Cultural policy in the Nordic welfare states

Aims and functions of public funding for culture
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Kulturanalys Norden has been tasked with producing statistics and knowledge that will be useful for policy makers who want to develop Nordic cultural policy and strengthen cultural life in the Nordic countries. Through statistics and analysis, we highlight key issues regarding the conditions of cultural life in the Nordic region. Kulturanalys Norden was initiated on behalf of the Nordic Ministers for Culture and is financed by the Nordic Council of Ministers. Our host organisation is the Swedish Agency for Cultural Policy Analysis.

For the Nordic Cultural Policy Summit in Malmö on 8–9 May 2018, Kulturanalys Norden was tasked by the Nordic Council of Ministers with producing a report on the governance of cultural policy and cultural policy reforms in the Nordic countries. The report, *Kulturpolitisk styrning: Ansvarsfördelning och reformer inom de nordiska ländernas kulturpolitik under 2000-talet* [Cultural policy governance: Division of responsibility and reforms in the cultural policies of the Nordic countries during the 2000s], was based on contributions from researchers in the Nordic countries. In the introduction, Kulturanalys Norden notes that while there are many important differences between countries in the region regarding how cultural policies are designed and implemented, there are also important similarities. In all Nordic countries, cultural policies have included political measures aiming at both supporting individual artistic activity, and making it possible for all inhabitants to actively participate in artistic and cultural activities. Therefore, Kulturanalys Norden concludes, it would still seem relevant to refer to a "Nordic cultural policy model", as it was identified in 2003 by a comparative research project, funded by the Nordic Culture Fund and ministries or agencies for cultural policy in the Nordic countries, and led by Peter Duelund. But while the "Nordic cultural policy model" might have been resilient over time, it also entails challenges. The final assessment of Kulturanalys Norden in the report from 2018 was that one such important challenge is the potential gap between objectives and remits set by cultural policy makers on the one hand, and the financial resources made available for cultural bodies to fulfil these objectives and remits on the other. Meeting this challenge requires more research-based knowledge about how public subsidy systems for culture are designed and what consequences they have for the arts and culture, and in relation to objectives and remits.

With this conclusion as the starting point, Kulturanalys Norden was tasked by the Nordic Council of Ministers with producing this research anthology on public subsidy systems for culture in the Nordic region. We invited Sakarias Sokka, senior researcher at CUPORE, to edit the volume. He then invited one researcher from each Nordic country to contribute with a chapter on the status and challenges of public subsidy systems for culture in their particular country. In addition, Kulturanalys Norden invited a former civil servant with the Nordic Council of Ministers to provide descriptions of Nordic co-operation grants for culture, as well as grants in the Faroe Islands, Greenland, and Åland.

As editor, Sakarias Sokka was also invited to set the analytical framework for the anthology. The "Nordic cultural policy model" is usually described as welfare-oriented, and Sokka therefore decided that the relation between this model and the equally widely-accepted "Nordic welfare model" should be the common theme.
throughout the volume. While the authors were given the freedom to choose which
issues to focus on in their respective chapters, all in one way or another concern
themselves with the question of how Nordic welfare policies are reflected in Nordic
cultural policies. Based on this common theme, Kulturanalys Norden draws at least
the following conclusions as relevant for cultural policy makers.

Firstly, public funding for culture in the Nordic region is still very much integrated
into a welfare-oriented perspective; that is, public funding should contribute to
universal equal access to artistic and cultural activities, regardless of place of
residence. Children and young people are often identified as a particularly important
target group. But public funding should also contribute to fulfilling the social rights
of artists by improving their working conditions.

Secondly, a large share of public funding for culture in the Nordic region is dedicated
to artistic and cultural institutions. Institutions provide the necessary infrastructure
to deliver artistic and cultural activities to inhabitants, but of course also provide
artists and cultural workers with job opportunities. While there are public subsidies
dedicated exclusively to individual artists throughout the Nordic region, individual
artists still have more precarious working conditions than other occupational groups
with similar levels of education and professional experience.

Thirdly, while public funding for culture is supplemented by private funding in several
Nordic countries, others seem more dedicated to relying primarily on public funding.
While it could be argued that having a broader range of funding bodies provides
artistic and cultural activities with a less vulnerable financial infrastructure, this
anthology shows that such systems can also be vulnerable if one of several sources
of income is threatened.

Fourthly, throughout the Nordic region, several levels of government and
administration are involved in public funding for culture: local, regional, national,
Nordic, and European. We need more knowledge about how public funding initiatives
at different levels support, and maybe sometimes contradict, one another. In
addition to these parallel processes of political and financial decentralisation – and
sometimes centralisation – we need more knowledge about how power over
resource allocation is distributed between different actors (politicians, civil servants,
artists, experts) within each level.

Kulturanalys Norden looks forward to contributing with continued efforts to increase
knowledge on the above-mentioned issues, among others. We would like to express
our gratitude to Sakarias Sokka and all contributing authors for taking us an
important step in the right direction. The researchers themselves are responsible for
the content of their respective chapters. We would also like to thank all civil servants
who have supplied Kulturanalys Norden with important information, as well as all
researchers who provided inspirational comments on the project at the Nordic

Kulturanalys Norden
Introduction: CULTURAL POLICY AS A BALANCING ACT

Sakarias Sokka & Jenny Johannisson

Cultural policy in the Nordic countries is usually described as welfare-oriented, in the sense that "public authorities assume substantial responsibility for cultural life" (Mangset et al., 2008, p. 2). When the Nordic countries developed into welfare states during the 20th century, the arts and culture were included as values to be distributed by the emerging welfare systems (Duelund, 2003; Mangset et al., 2008). Despite important differences between countries, Nordic cultural policies thus seem to be an integral part of the "Nordic welfare model", defined as distinct from other versions of welfare systems across the globe, making it relevant to also investigate the possibility of identifying a specific "Nordic cultural policy model".

A key element of this supposed Nordic model is that the state's joint monetary resources, heavily reliant on tax revenues, are used to support and distribute the value of arts and culture to all citizens. Indeed, financing is often considered a key governing instrument of any public policy. It could be argued that the distribution of funds is what marks the distinction between values that are rhetorically emphasised and those that are actually enforced; that is, the distinction between what politicians say is important and what is supported in practice. Still, there has been little research from a Nordic comparative perspective on the role of public funding in cultural policy, as well as cultural policy in general. The results of the most recent efforts are published in an anthology from 2003, based on a comparative research project led by Peter Duelund and funded by national ministries and agencies in the Nordic countries and by the Nordic Cultural Fund (Duelund, 2003). For the present anthology, five researchers were invited to contribute with chapters on the current state of public funding for culture in each Nordic country: Trine Bille from Denmark, Sakarias Sokka from Finland, Erna Kaaber from Iceland, Ola K. Berge from Norway, and Katja Lindqvist from Sweden. In addition, we invited a former civil servant with the Nordic Council of Ministers, Per Lundgren, to contribute with chapters on the Faroe Islands, Greenland, and Åland, as well as a chapter on public subsidies generated by the Nordic Council of Ministers.

In addition to providing an updated description of public subsidy systems in each country or self-governing area, the researchers explore the question of whether cultural policy can still be characterised as welfare policy, and if so, whether today's version of cultural policy as welfare policy has changed since the end of the 20th century. In focusing on public funding for culture, the anthology thus aims to increase knowledge about how the Nordic welfare model is reflected in the cultural policies of the Nordic countries, and whether there is reason to argue for the continuing relevance of a Nordic cultural policy model.

In this introductory chapter, we will first briefly outline how the Nordic welfare model and Nordic cultural policies have been understood in previous research. We will then
provide an overview of the key themes arising from the different chapters in this anthology, and conclude with some reflections on current and future challenges in cultural policy in the Nordic countries, as well as key topics for further research.

The Nordic welfare model

The notion of a Nordic welfare model has been quite extensively investigated by researchers, both empirically and in conceptual terms. The editors of a recently-published research anthology trace the idea of a Nordic model back to the beginning of the 20th century, when the social policies of the Scandinavian countries were "synchronised" through regular meetings between civil servants from each country. However, they also acknowledge that century-long processes have shaped what is currently known as the "Nordic model", which therefore defies strict definition (Koivunen, Ojala & Holmén, 2021, p. 5). Although the content of the model might have shifted, and it has been regularly challenged, the model as a "recipe for combining stable democracies, individual freedom, economic growth and comprehensive systems for social security" (ibid., p. 2) would still seem relevant.

One important characteristic of the Nordic welfare states is that they have attained political consensus in a state-regulated way. Extensive state intervention has been used to achieve a high level of employment and social redistribution. All Nordic countries have been able to strengthen democratisation and social policy development simultaneously with economic growth. A common topical feature among the Nordic countries has been broad public participation in economic and social life, aiming not just to promote economic efficiency, but also to balance and enhance the lives of individuals and families. In Nordic social policy, the keywords have thus been comprehensiveness, universalism, and regulation for social equality and fairness. All this has contributed to political stability (Kildal & Kuhnle, 2005 [see also Erikson, 1987]; Veggeland, 2016; Roikonen, Ojala & Eloranta, 2021.)

According to Veggeland (2016, p. 5), “the Nordic model still is to a large extent a state-centred model, despite influence of anti-state neoliberal ideology”. There are three fundamental principles of what he calls the Nordic socioeconomic administrative model. Firstly, the state has a central role in consumption and investments, which form the base for the universal welfare state. Secondly, state interventions realise social and regional redistribution policies, meaning transfers from the richer regions and people to their poorer counterparts. Thirdly, the “tripartite cooperation” between the state, the employee, and the employing organisation constitutes an important element in labour market and social policy processes.

Despite the strive for consensus and continuity apparently embedded in the organisation of the "Nordic model", the world does not stand still. While we seem to have basic knowledge of both welfare and cultural policies in the Nordic countries, there are gaps that remain to be addressed. For example, we do not know to what extent the current criteria and effects of public funding for culture implement welfare principles. Furthermore, globalisation, ageing populations, digitisation, and climate change all challenge the economic foundation of Nordic welfare states – which, on the other hand, seem to be well equipped to face these challenges (Koivunen, Ojala & Holmén, 2021).
Overall, the Nordic welfare model has shown resilience when contested, and still excels. It has proven, for example, to be no more expensive than "continental" and "liberal" welfare models: all seem to have an equally large share of spending on welfare, but the composition of public and private spending and taxation differs between them (Kvist, 2013, p. 75). The Nordics also continue to rank among the countries with the lowest levels of inequality (Roikonen, Ojala & Eloranta, 2021). From this resilience, it would also seem to follow that the "Nordic cultural policy model" is robust to change.

Nordic cultural policies

Welfare orientation

In Nordic social policies, social citizenship has been taken literally to ensure that all citizens are treated on equal terms (e.g., Nordlund, 2005). Welfare policy is, in each Nordic country, reflected in cultural policy objectives. Like the Nordic welfare model, Nordic cultural policies aim at being all-encompassing and egalitarian (cf. Kvist, 2013). Public authorities still have an active engagement in the cultural field, and through their efforts aim to provide equal opportunities for all to participate in cultural activities as well as to provide "welfare-oriented support" to individual artists (Mangset et al., 2008, p. 2).

