreate ties in the community, ensuring that people are not abandoned to themselves through this crisis," she added.

#### Digital opportunities and pitfalls

Due to the pandemic, online streaming of arts and culture has increasingly become the norm for the way we consume and access arts. But can this digitalisation be harnessed to transform the CCI and make them crisis-proof? De Voldere was optimistic that the crisis "can really provide momentum for culture and creative sectors, for more systemic change if managed well by the sector and supported by policymakers." Despite the sector's pre-existing unsustainable practices, there is reason for optimism. During the crisis there was "extensive creativity and experimentation with new ways of doing business, of organising activities in the digital space, though some were more successful than others."

### "We cannot go back to normal because normal was the problem

**Isabelle de Voldere**, Senior Expert for Competitiveness & Innovation at IDEA Consult and co-author of the European Parliament report, 'Cultural and creative sectors in post-COVID-19 Europe'

She hoped these advances in the sector can be consolidated and any unsustainable practices phased out, guided by the UN Sustainable Development Goals. To help European policymakers with this transition, she called for a new policy toolbox, as "we cannot go back to normal because normal was the problem."

Recalling the pandemic's severe impact on culture in 2020, Filatovė noted that the Vilnius International Film Festival, of which she is Executive Director, had just one week to go digital for its 25th anniversary edition. It was a huge challenge, but all the event's organisers made the best of a bad situation and scored a relative success.

"This pandemic has also shown that reliance on digital distribution right now is not a viable option for creators. We need policy to rebalance this power. The European Commission's recently adopted Copyright Directive is an important step in that direction, but there is more to be done," noted Özgen.

A key challenge is digitalising arts and culture, added Dariescu. She said this digitalisation has not proved financially viable for artists, judging from her experience during the pandemic: "The financial model has been completely wrong from the beginning, as you can get everything for free on YouTube and that's sad. I strongly believe we need some sort of regulation of the streaming platforms."

She criticised the tiny amounts of money paid out to artists. For example, for 12mn streams on Spotify, an artist would get only around £6. "People are starving basically. Because artists are not policymakers, they're not included in the decision-making process, and this is really dreadful," said Dariescu.

#### Culture should not forget our climate

According to the moderator, "it's become increasingly clear during the pandemic that our consumption habits – personally, community-wide and globally – are seriously affecting our climate. This is one of the key lessons we risk forgetting once the good times are back."

His words chimed with Dariescu, who added that touring will be incredibly difficult post-pandemic. Moreover, although musicians now know that touring and travel are

not climate-friendly activities, they still have to travel to perform at events. Quaedvlieg-Mihailovic also said she viewed culture as a vector, with "climate action as a cultural transformation".

Kanani wrapped up the meeting on a positive note: "We have an opportunity now for cultural arts practitioners to band together and create a different kind of space and momentum, regarding what society should be like, whilst reflecting on where the sector has come from."

#### Recommendations

- Mainstream culture across all policy fields to fully realise its potential in the EU's post-pandemic future and devote at least 2% of the EU Recovery and Resilience Facility for culture, as the CCIs are a cornerstone of Europe's attractiveness and soft power and they create values in all sectors, like tourism, education and the digital industries. They also support community life, providing mental health support and fostering a sense of 'togetherness' – between nations and between cultures.
- Mainstream a new way of tapping into the policy intelligence that society can provide and push on different buttons to implement behavioural change. The New EU Bauhaus is the perfect example of how including different stakeholders into policymaking allows for more inclusive, efficient policies, crossing policy silos.
- Listen to the voices of artists and young people and include them in policymaking, since cultural workers and their representatives can be the drivers of change.
- Support EU funding schemes for individual artists, not just art organisations, and address the danger of significant income inequalities, if such funding depends solely on EU member states.
- Build a 'new normal' through a more resilient cultural system, supported by a European policy toolbox or framework to support the sector's transition, guided by the UN Sustainable Development Goals.
- Leverage the digital transformation as it offers many opportunities for greater
  creativity and experimentation, as well as access and consumption of art, but
  also find ways to better protect the rights of authors and artists going online.
- Reassess what we value and what role culture can play in creating what we value. Rediscover our shared values are and what role culture can play in sharing, expanding and including more people in those values.

#### List of attendees

#### Jamila Aanzi

Adviser, Trainer and Speaker, The Netherlands

#### Jacob Alper (guest)

Assistant of MEP Hannes Heide, Committee on Culture and Education, European Parliament

#### **Andreas Araouzos**

Actor, Director, Producer, Alpha Square, Cyprus

#### Ceyda Berk-Söderblom (guest)

Chairperson, Globe Art Point (G.A.P), Finland

#### Malcolm Byrne

Senator, Seanad Eireann (Irish Senate)

#### Francesca Cavallo

Founder & Chief Executive Officer, Undercats Media, best-selling author of "Night Stories for Rebel Girls", Italy

#### Alexandra Dariescu

Award-Winning Concert Pianist, Producer of "The Nutcracker and I" and Creative Entrepreneur, United Kingdom

#### Isabelle De Voldere (guest)

Senior Expert Competitiveness & Innovation, IDEA Consult

#### **Agnesta Filatove**

Executive Director, Vilnius International Film Festival, Lithuania

#### Mary Fitzgerald

Researcher and Consultant in Euro-Mediterranean Affairs, Specialising in Libya, France

#### **Nathalie Furrer**

Director of Programmes and Operations, Friends of Europe

#### Jakob Haesler

Managing Director, Foxdixneuf, France

#### Stefan Kalmár (guest)

Director of the London Institute of Contemporary Arts (ICA), United Kingdom

#### **Dharmendra Kanani**

Director of Insights, Friends of Europe

#### **Magid Magid**

Founder and Director, Union of Justice, and trustee of Friends of Europe, United Kingdom

#### **Giles Merritt**

Founder and Chairman, Friends of Europe

#### Katarzyna Nawrot

Assistant Professor, Poznan University of Economics, Department of International Economics, Poland

#### Burak Özgen (guest)

General Counsel, European Grouping of Societies of Authors and Composers (GESAC)

#### Stephan Petermann (guest)

Architect, Eurolab, The Netherlands

#### **Eduardo Portal Martin**

Chief Executive Officer, Passion for Conducting Academy, United Kingdom

#### Sneska Quaedvlieg-Mihailovic (guest)

Secretary General, Europa Nostra, The Netherlands

#### Augusta Maria Ramaccioni

Programme Manager, Friends of Europe

#### Anne-Solène Rolland

Head of Museums, Ministry of Culture, France

#### Fran Sanderson (guest)

Director of Arts Programmes and Investments, Nesta

#### Isabelle Schwarz

Head of Public Policy, European Cultural Foundation

#### Agnija Šeiko (guest)

Artistic Director, Šeiko Dance Company, Lithuania

#### Kamilla Sultanova

Owner, ConnectUz, Workforce diversity trainer, Speaker, Mentoring and Volunteering advocate, Finland

#### **Dimitris Tsingos**

Founder & Chief Executive Officer, StartTech Ventures, Greece

#### Jan Wilker

Programme Manager of Education and Employment, Goethe-Institut

#### Antonio Zappulla

Chief Executive Officer, Thomson Reuters Foundation, United Kingdom

#### Annex

- Cultural and creative sectors in post COVID-19 Europe
  Study requested by the European Parliament's CULT Committee
- A Cultural Deal for Europe
   Proposal by the European Cultural Foundation, Europa Nostra and Culture Action Europe
- Rebuilding Europe: the cultural and creative economy before and after COVID-19
  Study commissioned by GESAC (European Grouping of Societies of Authors and Composers)

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