In the Nordic welfare model, public resources generated by taxes should primarily finance the delivery of "welfare services", understood to include the arts and cultural content, to each inhabitant. According to this ideal, everyone should have equal access to the arts and culture, and public authorities should work actively to reduce any obstacles to equal access. In addition, cultural policy aims at improving conditions for professional artists, in terms of both income and social security. To achieve these welfare-oriented objectives, cultural policies in the Nordic countries since the mid-20th century have included a heavy emphasis on public funding.

Overall, by the beginning of the 21st century, the Nordic welfare model has increasingly been challenged, especially in terms of legitimacy (e.g., Kvist, 2013). At the same time, scholars have identified a shift towards market orientation as the guiding principle of Nordic cultural policies (e.g., Duelund, 2003). This might in turn increase the emphasis on arguments for welfare-oriented cultural policy of a more instrumental kind (Heikkinen, 2003), a criticism that in public debate has also been voiced for example against increased decentralisation of cultural policy to regional and local levels of government.

Despite their welfare orientation, Nordic cultural policies also seem to contain some anomalies when it comes to fulfilling welfare objectives. For example, artists and cultural workers do not really fit into the “tripartite cooperation model” which is so characteristic of the Nordic welfare model (see this volume, e.g., Lindqvist; Sokka). They often work without an employer and combine several different sources of income (e.g., Mangset et al., 2018; Hirvi-Ijäs et al., 2020; Pyykkönen, Sokka & Kurlin-Niiniaho, 2021). Consequently, job security and other work-related welfare arrangements differ from other groups of professionals, increasing the risks related to personal livelihood (see Veggeland, 2016; Menger, 2002).
Allocation of funding

Based on the country-specific chapters in this volume, funding for culture in the Nordic countries seems to have remained quite stable in the first few decades of the 21st century. This can also be seen in statistics available in the Nordic Statistics Database for the period 2005–2019, which show that, while there has been some fluctuation, there are no signs of major disruption to public funding for culture in the Nordic countries and self-governing regions.

![Figure 1. State expenditure on culture](image)

* Source: Nordic Statistics Database, 2021-08-27.

** Icelandic figures between 2005–2012 lacking.

So, judging by the stability of public expenditure as demonstrated both by the above figure and by the individual chapters in this anthology, it would seem that the “Nordic cultural policy model” has proven resilient over time. Simultaneously, the content of some rationales of cultural policies have shifted over time, but it seems rather to be a matter of “sedimentation” – that is, new layers being added to existing ones – than rationales being replaced or eliminated, with radical shifts in public expenditure as the result (see also Henningsen, 2015). It would be interesting to explore the question of whether the stability of public funding is somehow connected to the ability of Nordic cultural policies to continuously adopt and integrate new rationales.

As for the alleged increased instrumentalism in cultural policy, it could be questioned whether this change is primarily rhetorical or substantial in kind (Mangset et al., 2008; Stenström, 2008), and whether it could at all be avoided in cultural policies integrated with welfare policies (Saukkonen, 2021; see also Vestheim, 2012). For example, as discussed in the chapters of this anthology, art and cultural institutions remain an important priority in Nordic cultural policy, and a large share of public

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1. It should be noted that these sums cover only part of state expenditure on culture (see for example Jakonen et al., 2021), and we should not jump to direct comparisons between the Nordic countries based on the figure. Still, it shows the overall stability of funding. States have also allocated specific funding to help the cultural sector cope with the Covid-19 crisis, which long-term effects, however, remain to be seen.
funding is allocated to them. From a Nordic welfare perspective, institutions have historically been considered important vehicles for facilitating equal access to the arts and culture throughout a given country, and this still seems to be the case. It would also seem that cultural institutions are still expected to contribute to socially-instrumental aims of inclusion and equal access to artistic and cultural activities.

When drawing the conclusion that cultural policy in the Nordic welfare states is in many ways characterised by stability, we do not however mean to imply that cultural policies have not changed at all, or that there are not important differences between countries in terms of how cultural policies are played out. Indeed, it has been argued that the combination of the rhetoric of a joint Nordic model – even as a “pan-nationalistic idea” – with differing national solutions has always been an integral part of the Nordic model itself (Koivunen, Ojala & Holmén, 2021).

There are, for example, differences between countries concerning the balance between public funding on the one hand, and other means of funding for the arts and culture on the other. The importance of private foundations seems to vary between the Nordic countries, and in some nations their role has grown during the 2000s, although they might not identify themselves as cultural policy makers. Lottery funds play an important role in some of the Nordic countries, perhaps most evidently today in Finland as explained by Sakarias Sokka, but also in Norway and Denmark, as shown by Ola K. Berge and Trine Bille. In other countries, however, there seems still to be a more singular focus on public funding and direct state subsidies as means to correct market failure, the arguments for which are explored by Katja Lindqvist in her chapter on Sweden (cf. Larsson, 2003).

Due to differences between general government systems in the Nordic countries, there are also important differences in how public funding is decided upon and distributed to artistic and cultural activities. For example, while legislation plays an important role in Denmark and Finland, in Sweden it is mainly employed for general reforms and guidelines, while the actual allocation of public funding is left to government authorities. It is an interesting question, which merits further research, how much the existing structures for decision making have affected the allocation of funding to culture, for example during the Covid-19 pandemic. In any case, in all Nordic countries, and in self-governing areas with subsidies generated by Nordic collaboration, the role of external quality assessment by experts, generally referred to as the “arm’s-length principle” is still often emphasised (cf. Mangset, 2009).

**Current state and challenges**

In recent decades, Nordic cultural policies have been impacted by new instrumentally-motivated aims. According to Pasi Saukkonen (2021), the focus has shifted from education and social wellbeing to economic growth. The present volume however show that this has not (yet) profoundly changed either the organisation or the allocation of public funding for culture. As anticipated, Nordic cultural policies have proven to be robust to change. The scope of public cultural policy has perhaps broadened, but the new objectives have not replaced the old; once more, it has simply been a matter of adding new items to the checklist. Current and future challenges considered, this however poses yet another challenge, endogenous by origin, to the "Nordic cultural model": without changing and evolving, the model may become outdated and perhaps even obsolete (Saukkonen, 2014; Mangset, 2018).
The development of cultural policy objectives in different countries shows both similarities and differences between the Nordic nations. While there still seems to be a general agreement on basic objectives, we know from previous research that this agreement emanates from quite different historical trajectories for each country. For example, both Denmark and Sweden have existed as sovereign nation-states for longer than Finland and Norway, which were established as such only in the early 20th century (Duelund, 2003). Different historical trajectories also influence the preconditions for cultural policy, most strikingly in the case of Iceland, where professionalisation and organisation of the cultural field has happened later than in other Nordic countries (cf. Gudmunsson, 2003). This phase of Icelandic development seems to have left the field more agile, with faster organisation of, e.g., participatory forms of cultural governance than in the other Nordic countries (see Kaaber in this volume). This raises a question about the future direction of cultural policy: will it take a primarily centralised or decentralised form? Could administrative governing turn into collaborative governance?

The national level of government is supplemented by at least one more level in all countries, thus providing structures to support political decentralisation. However, there are also signs of administration becoming centralised. While decentralisation has been described as one of the key characteristics of the Nordic model and Nordic cultural policies as welfare policies (Mangset et al., 2008; Kvist, 2013), studies have shown that the division of responsibility between different levels of government is blurred and underexplored in research (Kulturanalys Norden, 2018).

In this volume, Sokka pinpoints that the development of cultural administration in Finland has in fact often moved in the direction of (re)centralisation, regardless of all the talk about decentralisation and new governance. Despite the network of art and cultural institutions located in the bigger cities around the Nordic countries (i.e., “decentralised”), decision-making power concerning funding allocations remains far more centralised. We clearly should aim for a more explicit definition of what we are talking about when we refer to decentralisation. In Sweden, the regional level seems to play a distinctive, formal role in the distribution of public funding for culture, but at the same time, the power over allocation of national subsidies remains in several ways centralised (Renko et al., 2021). In Finland, even the role of peer assessment has recently been dismantled – and centralised – in some important art funding decisions (Jakonen, 2020).

Comparative case studies looking in more detail at how the allocation of funding is organised, that is, how power over resource allocation is distributed between different agents (politicians, civil servants, artists, citizens), may be fruitful to illustrate actual decision-making processes and their differences among the Nordic countries and at different levels of administration. For instance, how is the “Nordic model” being implemented on local, national, Nordic, and European level? According to Duelund’s anthology from 2003, between-country differences in attitudes towards Nordic and European collaboration are interesting – Finland being the most positive towards European collaboration (Kangas, 2003), while Nordic collaboration has been particularly important to Iceland (Gudmunsson, 2003).

In all Nordic cultural policies, including those produced by Nordic collaboration, there are important elements that directly reflect Nordic welfare policy. Equal access to the arts and culture is considered a social right, including efforts made to improve the social and economic conditions for artists. In addition, there seems to be an
acceptance throughout the Nordic region of a subsidy system directed at artists that does not necessarily stand in conflict with welfare policy, but at least cannot be said to be fully integrated into welfare policies when compared with, for example, education and health services. The level of public subsidies directed at artists has, as this volume shows, remained stable or increased since the 1960s. Since it was last systematically investigated by Merja Heikkinen in 2003 (Heikkinen, 2003), what also remains unchanged is that professional artists tend to accept (voluntarily or otherwise) more precarious working conditions than other occupational groups with a similar background and level of education (Myndigheten för kulturanalys, 2020; Pyykkönen et al., 2021).

It is also interesting to reflect on the current situation in relation to Peter Duelund’s observation in 2003 that cultural policy includes an understanding of culture as a tool with which to shape national unity, in the anthropological sense, while simultaneously emphasising a more open and universal understanding of artistic quality (Duelund, 2003). While diversity is today rhetorically promoted in Nordic cultural policies, the question – raised by the contributing authors of this volume as well as by other researchers (e.g., Saukkonen, 2021) – is how demographic changes can be increasingly reflected in both artistic production and cultural participation.

Based on both the chapters of this volume and previous research on the Nordic welfare model, all Nordic countries will face new challenges in the future. We have already mentioned globalisation, demographic changes (ageing and, in some countries, shrinking populations; immigration), digitisation, and climate change. Mangset et al. (2008, p. 2) have also referred to “fundamental postmodern transformation processes” which include marketisation, increased mobility, individualisation, de-institutionalisation, fragmentation, de-differentiation, and politicisation. These are just some of the factors that might potentially have profound effects on cultural policy. How should future policies, for example, understand changes in consumption patterns, the development of distribution channels (e.g., streaming, AI, AR), new demands for participation, threats to democracy, and the seemingly continuous diversification of cultural activities and actors? Clearly, the challenges are broad, and finding the solutions will require broad-based discussion and profound new research.

 Mapping the future of cultural policy in the Nordic region

The chapters of this volume give reason to be both satisfied and alarmed about the future of Nordic cultural policy. Decisions made about cultural policy structures decades if not a century ago can still be traced even in the current allocation of money flows. Both the strong role of the state and the importance of public funding remain emblematic features of the Nordic states, which have maintained welfare structures despite changing circumstances in a path-dependent way. On the other hand, institutionalised structures are unable to react quickly despite the need to make changes, which eventually may leave them at odds with questions about their legitimacy when the surrounding society changes. In Nordic cultural policies, periods of change are linked to policy continuity such that external crises (like budget cuts) have offered almost the only chance for transformation (e.g., Kangas & Vestheim, 2010). Interestingly, the Covid-19 pandemic has not resulted in budget cuts for culture, but all Nordic countries have provided quite extensive crisis support to the
sector (Kulturanalys Norden, 2021). It remains to be seen whether the crisis will consequently lead to structural changes.

There are various possibilities to redirect operations on different levels of action. Despite an apparently narrow leeway, actors and organisations are clever in finding new ways to act. For example, the established cultural organisations at the very core of institutionalised Nordic cultural policy have recently been shown to have successfully adapted their actions to changing environments and the changing paradigms of cultural administration. According to experiences from Denmark, new approaches to societal value, users, and even performance indicators – which have often been claimed to hamper cultural actors – have been used to redirect the ways in which cultural organisations fulfil their purpose, in fact eventually increasing their operational autonomy. Yet, this autonomy might also be something different to the prevailing understanding of the “autonomy of the arts”. The freedom of institutions to (re)define their own purpose, and the freedom to choose the means and ends in problem solving, are stressed more than before and, possibly, this might be at the expense of keeping definitions of quality in their own hands (Kann-Rasmussen & Hvenegaard Rasmussen, 2020).

The apparent changes in society and recognised challenges raise the question of how to balance the multiple and sometimes even contradictory goals of cultural policy. Essentially, we can identify the different objectives of cultural policy (“culture as public service”, “freedom of artistic and cultural expression and activities”, and “culture as livelihood and business”) as illustrated below (Figure 2; see OKM, 2018; Hirvi-Ijäs & Sokka, 2019; Hirvi-Ijäs et al., 2021). We may consider how different parts of the figure can be regulated, guided, supported, and developed by public policy. Such an approach escapes a narrow sectoral viewpoint, and instead, we are invited to look at the whole, consisting of intermingled parts. From the viewpoint of funding, important questions for future consideration are: how, how much, what kind, and by whom is public funding for arts and culture allocated to the different areas of the figure, and what does this tell us about Nordic cultural policies?

Figure 2. Dimensions of public cultural policy
In the figure, we see the different layers of policy development represented in the three circles situated in the centre. The root of public support for culture lies in the early stages of cultural policy development, where civilising and ‘Bildung’ alongside nationalism were important drivers for developing cultural life in the Nordic countries (e.g., Bjørnsen, 2009; Harding & Nordvall, 2015; Sokka, 2005). The expanding welfare state broadened the scope of cultural expressions recognised and supported by cultural policy (e.g., Mangset, 2018). The markets and cultural entrepreneurship were then incorporated into the frame as they slowly became recognised by cultural policies. Importantly, all these developments enable the (re)production and circulation of substantial meanings related to culture throughout society.

Culture as a public service, shown on the left of the figure, is entwined with the social value of art and culture. Public funding is thus also interwoven with social purposes like equality, wellbeing, and cohesion. In the Nordic countries, both the state and municipalities organise cultural offerings and make different possibilities available to citizens, including through support to established institutions, organisations, educators, and associations. These actors are obviously not detached from the very core of the picture, “freedom of artistic and cultural activities and expressions”, where the rationale of artistic freedom and independent cultural action is highlighted. This is where the idea of "autonomous art” is kept alive and appreciated among various kinds of actors raising their voices in the public debate. Grants to artists and subsidies to civic actors belong to this part of the figure (Hirvijää et al., 2021).

The circle on the right-hand side is based on an economic perspective on the arts and culture. This view highlights, for example, the export of cultural products and the value of art and culture as measured by markets. In current cultural policies, the economic perspective can be identified in discussions about creative and cultural industries and ecosystems. A large part of cultural tourism, private consumption, festivals, regional development projects, and production companies are situated in this part of the figure (Hirvi-Ijäs et al., 2021). These have traditionally not been the responsibility of cultural ministries (perhaps even on the contrary). Nonetheless, they have become evidently important, for example, as sources of livelihood for individual artists (e.g., Pyykkönen, Sokka & Kurlin Niiniaho, 2021).

Based on the arguments put forth in this volume, it seems evident that Nordic cultural policies should be, and to some extent already are, aware of all three circles. The need for increased co-operation between administrative sectors and political levels, as well as collaboration with different stakeholders outside the realm of public policy and administration, deserves to be highlighted. That being said, it should not be forgotten that cultural policy fulfils an objective that no other branch of public administration could: it understands the arts and culture.

REFERENCES


WHERE DO WE STAND TODAY?
An essay on cultural policy in Denmark

Trine Bille

Introduction

The purpose of this chapter is to analyse the current state of public funding for arts and culture in Denmark, and to consider the current purpose, objective, functions, and effects of public subsidy systems.

In 1993–95, the then Minister of Culture, Jytte Hilden, led a large project on cultural policy in Denmark. The purpose of the project was to answer three basic questions about Danish cultural policy: a) What were its original goals? 2) What have been the main experiences from cultural policy since the Ministry of Culture was established in 1961? and 3) Is there a need for change? The results of the project were published in a series of 18 books covering the different cultural subsectors. The first book, with the title “Where Do We Stand Today?” (Bille Hansen & Duelund, 1994), focused on the current status of cultural policy in Denmark, while the last in the series, “The Danish Cultural Model” (Duelund, 1995), summarised the project’s findings regarding the different subsectors and proposed new directions and priorities for Danish cultural policy. This project was later followed by a similar Nordic project, “The Nordic Cultural Model” (Duelund, 2003). It has been more than 25 years since the project on Danish cultural policy was conducted, and no similar project has seen the light of the day since then.

As described by Duelund (1995 & 2003), the original goals and instruments of cultural policy were largely created within the frame of the welfare state, and public funding is an important part of cultural policy in Denmark. The world has changed significantly over the last 25 years – first and foremost due to the comprehensive digitisation of most parts of society. Therefore, there are good reasons to now ask the same questions again: Where do we stand today in Danish cultural policy? Is there a need for change? Other questions this essay will address are the following: To what extent do the current cultural policy goals reflect welfare principles? Have there been any major changes in the funding structure? Has the welfare principle as one of the cornerstones of Nordic cultural policy erupted?

The article is structured as follows. The second section outlines the goals of cultural policy, and the Nordic welfare model as the guiding principle for cultural policy. The third section describes the main policy instruments and means, the governance structure, and the connection between goals and means. The fourth section discusses public funding for culture and its development the past 20 years. A special section is devoted to private foundations, as they have proven to be a very important player in the development of Danish cultural policy. The fifth section considers the effects of public funding, although it is almost impossible to prove causality when it comes to cultural policy instruments and their effects.
development of participation in culture is also discussed in this section. The sixth section deals with contemporary changes in the cultural field, in particular digitisation and the Covid-19 pandemic as a disruptive factor. The final section concludes the essay by emphasising the need for change.

The Nordic welfare model as guiding principle of cultural policy

Kvist (2013) describes the Nordic welfare model as being all-embracing, based on a high degree of social responsibility of the state, universalism, individualism, high employment targets, equality of opportunity and outcome, high quality and generosity, and local organisation of services.

Most of these principles have been directly reflected in the aims of cultural policy since 1961 when the Ministry of Culture was established. Since then, the main guiding principles in cultural policy have been (Betaækning 517; Hedtoft et al., 1953; Duelund, 1995):

• A high degree of responsibility of the state in providing cultural offerings of high quality to the whole Danish population.
• Equal opportunities and access for all citizens in all parts of the country to consume and participate in cultural activities regardless of socio-economic background and personal income (keeping prices low).
• Support for the production of art of high quality (independent of the market).
• Preserve cultural heritage for future generations.
• Support for amateur activities and self-expression.
• Local organisation of the supply of cultural activities in the municipalities, adapted to the needs of local communities.

These general cultural policy objectives have remained basically unchanged since 1961, but they have been supplemented with new objectives primarily relating to special groups:

• A focus on cultural offerings and activities for and with children and youth
• A focus on immigrant culture and a multi-cultural perspective on cultural policy
• A focus on internationalisation
• A focus on instrumental objectives. What can culture do for other sectors in society? What are its potential impacts on employment, economic growth, health, vulnerable social groups, crime, and the integration of citizens with other ethnic backgrounds than Danish?

While the overall goals have remained more or less the same, supplemented by new goals added along the way, the emphasis has changed and evolved (Bille Hansen & Duelund, 1994). While the main aim in the 1960s was to spread (high) culture to all individuals and all parts of the country (democratisation of culture), the focus of the 1970s was to support all kind of cultures and to stimulate self-expression and people's own local culture (cultural democracy). The instrumentalisation of culture began in the 1980s with an increasing focus on the impact of culture on employment

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2. For an impressive and thorough historical investigation of Danish cultural policy 1750–1900, see Engberg (2005).
3. For a historical investigation of children’s culture in Denmark, see Deal et al. (2021).
and economic growth. This was enhanced during the 2000s with the advent of the experience economy and a focus on the creative industries and their contribution to the national economy (Bille, 2011). Later, the instrumentalisation of culture spread to health impacts, social impacts, and the integration of citizens of different ethnic backgrounds. At the same time, cultural policy for children has increased in importance.

Today, the original objectives co-exist with the new, making it hard to coin the main goals.

Policy instruments and means

The governance structure and the instruments used to reach cultural policy aims and goals have also remained more or less the same in the past 60 years, but they have of course been developed and refined along the way.

Governance structure

At the national level, the Ministry of Culture and the affiliated Agency for Culture and Palaces are responsible for national cultural policy and the allocation of funds though the Finance Act (Finansloven). The funds are primarily allocated to cultural institutions and to artistic practice through the Danish Arts Foundation (Statens Kunstfond).

The majority of the funds for arts and culture are allocated to cultural institutions. There are 24 state institutions in Denmark funded directly through the Finance Act. These institutions include the artistic educational institutions (arts academies), national museums, theatres, libraries, and archives.

Furthermore, there exist about 700 independent cultural institutions supported by the state or by the state and the municipalities together.

The Danish Arts Foundation is an arms-length body, where funds are allocated though 12 committees covering different subsectors (music, theatre, literature, film, architecture, design and crafts, and visual arts). The members of the committees are experts and peers who decide on the allocation of funds based on applications. About 500 million Danish krone (DKK) is allocated to artists and projects through the Danish Arts Foundation every year. The Foundation has existed since 1964 and has been developed and expanded over time.

Support for cultural institutions is relatively stable, and it has proven difficult to close any cultural institutions or change the allocation of funds to any significant degree. The funds allocated though the Danish Arts Foundation are more flexible and useful in supporting individual artists and new projects. Furthermore, a substantial amount of the surplus from the national lottery funds is allocated to cultural purposes. These funds are also free funds in the sense that they can be allocated to new projects.

Cultural life in Denmark is regulated through comprehensive legislation. There is separate legislation for theatres, museums, libraries, visual arts, music, archives, literature, film, and media. This detailed regulation of the cultural field is exceptional in an international context. The cultural sector is further regulated by other laws such as the copyright law and tax laws (The law on Tax Deductions in the Cultural Field from 2004, and the law on VAT exemptions for cultural institutions, sports events and activities, etc.).

At the local level, the municipalities have the freedom to conduct cultural policy in accordance with local needs and preferences, and when it comes to local theatres (egnsteatre), state-recognised local museums (statsanerkendte museer), regional music venues, and music schools for children and youth, the state supplements with a percentage of the local funds.

The local government reform in 2007 reduced the number of municipalities from 271 to 98, and with the mergers came more responsibilities for cultural supply. Most importantly, local libraries became the responsibility of the municipalities, where they had previously shared responsibility with the state. The larger municipalities had a positive impact on cultural policy development, as many of the old municipalities had been too small to have a cultural policy. This was also the reason behind a state-supported local experiment in the 1990s where municipalities could collaborate with their neighbours, and within their cultural region offer a proper supply of higher quality to the inhabitants. The experiment was a direct outcome of the 1993–95 research project on cultural policy in Denmark, initiated and financed by Minister of Culture Jytte Hilden and managed by Peter Duelund and myself (Bille Hansen & Duelund, 1993; Duelund, 1995). Today, the option of forming cultural regions is established by the law in the Ministry of Culture's Cultural Agreements with the Municipalities, and there exist 12 agreements of this kind (2021–24).

As this brief review of the governance structure shows, cultural policy is conducted using many different instruments. Hillmann-Chartrand & McCaughey (1989) have developed a classification of four generic state models for the conduct of cultural policy: The Architect State (dominant in the Nordic countries), The Facilitator State (dominant in the US), The Patron State (dominant in UK), and The Engineer State (dominant in the former USSR). All the models have their pros and cons. Based on this terminology, Denmark can be described as a typical Architect State. The main characteristic of this model is a strong Ministry or Department of Culture through which funds are allocated. Granting decisions are generally made by bureaucrats, but with respect to artistic choices, and the cultural institutions remain independent of government. Support for culture can be seen as part of meeting social welfare objectives and community standards. The main strength of the model is that artists and cultural institutions are relieved to a great extent from depending on popular success at the box office; its main weakness is that in the long-term, guaranteed direct funding can result in creative stagnation.

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5. Lov om Kulturministeriets kulturaftaler med kommuner m.v. og om regionernes opgaver på kulturområdet (LBK nr. 728 af 07/06/2007)

6. Combined with elements of the Patron State, which is characterised by a strong arms-length body like the Danish Arts Foundation. With donations being tax deductible, the Danish model furthermore includes elements of the Facilitator State.
Goals and means

The overall goal of the public sector to provide cultural offerings of high quality to the whole Danish population, is primarily reached through support to the many cultural institutions. This support likewise secures equal opportunities and access for all citizens in all parts of the country to consume and participate in cultural activities regardless of socio-economic background or income, by making it possible to keep ticket and entrance fees low. The extensive involvement of the municipalities ensures that cultural supply is geographically distributed, and the local organisation of cultural activities makes it possible to adapt the supply to the needs of different communities. Furthermore, the municipalities are the main provider of support for amateur activities and self-expression by supporting, among other things, the music schools and framework conditions for citizens’ cultural and leisure-time activities.

Support for the production of art of high quality (independent of the market) is likewise secured through support for cultural institutions, and through the funds from the Danish Arts Foundation, which are directed to individual artists and new projects to develop the field.

Finally, the goal of preserving cultural heritage for future generations is achieved mainly through public support for museums and archives, and to some extent for libraries (the LAM sector).

The additional goals concerning special groups (such and children and youth or immigrants) are reached primarily via framework agreements between government and cultural institutions by stating certain requirements for, e.g., a special focus on activities for and with children and youth, or expectations about the size and composition of audiences. The state-funded cultural institutions all have a contract with the Ministry of Culture, where their obligations for the next four-year period of public support is described in general terms. Therefore, the contract is a framework agreement, and not a detailed strategy or action plan. When these agreements were implemented back in the 1990s, it triggered widespread negative reactions and fear of government interference with artistic freedom and the freedom of the institutions. It was seen as part of the New Public Management (NPM) wave. This development led cultural policy scholars to identify a shift towards market orientation as the guiding principle of cultural policy also in the Nordic countries (Duelund, 2003) by the beginning of the 2000s. The nature of changes was questioned by other scholars, who asked whether the change was primarily rhetorical, and whether any substantial structural and institutional changes had in fact taken place or not (Mangset et al., 2008; Stenström, 2003). The framework agreements have actually proven to be a useful working tool for the Ministry of Culture and for the institutions, where strategic policy goals can be stated without interfering with the artistic freedom or the management of the institutions. This does not however imply that these goals have been reached to a satisfactory level. For instance, the goal of integration of immigrants has been criticised for being too vague and the policy for not living up to the expectation (Skot-Hansen, 2017).

A focus on instrumental objectives was introduced in the 1980s, where in particular the municipalities began to argue for public support for arts and culture. New cultural centres, often hosting a library and a large professional stage for concerts and theatre performances, were built in many municipalities, and the main argument was often economic impact. The new venues and cultural offerings would attract new citizens and tourists to the municipality, and the tourists would generate increased consumption locally by visiting restaurants, shops, and hotels,
resulting in economic growth. It was even stated, based on doubtful studies, that it was “profitable business” for the municipalities to invest in culture, as the money would come back into the public purse by a factor of about 1.4. Although these calculations were based on deficient and often flawed economic impact studies, and the academic research literature warned policy makers against the exaggerated results of such studies (Bille Hansen, 1993; 1995), the economic argument was often used by politicians, and still is (Bille and Storm, 2021). Recently, an economic impact study was conducted on Aarhus, Denmark, the European Capital of Culture 2017 (Cowi, 2018) and critically assessed in Bille (2018).

In the early 2000s, the cultural policy focus on what culture could do for the economy was enhanced by a growing policy interest in the experience economy and the impact of the creative industries on the national economy (employment, GDP, and exports). Several policy documents were published, such as “Denmark’s Creative Potential” (2000) and “Denmark in the Cultural and Experience Economy – 5 new steps on the road” (2003). Today, the experience economy has almost disappeared as a concept in the public debate, and the focus has shifted towards the health impacts of culture, as well as the social dimension and impact on coherence and integration. Kann-Rasmussen and Rasmussen (2021) have suggested that New Public Governance is a way of understanding why culture today is coupled to health and migration, and why it can be seen as something else than just instrumentalisation.

The public and private funding of culture

This section will describe the development of public funding for culture. Support from private foundations will also be discussed, as it has a huge impact on funding for culture in Denmark.

Public support

Public support for the cultural sector can be divided into support from the municipalities, the state (the Finance Act), the funds from national lotteries, and the media license fee. Figure 1 shows the development of funding in these categories over the past 20 years (in 2019 prices), and it shows that public funding of culture amounted to 18 billion DKK in 2019. All figures are without sports and adult leisure-time education (folkeoplysning). The support from the counties disappeared in 2007 due to local government reform, where the counties were discontinued. The figure shows that spending has been rather stable. From 2018 to 2019 we see an increase in the state’s spending and a similar decrease in the spending of media license fees. This is due to a political agreement that the media license will be phased out from 2019–22 and replaced by tax financing.

7. For a discussion of the experience economy in a Danish context, see Bille (2011) and Bille and Lorenzen (2008)
8. The new regions, which replaced the counties, have no obligations regarding culture.
Figure 1. The development of public spending on culture (excluding sports and adult leisure-time education), 2000–2019 (2019 prices).

Source: Statistikbanken BEVIL01

Figure 2 shows public spending on culture as a percentage of total public spending. It also shows a stable development, except for the municipalities, where the percentage increased in 2007 due to the local government reform. However, five years later in 2012, levels have returned to those seen before the reform. In the years with high municipal spending, levels of funding from national lottery funds are lower than normal.

Figure 2. Public spending on culture as percentage of total public spending (excluding sports and adult leisure-time education), 2000–2019 (2019 prices)

Sources: From 2000–2007 “Kulturpengene” and from 2007–2019 BEVIL01

Figure 3 shows how total public spending is divided between subsectors. It shows that the majority of the funds are allocated to TV and radio, followed by libraries. "Other cultural activities"\(^{10}\) are also large, followed by performing arts, museums, and music.

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\(^{10}\) These are often transverse cultural activities covering more than one artform.
**Figure 3.** The development of public spending on culture, subsectors (excluding sports and adult leisure-time education), 2007–2019 (2019 prices).

Source: Statistikbanken BEVIL01

Figure 4 shows how the different cultural fields are supported from different public sources: municipalities, the state, national lottery funds, and license fees. While libraries are supported mainly by the municipalities, cultural heritage and performing arts are financed mainly by the state. Media are financed mainly by license fees.

**Figure 4.** Cultural public spending, subsectors, and financing (excluding sports and adult leisure-time education), 2007–2019 (2019 prices).

Source: Statistikbanken BEVIL01
Municipal spending on culture differs quite a lot from one municipality to the other. Some municipalities spend three times more than others, with the funding per inhabitant varying from 578 DKK to 1,538 DKK. There is a tendency that the larger and more urban municipalities spend more, but this is not consistent, and there are several non-urban or smaller municipalities that stand out for their high expenses on culture. These municipalities have chosen a deliberate strategy to focus on culture and develop an image as cultural municipalities; this is the case for example for larger provincial municipalities like Helsingør in Northern Zealand, Roskilde in Mid Zealand, and Holstebro in Jutland. Holstebro has a long history of being a pioneer when it comes to arts and culture dating back to the 1960s (Skot-Hansen, 1998).

![Map of Denmark showing cultural expenses per inhabitant](image)

**Figure 5.** The municipalities’ cultural expenses per inhabitant (excluding sports and adult leisure-time education), 2019

Source: Statistikbanken BUDK32

**Private foundations**

A special case in the Danish cultural policy context are the private foundations. There exist several non-profit private foundations that give donations to mainly cultural, social, and scientific causes. They have huge fortunes, and the biggest foundations supporting arts and culture are A.P. Møller Fonden, Nordea Fonden, Realdania, VELUX/VILLUM Fondene, Ny Carlsbergfondet, Augustinusfonden, Bikubenfonden, Oticon fonden, Tuborgfondet, and Egmont Fonden. Sixty percent of the support to arts and culture from private foundations comes from the five biggest foundations, and 74% from the 10 biggest (Fondenes Videnscenter, 2018). The foundations donate mainly to new projects and the construction of new buildings or renovation of old buildings. They do not in general support operational costs.

Several new cultural buildings have been financed by private foundations. Two prominent examples are the Opera House in Copenhagen built in 2005, funded by a
gift from A.P. Møller Fonden of 2.5 billion DKK, and the new Maritime Museum of Denmark in Helsingør, built in 2013 and funded by a collective of 11 private foundations covering the costs of 400 million DKK. Without the private foundations, these new buildings would probably not have seen the light of day. Likewise, the private foundations have supported the renovation of many museums, old buildings, and heritage sites. Recently, Realdania has granted 120 million DKK to the Royal Danish Theatre. The funds will be used to re-build the old stage for plays (Staerkassen) to a universe for children, where they can meet the performing arts on their own conditions. It is expected to open in 2023/24. 11

As the foundations do not cover operational costs, some of the cultural institutions located in the new buildings have run into financial problems as their operational costs have increased, as was the case for the Maritime Museum of Denmark. This has created some public debate. 12 The new Opera House in Copenhagen has implied huge increased operational costs every year, which have been covered by the state.

In 2017, private foundations donated a total of 2.2 billion DKK to arts and culture (Fondenes Videnscenter, 2018), compared to 17 billion DKK in public support. Of the 2.2 billion, 64% (1.4 billion) went to museums and cultural heritage. Furthermore, it is worth noting that 38% of the amount was donations for construction (840 million), while the rest went to activities (1.3 billion). In comparison, only 416 million DKK of the public funds went to construction costs (of which 340 million came from the municipalities). This means that the private foundations covered 67% of all construction costs in the cultural sector in 2017. Finally, it is worth mentioning that public institutions got a big share of the funds from the private foundations (1 billion DKK), while other non-profit organisations got 0.8 million (Fondenes Videnscenter, 2018).

As the private foundations mainly support new projects and initiatives and new buildings, this means that a lot of the innovation in the cultural sector is financed and decided upon by them. This of course does not mean that cultural institutions cannot drive artistic innovation, new projects, new ways of dissemination, etc. But it does mean that the foundations have an important impact on the development of the cultural sector.

Critical voices in the public debate have stated:

"The foundations have a big influence on what is happening in terms of new things. The public funds are cast in concrete: it is impossible to move them around. They are tied to operating costs, especially concerning the state, but also when it comes to municipalities, which, however, have more free funds to spend." (Lasse Marker, Rasmussen & Marker ApS) 13 (own translation)

"It can have a self-censoring effect for those applying and relying on the foundations, understood in the sense that an applicant can be more likely to apply for money for visible projects, because they go for the money." (Christoph Ellersgaard, Copenhagen Business School) 14 (own translation)

The Danish foundations are to an increasing degree positioning themselves to take on more responsibility and drive societal change (Deloitte, 2018), and when the

11. https://realdania.dk/nyheder/2021/01/nyt-stort-oplevelsesunivers-for-boern-i-staerkassen
donations are tax deductible, as is the case in Denmark\textsuperscript{15}, it becomes a way for the state to conduct cultural policy through indirect public support (Hillmann-Chartrand & McCaughey, 1989). This has created some public debate, as the donations are outside democratic control (Duelund, 2019)\textsuperscript{16}, and it raises questions such as: how do the foundations calibrate with (the goals of) public cultural policy? How do the foundations calibrate with each other? What are the consequences for the cultural sector in terms of supply and participation?

The CEO of Augustinusfonden, Frank Rechendorff Møller, has stated in a Danish newspaper:

\begin{quote}
“The foundation does not conduct cultural policy... We have a strategy which we have created by asking ourselves the question: what does the field look like? For example: what is going on in the performing arts field? Which institutions are in play? How is the field already supported? What does the field itself say about where the development needs are? We use that as input, and then we look at the roles the public and other foundations have.” (Dagbladet Information, July 25, 2019) (own translation)
\end{quote}

And the CEO of Ny Carlsbergfondet, Morten Kyndrup, says: "We are quite atypical as we have no cultural policy agenda", and "Every foundation cannot just set its own agenda. They have to see themselves as actors among other actors and they also have to calibrate the effort." (Dagbladet Information, July 20, 2019) (own translation)

Lund and Berg (2016) have studied the importance of the support from private foundations in a historical perspective (1901–2015). In accordance with the rest of the figures cited in this article, they have excluded sports and leisure-time education for adults (folkeoplysning) from the calculations; media is also excluded. Their studies show that public support dominates the financing of the cultural sector, but the private foundations have increased in importance during the last 20 years (see Figure 6). 'Other private funds' refer to consumer spending on culture.

\begin{figure}
\centering
\includegraphics[width=\textwidth]{figure6.png}
\caption{Public and private finance for cultural purposes (excluding sports, adult leisure-time education and media), 1901–2015, Source: Lund and Berg (2016)}
\end{figure}

\textsuperscript{15}. The law on Tax Deductions in the Cultural Field from 2004.
\textsuperscript{16}. Dagbladet Information, July 20, 2019.
It is of special interest to compare the public-financed free funds (the national lottery funds) with the funds from the private foundations, as the free funds are primarily used to support new projects and ideas. Figure 7 shows that the funds from the private foundations have increased in importance, and there is no doubt that the private foundations are playing a big role in the development of the cultural sector, and that their decisions have cultural policy implications.

**Figure 7.** Support for cultural purposes form private foundations and free public funds (puljemidler) (excluding sports, adult leisure-time education and media)

Source: Lund and Berg (2016)

The effects of public funding

It is difficult, if not impossible, to prove causality when it comes to cultural policy instruments and their effects.

The overreaching cultural policy goal in Denmark has been to provide equal opportunities and access for all citizens in all parts of the country to consume and participate in cultural activities, regardless of socio-economic background or income. The focus has changed over time, where the main goal in the 1960s was to spread (high) culture to all individuals and parts of the country (democratisation of culture), while in the 1970s it was to stimulate self-expression and people’s own local culture (cultural democracy). Today, democratisation of culture and cultural democracy live side by side, and policy goals are not as clear as in the past.

The success of the goal of equal access can partly be measured by the regular participation studies, even though having equal access is of course not the same as having equal and high participation rates among all citizens (equal outcome).

Regular representative and almost comparable participation studies have been conducted since 1964, covering the years 1964, 1975, 1987, 1993, 1998, 2004 and 2012. Bille et al. (2005) have compared the participation rates in a 40-year perspective. Figure 8 shows the development of participation in culture in terms of several key cultural activities. The year 1964 is left out as it is not truly comparable.

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17 From 2018, a new model for the participation studies was implemented in collaboration between the Ministry of Culture and Statistics Denmark. Unfortunately, the results of the new model are not comparable with the old figures, as the format of the questions has changed.
Figure 8. Development of participation in culture (percentage of population who have participated within the last year), 1975–2012

Source: Bille et al. (2005) and Epinion and Pluss Leadership (2019).

Figure 8 shows an increase in participation rates for most of the activities, and especially from 1975 to 1987 we see a significant increase in participation rates for classical and other concerts and in theatres. From 1987, we see a steady increase in participation in other concerts, but the rest of the activities have remained quite stable, except for cinemas. Regarding cinemas, we see an interesting decrease from 1975 to 1993, and then an increase to 2004/12, reaching the same level as in 1975. This development probably indicates television taking audiences away from the cinemas up until 1993, where we see a turn, perhaps due to innovations in the cinema experience, where huge screens, surround sound, and 3D may have drawn audiences back.

Has the overall development in participation in culture been a result of cultural policy? The developed infrastructure of cultural institutions across the country has no doubt been important. However, the increase in participation rates has also followed an increase in the share of the population with a higher education and women’s entry into the labour market, and we still see that it is the well-educated and well-off who make use of cultural institutions more than the rest of the population (Bille et al., 2005; Bille, 2021). While 61% of people with higher education had visited a museum within the last three months in the third quarter of 2018, this was true of 33% of people with only primary-school education. For theatres, the share of the population was 44% for people with higher education, and 15% for people with only primary school (Bille, 2021). Likewise, the share of the population who had visited a museum within the last three months was 54% for people with an annual income of about 450,000 DKK, and 37% for people in the income category 150,000–250,000 DKK; for theatres, the corresponding shares were 39% versus 22% (Bille, 2021).

Bille et al. (2005) have shown that about one third of the population are highly active when it comes to cultural activities, one third are somewhat active, and one third are not active (so-called non-users). This has led successive Ministers of Cultural Affairs to put a focus on non-users in various official documents, such as the strategy document from 2009 “Culture for everybody – Culture across the whole country.”

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Does the third of the population who are not using the established cultural offerings signify that the cultural policy has failed? Probably not; people have different preferences. However, one response to the challenge has been audience development, a concept developed in the UK, where the Audience Agency was established. The basic idea is to help cultural institutions to attract a broader and more diverse audience. The strategies shall be based on knowledge and data, and evaluation is an integral part of the concept. In Denmark, APPLAUS was established for this purpose in 2018 as a project based on public-private finance. In its first phase (2018-21), APPLAUS targeted theatres, and in its second phase, starting from summer 2021, it will target the broader field of concerts and performing arts.

It is still an open question how far the low prices have been effective in reaching a bigger and broader audience and expanding the number of visitors to public cultural institutions. Recently, a new public debate has emerged on increasing entrance fees for cultural institutions. However, we don’t know much about how effective the low prices have been in reaching the cultural policy goals of equal participation, or whether increasing prices would have a regressive impact on participation among less wealthy citizens.

When it comes to another important goal, namely the production of art of high quality, the arms-length body Danish Arts Foundation has been effective in giving grants to artists, allowing them freedom to work independent of the market and develop their art. The goal is to support the production and development of the art by supporting the artists. This policy does not mean that all artists can live off of their work, nor that this is or should be a policy goal. There are many people who want to be artists and try to make their living from the arts, and as Abbing (2002) has shown, there will always be an oversupply of artists, and therefore the average income will always be low, as more public support or better market conditions will attract even more people to the profession. As shown in many international studies (Bille, 2020; Throsby and Petetskaya, 2017) as well as Danish studies, the average income of artists is very low, and many artists live off a very low income (Bille et al., 2018), while a small minority earn a huge part of the entire market (the superstars).

What is important is that artists get fair payment for the work they are doing. Copyright law is of immense importance here, and likewise it is important that the unions work for fair fees for concerts, exhibitions, etc. There is still a lot to be done to secure artists fair payment for their work, but as long as they are willing to work for very low fees, it is also quite difficult to change. The social security system in Denmark, with unemployment benefits and cash benefits (kontanthjælp), has proven important for artists.

**Contemporary changes in the cultural field**

Society has changed dramatically during the last 20 years due to digitisation, and the cultural sector is no exception. The music industry in particular has been disrupted and has had to develop new business models and ways of earning income that are in line with completely new modes and patterns of production and consumption.

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19. There is extensive international research literature on price elasticities in the cultural sector (see Towse and Hernández (ed.), 2020), and, for a Danish example, on the Royal Danish Theatre (Baldin and Bille, 2017).
20. *Politiken*, July 17, 2021: Har du råd til at tage del i kulturlivet?
21. For a seminal contribution on the economics of superstars, see Rosen (1981).
With the advent of new international digital platform-based content providers such as Spotify, Google, Amazon, YouTube, Netflix, and social media, cultural content is now disseminated and consumed in entirely new ways. Digital media and communication infrastructures increasingly shape citizens’ patterns of production and consumption, influencing how people meet and interact with cultural products (Valtysson, 2020). Algorithms, “likes”, and “shares” create new consumption patterns, and cultural products and content are consumed on smartphones through podcasts, streaming services, and social media.

The EU’s regulatory frameworks regarding audio-visual media services, telecommunications, and data protection have become of huge importance for cultural policy, and archival politics and institutional politics have become important arenas for national cultural policy (Valtysson, 2020).

These developments raise important questions concerning how Danish cultural policy needs to be adapted to the changed circumstances:

- What is the Danish cultural policy concerning the big international digital platforms?
- How do we need to adapt and change the traditional cultural policy based on changing production and consumption patterns?
- How do we secure for artists a fair renumeration for their work in an international digitised world?

So far, we have not seen any radical changes in cultural policy as a response to the changed circumstances.

Covid-19 has been another disruptive factor for the cultural sector. Figure 9 shows how participation in cultural activities has been adversely impacted in quarters 2, 3, and 4 in 2020, compared to 2019. The open question is whether Covid-19 will have a long-term impact on the cultural sector and subsequently on the need for change in cultural policy. Cultural institutions have of course been negatively affected by the lockdown in Denmark in 2020 and 2021. The interesting question is whether audiences’ behaviour has changed, and whether we will see any long-term effects from this. Many cultural institutions have shifted to digital solutions during the pandemic. Will these new solutions endure after Covid-19? Have cultural institutions permanently lost a part of their audiences? Or have the new digital solutions created a new audience that will remain after the pandemic? The answers to these questions still remain to be seen, as does the need for a revised cultural policy (beyond immediate financial support for struggling institutions).

Another pertinent question is whether the lockdown has increased inequality in cultural participation patterns. A study has shown that the lockdown of Danish libraries has led to increasing inequality in the borrowing of books for children (Jæger & Blaabæk, 2020). A broader study, looking at cultural participation in the Danish population before and during the pandemic, shows that inequality in participation actually decreased during the pandemic in contrast to expectations. This can be explained by the fact that overall participation decreased significantly during the pandemic. Even though it was partly compensated by an increase in consumption of online and digital formats (and especially for people with higher education and a higher income), this was not nearly enough to compensate for the general decrease in participation caused by the lockdown (Blaabæk & Jæger, 2021; Bille, 2021).

In Denmark, so-called help-packages (hjælepakker) were developed to support the cultural sector and other suffering sectors during the Covid-19 pandemic.

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22. In Denmark, so-called help-packages (hjælepakker) were developed to support the cultural sector and other suffering sectors during the Covid-19 pandemic.
Figure 9. Cultural participation before and during the Covid-19 pandemic (percentage of the population who had participated within the last three months), 2019 and 2020, Source: Adapted from Blaabæk & Jæger, 2021
Discussion

Where do we stand today when it comes to cultural policy? In my opinion, we are not on solid ground.

The purpose of this essay is to paint a broad picture of cultural policy in Denmark. As always, the devil is in the detail, and it has not been possible within the scope of the article to dig deeper into the situation of all cultural subsectors and all of the different challenges the sector is facing. However, sometimes it can be beneficial to take the helicopter view, and to see developments in an overall perspective.

Welfare principles, such as high social responsibility of the state, equality of opportunity and outcome, high quality and generosity, and the local organisation of services, have been guiding cultural policy since the establishment of the Ministry of Culture in 1961.

In 1953, the then Danish Prime Minister Hans Hedtoft published a book called "The human at the centre – A contribution to an active cultural policy". A number of prominent members of the Social Democrat Party contributed to the book, including Julius Bomholt, who became the first Danish Minister of Culture in 1961. Their vision was to create a coherent and active cultural policy, based on a humanistic approach. In 1969 came "Betænkning 517", another important cultural document during the period when K. Helveg Petersen was the Minister of Culture. "Betænkning 517" had enormous impact on cultural policy in Denmark in the following years. The original vision was formulated as follows:

“For us, it is also about giving the common man access to and interest in the spiritual treasures such as visual art and painting, which music, theatres, films, radio and fiction can represent. The single citizen must not only be made capable of the practical tasks of life, he must also have the opportunity to satisfy the joy of beauty, his artistic longing, his need for that which is beyond the limits of time and space. A truly democratic cultural policy must also safeguard all this in order to ensure humanity, tolerance and foresight in modern society, which otherwise threatens to make us isolated, specialised, one-sided, and spiritually one-eyed.” (own translation) (Hedtoft et al., 1953).

Through substantial public support for cultural activities, making it possible to keep prices low, arts education in public schools, the geographical distribution of cultural institutions across all parts of the country, and local engagement by the municipalities, one of the main goals of cultural policy has been to create equal opportunities for all citizens. While we have seen an increase in participation rates up until around 1990, the development of participation rates thereafter has stagnated, and equal opportunities have not led to equal participation, as we see that cultural participation is still weighted towards people with a higher level of education, and to some degree women and wealthier people (Bille et al., 2005; Epinion & Pluss Leadership, 2012; Bille, 2021).

The Nordic welfare model has been rather resilient in the face of challenges, and the strengthened discourses of marketisation and effectiveness, and the introduction of NPM and its new measurement schemes, such as the framework agreements with cultural institutions, do not seem to have changed the main purposes of cultural funding in Denmark, as it was feared in the early 2000s (Duelund, 2003).

Today, the interesting question is, has cultural policy been too resilient to develop in
accordance with the huge changes that have taken place in society? Digitisation has in many ways been a game changer, but has cultural policy been able to adapt to the new economic and technological conditions? Has Danish cultural policy to some extent faced one of the main drawbacks of the Architect State (Hillmann-Chartrand & McCaughey, 1989), namely stagnation?

In my opinion, welfare principles are still as relevant today as before, but perhaps we need to re-think cultural policy in terms of instruments and allocation of funds, in order to reach the cultural policy goals. Perhaps we even need to re-think the goals themselves in a world that is international and digitised, and a cultural sector that looks completely different compared to the 1960s and 1970s. Furthermore, since then, the working class has lost importance and the well-educated middle class has taken over as the majority. As Mangset (2018) has argued: contemporary cultural policy has not adapted to the major transformational processes that have taken place in contemporary societies.

In a few years, we will be able to learn from the impact of the Covid-19 pandemic. Will people have tired of online and digital solutions and crave the real thing, maybe even returning to local arts and culture to a larger extent than before the pandemic? Or have people got used to high-quality online transmissions from the Royal Opera House in London, La Scale in Milan, or the Philharmonic in Berlin, and favour this content over locally-produced performances? How can and should cultural policy change and adapt to the altered modes and patterns of consumption and production we have seen in the cultural sector, with digitisation as the main driver? Will the new consumption and production patterns lead to increased or decreased inequality?

From time to time, there appear in the public debate voices calling for a conversation about values in cultural policy. It is argued that cultural policy has been reduced to the allocation of public funds, and there is a lack of visions and values in the political landscape (Jørgensen, 2021). In its broad sense, cultural policy is about values, and deals with different strategies and motivations in society in general and in the cultural field in particular. Broadly speaking, cultural policy is a product of an ongoing debate on values and ideas that are considered important. Historically, different attitudes to the church and religion, questions of freedom of speech versus its suppression, questions of nationality and cosmopolitanism, research and teaching at all levels have been important elements in cultural policy (Duelund, 2008).

Returning to the starting point 60 years ago, when the Ministry of Culture was established, there was a clear vision for cultural policy based on humanistic principles, and the human being at the centre. Perhaps it is time to conduct a new large-scale project on cultural policy in Denmark, similar to the one initiated by the Jytte Hilden almost 30 years ago, that would seek to answer these basic questions: a) What are the main goals of cultural policy today? 2) What are the main experiences from cultural policy conducted and the instruments used? and 3) Is there a need for change?
REFERENCES


FAROE ISLANDS

Per Lundgren

Population: 52,934
Area: 1,399 km²
Administration: Self-governing nation with extensive autonomous powers and responsibilities within the Kingdom of Denmark.
Official language: Faroese. Danish is used in official matters and taught in school.

In the Faroe Islands, public funding of culture is provided on national and municipal level.

National level

The table below shows the 2016–2020 funding from the budget of the Ministry of Foreign Affairs and Culture of the Faroe Islands. The distribution of funding covers grants for culture and operational costs for culture, cultural heritage, media, church, and sport.

Grants for culture include the national culture fund and the Ministry’s own funding schemes from which funding is allocated upon application. Operational costs include grants that are allocated to specific non-governmental organisations, associations, or other bodies. The total grants and operational costs for culture constitute approximately 10% of the budget of the Ministry.

<table>
<thead>
<tr>
<th>Year</th>
<th>Grants, culture</th>
<th>Operational costs, culture</th>
<th>Operational costs, cultural heritage</th>
<th>Operational costs, media</th>
<th>Operational costs, church</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2300</td>
<td>6000</td>
<td>0</td>
<td>4000</td>
<td>1000</td>
</tr>
<tr>
<td>2017</td>
<td>3000</td>
<td>7000</td>
<td>2000</td>
<td>5000</td>
<td>1500</td>
</tr>
<tr>
<td>2018</td>
<td>3500</td>
<td>8000</td>
<td>3000</td>
<td>6000</td>
<td>2000</td>
</tr>
<tr>
<td>2019</td>
<td>4000</td>
<td>9000</td>
<td>4000</td>
<td>7000</td>
<td>2500</td>
</tr>
<tr>
<td>2020</td>
<td>4500</td>
<td>10000</td>
<td>5000</td>
<td>8000</td>
<td>3000</td>
</tr>
</tbody>
</table>

Figure 1. National budget for culture in thousand DKK. Investments in buildings, Covid-19 support schemes, license fees for the national broadcasting corporation, church rate, and music schools are not included. 23

23. Data in this figure have been supplied by Alda Joensen, Senior Principal, Ministry of Foreign Affairs and Culture, Faroe Islands.
Besides these grants and costs, the operational costs of the public cultural institutions are allocated as shown below.

**Table 1. Overview of operational costs of public cultural institutions.***

<table>
<thead>
<tr>
<th>Costs for the operation of the public cultural institutions (in thousand DKK)</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>36.258</td>
<td>38.682</td>
<td>41.351</td>
<td>43.576</td>
<td>46.753</td>
<td></td>
</tr>
</tbody>
</table>

*Data in this figure have been supplied by Alda Joensen, Senior Principal, Ministry of Foreign Affairs and Culture, Faroe Islands.

**Grants and decisions on funding for culture**

The national fund works independently from the political authorities and makes decisions according to the arm’s-length principle. The Board consists of five members of which the Council of Faroese Artists chooses two and the Minister three. The national fund operates the public support for cultural and artistic events, translations and work grants for artists and cultural workers.

Travel grants (air fares) for artists are organised with the municipalities of the capital, Tórshavn, the national airline company, Atlantic Airways, and the Nordic House, and these grants are distributed independently by representatives of the partners. The management of the grants lies with the municipalities.

Grants for film and performing arts are organised by expert panels chosen by a broad board of stakeholders. The experts make recommendations to the Minister who makes the final decision. The Ministry is also in charge of grant schemes for cultural events, visual artists, and children and young people. In these schemes, the administration considers the applications and makes recommendations to the Minister.

**Operational costs**

The applications for media grants are administered by a panel of experts chosen by relevant parties from outside the Ministry. These experts make decisions independently from the Ministry.

Operational costs for cultural and youth organisations are allocated from the national budget, and the final decision lies with the political authorities, which are in dialogue with the respective organisations about their demands and visions. The same applies to the areas of church, cultural heritage, and sport.
Municipal level

Most municipalities have a grant for cultural support. The municipalities generally support projects and initiatives that enrich and develop the cultural life in their own areas. In some municipalities, the administration decides on smaller amounts; in others it is the cultural council that makes the decision. However, in many cases, municipalities have regulations where applications over a certain value must be processed by the municipal council.

Municipalities can also provide support for investments in construction, represented by sports associations and leisure communities. In addition, the municipalities manage a few funds themselves. The funds are organised by a board that is typically a mix of representatives from the authorities and local cultural life.

The municipality of Tórshavn can provide support for cultural projects, initiatives and campaigns, such as exhibitions, performances, concerts and music publishing, as well as for organising cultural conferences, seminars on art, and leisure activities such as sports and scouting. An example is the joint fund between Nuuk, Reykjavík and Tórshavn, the purpose of which is to provide financial support for initiatives within culture, education and sports, and to promote and develop cooperation between the three cities and their inhabitants.

In addition, the two second largest municipalities, Klaksvík and Runavík, provide public funding of culture for local projects and initiatives. The funding is granted for initiatives considered to be non-profit making, diversified, and innovative.

Table 2. Culture: grants and operational costs, 2016–2020.*

<table>
<thead>
<tr>
<th>All municipalities in total (million SEK)</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiatives and events in the cultural and leisure fields</td>
<td>19.0</td>
<td>26.3</td>
<td>23.4</td>
<td>21.3</td>
<td>25.0</td>
</tr>
<tr>
<td>Grants for sport and culture</td>
<td>29.6</td>
<td>27.5</td>
<td>29.4</td>
<td>29.0</td>
<td>35.6</td>
</tr>
<tr>
<td>Libraries</td>
<td>11.3</td>
<td>12.3</td>
<td>12.8</td>
<td>13.3</td>
<td>13.1</td>
</tr>
<tr>
<td>Museums and cultural heritage</td>
<td>2.8</td>
<td>3.1</td>
<td>3.1</td>
<td>4.7</td>
<td>4.5</td>
</tr>
<tr>
<td>Swimming baths</td>
<td>10.8</td>
<td>11.9</td>
<td>12.1</td>
<td>12.5</td>
<td>15.2</td>
</tr>
<tr>
<td>Sport facilities</td>
<td>19.2</td>
<td>23.7</td>
<td>27.2</td>
<td>25.3</td>
<td>27.1</td>
</tr>
<tr>
<td>Total (million DKK)</td>
<td>92.7</td>
<td>104.6</td>
<td>108.1</td>
<td>106.0</td>
<td>120.6</td>
</tr>
</tbody>
</table>

*Data in this figure have been supplied by Eyðun Christiansen, Director of the Association of the Faroese Municipalities.

The Nordic culture subsidiaries programmes play a great role in the Faroese arts and culture scene. Besides numerous national projects and events, many Faroese artists are engaged in Nordic and global collaboration, and many Faroese use the opportunity to apply for funding from the Nordic subsidiary programmes. Faroese
applicants often seem to apply for larger projects, including theatre projects, large seminars, and collaboration. For instance, musicians frequently work across the Nordics.

However, the uptake of the Nordic subsidiaries programmes is relatively low among young people in the Faroe Islands, and efforts are made to create greater awareness of the opportunities. The Nordic House in the Faroe Islands is the Faroese contact point for these programmes.

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The Association of Faroese Municipalities: [http://www.kf.fo/](http://www.kf.fo/)


The Government of the Faroe Islands: [https://www.government.fo/](https://www.government.fo/)

The Nordic Institute of Greenland (NAPA), located in the centre of Nuuk at the cultural centre of Katuaq, supports Greenlandic cultural life through outward-directed activities for schools and educational institutions in Greenland. NAPA also supports Nordic cultural collaborations via its grants, and the institution is therefore profiled in more detail in the chapter on Nordic collaboration.

The government of Greenland has two subsidy schemes: self-governed cultural assets and the lottery fund (Selvstyrets Kulturmidler and Tips- og Lottomidlers pulje C).

Selvstyrets Kulturmidler is a national grant for art and culture, mainly directed at professional artists and art projects. The grants are divided into three parts: project grants, personal grants (arbejdslegater), and operating grants (driftstilskud).

Lottery fund (Tips- og Lottomidlerne pulje C) is a subsidy scheme which is funded by the turnover of Danish Game (Danske Spil A/S) and administrated by the government of Greenland. The grants, which are divided into project grants and operating grants, cover projects that are for public use and public access (almennyttige formål), including cultural projects.

A selection of Greenland’s five municipalities has their own subsidy schemes for culture and arts but are not as specific as the government grants.

Applications for both Selvstyrets Kulturmidler and Tips- og lottomidlerne pulje C are reviewed and administrated at the Ministry of Culture, but the decision is made by the Minister for Culture.

The government is now working to move Selvstyrets Kulturmidler to a fund (with a managing board) by law, which is expected to be implemented in 2022. Tips- og lottomidlerne remains the same in 2022. Each year, the Nordic Institute of Greenland (NAPA) funds about 100 projects from different artistic fields with a Nordic perspective. NAPA has a cultural support programme, which includes travel support and project support.

Ministry organisation. The Ministry for Education, Culture, Sport and Church is organised through a Minister, a Head of Department, an Educational Board, a Directorate, and one head of department for each of the sub-departments.
Figure 1. Ministry organisation – Minister, Head of Department, Educational board, Directorate, and the four Heads of Departments of Economy, Education, Culture and Law.  

Grant applications are sent to the Ministry and registered and reviewed within the Ministry. The applications are then presented to the Minister who makes the decision, according to the official criteria. The Ministry then sends out responses to the applicants.

Figure 2. Funds allocated to arts and culture in the national budget 1990–2019 (in 2019 prices)
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The Nordic Institute in Greenland: https://napa.gl/en/
Aims and Allocations of Public Funding for Culture in Finland

Sakarias Sokka

Introduction

During the 2000s, the state of Finland has established and intensified strategic guidance within its administrative areas, including in cultural policy. In 2017, the Ministry of Education and Culture (MinEdC) published a Strategy for Cultural Policy 2025 (CuPo2025). At the beginning of the document, the minister of culture stated that the strategy “has such a broad framework that we can safely say it will extend further than a single government’s term. The general objectives of the strategy are in line with established practices of cultural policy and also policies favoured by our peer countries.” In this case, the “established practices of cultural policy” obviously refer to the responsibilities of the ministry, where “cultural policy comprises the different sectors of arts and culture, museums, cultural heritage, libraries, cultural exports and creative works”. The “peer countries” are not named in the strategy, but for Finland, these are obviously the other Nordic countries. According to previous research, all the Nordic countries have produced public cultural policies as a part of their welfare policies (Mangset, 2000; Duelund, 2003). The development of modern cultural policy has been, more or less, “a by-product of the post-war welfare state”, as Per Mangset (2000, 399) puts it. The Nordic welfare model is an internationally interesting way to organise public policies (e.g., Koivunen, Ojala &Holmén, 2021). Developments in different Nordic countries have not, however, followed similar paths. Finland, for example, was a latecomer to the group of Nordic welfare states (e.g., Kangas, 2004). Indeed, national particularities are related to special conditions under which national institutions and systems have been built and become resilient towards outside pressures (Sevänen & Häyrynen, 2018; Dubois, 2015).

Strategic guidance and established practices form an intriguing – and potentially in some cases, opposing – pair of tendencies, where the latter maintains stability grounded in institutionalised patterns and structures, while the former leans towards the future, preparing the administration to face upcoming challenges. In the CuPo2025, the MinEdC designated three broad main themes under which three main strategic goals for cultural policy are defined:

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27. This development relates to the idea of “knowledge-based policy” ([https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/75434/OKM16.pdf?sequence=1](https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/75434/OKM16.pdf?sequence=1)).
1. Theme: Creative work and production.  
   Goals: The conditions for artistic and other creative work will be better, and there will be more diverse ways to produce and distribute creative works.

2. Theme: Inclusion and participation in arts and culture  
   Goals: Inclusion in arts and culture will be increased and differences between population groups in terms of participation will be smaller.

3. Theme: Cultural basis and continuity.  
   Goals: The cultural basis will be strong and vital.

The three themes and associated goals are too broad to be evaluated in detail within the scope of this article. Suffice it to say that they align with some of the main principles of the Nordic welfare state model, such as an emphasis on universalism, work life, and employment (e.g., Korkman, 2012; Kvist et al., 2011). In broad terms, this means that cultural policy has attempted to tie individual liberties to equality and organise possibilities for all citizens – both professionals and amateurs – to create and experience cultural content. Sevänen and Häyrynen (2018, 22) go as far as stating that “[i]f we choose one concept to describe the background values of public cultural policy after the Second World War, this concept would obviously be universalism”. Mitchell (2003, 448) meanwhile reminds us that direct support to the arts and artists, autonomy of creative processes, and a publicly-supported network of cultural and art organisations constitute the main elements of the "Nordic cultural model."

The CuPo2025 strategy lacks an implementation plan, though implementation is noted in a very pragmatic manner to be dependent on “the funds allocated to the ministry” (CuPo2025, 39). In this article, I will analyse how the public sector in Finland has allocated funds to culture and how funding has changed during the 2000s. Furthermore, I ask to what extent the allocation implements the strategic goals of the CuPo2025, and whether and how much both the allocation and aims of public funding for culture, primarily by the state, reflect the main principles of what has been labelled as the Nordic welfare model.

Established structures

Centralised state, self-governing municipalities

The formation of Finnish cultural policy began during the 19th century. The National Archives, National Gallery, National Museum, and National Theatres (both Swedish and Finnish speaking) were established in this period, all in Helsinki, and the first artist grants were paid. Local-level cultural policies also have their roots in this period, with the establishment of various local theatres and orchestras, whose predecessors still function today in many Finnish cities.

In a historical perspective, the establishment of institutions, be it theatres,
orchestras, libraries, or museums of visual arts and heritage, can be explained by two primary motives: private individuals’ appetite for culture, and civilising and national goals. The then emerging civil society had an important role in the initial development. Many influential intellectuals maintained functioning relations with politicians and administrators. In fact, some were leading politicians themselves, manoeuvring public support towards cultural efforts they valued, on both national and local level (Sokka, 2005; Sokka & Kangas, 2006; Sokka & Kangas, 2007; Helminen, 2007; Kangas & Vestheim, 2010.) The creation of Finnish cultural policy is thus tied to the same ideas that were also important for the emergence of the welfare state in Nordic countries. As Kildal and Kuhnle (2005b) have pointed out, national identity and community building are latently related to the idea of universalism that is such an important element of the Nordic welfare model.

As has been noted in welfare research, strong local governments have been an integral part of the Nordic model and municipalities have implemented the welfare state at the local level (e.g., Lesjø, 2016). The division of cultural responsibilities between the state and municipalities is emblematic of public cultural policies in Finland. As Anita Kangas has written (2003, 84), soon after gaining independence in 1918, “[t]he state gradually took over the civic associations’ tasks … [and] through this process, the basic pillar of Finnish cultural policy was formed: support for the arts and cultural life was a joint responsibility of the state and the local government.” Local self-government, based on individual municipalities, is guaranteed in the current Finnish Constitution, and the structures that exist today can partly be explained by legislation guaranteeing a degree of state funding for municipal-level activities.

The 1960s onwards saw the modernisation of Finnish society. “Rationality” was a catchword in organising cultural policy and rearranging cultural administration. Art was included in cultural services as part of deepening institutionalisation, serving two goals: to be of high quality, and to be available to everyone. Artistic life was guaranteed a somewhat autonomous position (i.e., “self-regulation”) in relation to other sectors, not to mention the markets. Artistic activity thus became entangled with welfare policy in a most interesting manner: “To become a target of public support, a certain area of art … had to prove itself financially unprofitable” (Kangas, 2004, 26–27). Obviously, when this approach is embedded in the established forms of art policies, the fulfilment of the abovementioned strategic goals becomes interesting.

Today, the public network of art and culture institutions is emblematic for cultural policy in Finland as in the other Nordic countries (see other articles in this volume; Mitchell, 2003). The central government has guided local cultural policy development through both financial support and legal obligation (Saukkonen & Ruusuvirta, 2012). In practice, municipalities have many duties related to welfare, and they have responsibilities to arrange services for citizens. Municipalities also have a substantial amount of freedom to decide how they make decisions and organise their administration and services. Yet, cultural infrastructure in Finnish municipalities is rather homogeneous. Some of the legal guidance has been revised in recent years, thus introducing new aims for municipal-level actions (e.g., legislation on cultural activities in local government was amended in 2019), but these changes have not (yet, at least) changed for example funding structures.

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31. The administrative system is explained in a more detailed manner, for example, in the Finnish country profile of the Compendium of Cultural Policies and Trends: https://www.culturalpolicies.net/ See also: https://kulturanalys.se/wp-content/uploads/2020/09/kulturpolitisk-styrning_webb.pdf
Weaker regions

The regional level has only limited importance in Finnish cultural policy. Most of the regional actors represent the state on the regional level, including the regional art councils, Regional State Administrative Agencies (AVI – Aluehallintovirasto), and Centres for Economic Development, Transport and the Environment (ELY – Elinkeino, liikenne- ja ympäristökeskus).

The regional art councils32 have operated since the end of the 1960s. Today, they are part of the Arts Promotion Centre Finland, established33 in 2013, and retain very limited resources and not much leverage on any major issues. The regional councils however still allocate some state funding to professional artists working in the regions. The AVIs provide guidance and advice for local administration, organise training, assess, licence, and process complaints.34 Their main cultural concerns remain in libraries, for whom the AVIs even allocate some state support for developmentary and experimental projects. The ELYs are supposedly responsible for promoting culture and creative economy in their respective areas,35 but these responsibilities are not backed with adequate resources. In this role, they also “assess the development of the operating environment of cultural actors,” and have responsibilities for channelling EU funds (ESF) to the Finnish regions.

The regional councils36 are joint municipal authorities in charge of regional development, and thus the only major actors on the regional level that are not organisational parts of the national central administration. Besides the ELYs, these councils are another route for EU funding, and have responsibilities concerning the European Regional Development Fund (ERDF). There have been many EU-funded culture projects,37 but unfortunately we do not have precise figures for how much, not to mention which forms of culture have benefited from either of the abovementioned forms of EU funding. Due to the project-based, fixed-term nature of EU funds, it would be hard to outline specific long-term regional-level cultural policies from the implementation of these EU schemes in Finland (cf. Mitchell, 2003). Indeed, they are structural funds for societal and regional development, but it remains uncertain which kind of (and whose) cultural policies the funded projects in fact fulfil.

The current government of Finland aims to (finally38) rearrange health and social services on the regional level, which should have a significant effect on the responsibilities of municipalities. In brief, the reform is about shifting the responsibility for providing the health and social services and rescue services from municipalities to new counties.39 When everything proceeds as planned, the proportional share of spending for cultural services, education, and sport will grow considerably within municipal governance.

33. The new centre was rather a rearrangement of the previous Arts Council Finland than a newly-established institution.
38. In different forms, such a reform was on the agenda of different governments at least since the year 2006.
Funding responsibilities of the state and municipalities

Both the state and municipalities began funding art and culture as early as the 19th century (Sokka, 2005). For example, the city of Turku (Åbo) first granted permanent (annual) funding for the maintenance of a professional orchestra in the beginning of the 1870s, and the state then followed by granting a comparable amount (Helminen 2007). In principle, this is still the basic model for funding the main art and culture institutions on the local level as funding for the maintenance and operating costs of institutions is a joint effort between the state and the municipal level. Both state and municipalities frequently also allocate funding to other art and cultural organisations (e.g., Sokka & Jakonen, 2020).

The state is financially responsible for the national art and cultural institutions, direct support for art and artists, higher education in art and culture, and for international relations, whereas municipalities maintain infrastructure for local arts and culture activities, local organisations like libraries, museums, theatres, and orchestras, basic arts education, and other cultural activities such as events. The state allocates funding for the municipal level via a rather complicated government transfer system. The transfer system and sharing of responsibilities between the state and municipalities are based on legislation. The state either pays directly to the municipalities, which can then decide how to allocate the share in their budget, or steers funding directly to the art and cultural institutions (Saukkonen & Ruusuvirta, 2012; Kanerva, 2018).

As Saukkonen and Ruusuvirta (2012) have stated, there are no legal restrictions on organising local cultural services as individual municipalities wish, but the system of state funding (transfers and subsidies) causes rigidity and resistance to changing the allocation of municipal funding. Overall, the system of public funding in Finland can be regarded as both highly centralised and highly decentralised.

As stated above, starting from the 1960s, many new tasks were assigned to the public sector and various new laws introduced. Cultural services to a large extent became seen as part of social and public policies. The aim was to enhance regional equality, but it soon became evident that different municipalities in different parts of the country could not guarantee similar services to their residents (Kangas et al. 2018). At the same time, the amount of free time has increased, which consequently has increased the importance of leisure activities. Sport policy is beyond the scope of this article, but it is interesting to note how the organisation of sport services on the local level was already receiving state funding in the beginning of the 20th century (Kangas & Ruokolainen, 2012). Like cultural policy, public sport policy has been and still is closely entwined with social welfare aims in Finland, and sport services are even subsidised by both the state and municipal administrations (Sokka et al., 2014).

Some legislation on state funding for culture existed from quite early on. For example, state funding for libraries was included in the Act on Libraries in 1928 (131/1928). By the 1960s, almost all municipalities in Finland had a library that was funded by the municipality. Today, libraries are the most used cultural services in Finland. The current Library Act obligates municipalities to provide library services.

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40. Most importantly: the Act on Municipalities, the Act on Central Government Transfers to Municipal Basic Services, the Act on Financing Education and Culture, the Municipal Cultural Activities Act, the Museums Act, the Theatres and Orchestras Act, the Library Act, and the Act on Discretionary Government.

41. E.g., law introducing the five-day working week in 1964.

Another example of how the state guides municipalities with legislation is the recently renewed Municipal Cultural Activities Act that obligates local authorities to promote, support, or provide cultural activities. It however leaves much room for interpretation, allowing for various forms of realisation.

Since the 1990s, neither the state nor municipalities have acted as sole producer of services which however still are mainly publicly funded (e.g., Kangas & Ruokolainen, 2012). Municipalities in particular have introduced new means of organising cultural services via different kinds of arrangements in collaboration with partners outside the municipal organisation. Today, municipalities produce (or indeed order, coordinate, and—often partially—fund) services, whereas the state both funds and monitors them (e.g., Kangas et al., 2018; Kangas & Ruokolainen, 2012; Saukkonen & Ruusuvirta, 2012). Accordingly, cultural policy researchers have reported changes in the role of the public sector along with the allegedly shifting commitment to welfare principles. Changes can be observed in how much own funding is required from cultural actors, and what share of direct financing the public sector channels to artists, cultural services, productions, and voluntary organisations (Mitchell & Heiskanen, 2011; Saukkonen & Ruusuvirta, 2012; Sevänen & Häyrynen, 2018).

This article focuses on public culture funding, but it is noteworthy that private cultural foundations have growing revenues and, accordingly, their importance in allocating grants for art and culture has grown during the 2000s (Aula Research, 2019; cf. Bille in this volume). It should also be remembered that private households spend considerable amounts of money on culture and markets generate significant profits for some areas of culture, most notably in music and design.

Allocations and aims
Prioritised and marginalised areas of public funding

Fulfilment of cultural policy often happens via allocation of public funding, which has been described as “the most direct demonstration of cultural policy directives” (Katz-Gerro, 2015). The importance of direct, public funding has reached such levels as to justify even talking about “allocative public policies” (Mitchell, 2003, 443).

Due to administrative and budgetary complications, it is hard to get detailed and comparable figures on how the state and municipalities fund culture in Finland. However, it can be said that municipalities allocate significant amounts of public funding to arts and culture. According to the Association of Finnish Municipalities (Kuntaliitto), annual municipal funding for libraries exceeds 340 million euros; funding for theatres, orchestras, and museums is more than 300 million; general cultural activities have been allocated over 160 million; and the municipal share of public funding for arts education has been almost 90 million a year. These figures match and in some cases exceed state funding to the abovementioned domains.

In 2016, cultural services accounted for 13.6% of the education and culture sector...
costs in the municipalities (Kanerva, 2018). Libraries, museums, theatres, and orchestras, located in the bigger cities, receive most of the municipal funding for culture (Renko & Ruusuvirta, 2018). Overall, the evidence does not show major changes in the distribution of funding. On the contrary, the system, including who and what kind of culture gets funded, has remained surprisingly stable for decades.

"... traditional arts and cultural institutions still form the unquestionable backbone of urban cultural life. ... In 17 municipalities out of 25 [analysed], spending on museums, theatres and orchestras constituted more than 40 per cent of municipalities' total net operating costs in 2010. If public libraries are included, the data collected show that these forms of cultural activities form an overwhelming part of the expenses of cultural activities in the cities..." (Saukkonen & Ruusuvirta, 2012, 215).

In our recent analysis of the state's financial statement (all sectors/ministries) for the year 2019, we found that the state also allocates plenty of funding for culture outside the so called "cultural budget" controlled by the MinEdC. When also including (most of the) funding for the national broadcasting company YLE, we ended up with a sum of well over 1,300 million euros (Figure 1; Jakonen et al., 2021a).

![Figure 1. State funding for different cultural domains in 2019, m€.](image)

* Share of libraries cannot be separated from the state transfers for basic municipal services and is included in the category "other".

** Share of visual art museums cannot be separated from the state transfers to museums and is included in the heritage and archives domain.

Without YLE, the total figure of state funding for culture was 953 million, comprising 1.7% of state expenditure in 2019. The MinEdC was responsible for allocating 758.3 million of the total, which counted for ca. 12.3% of the ministry’s expenses, and around 1.4% of all state spending (Jakonen et al., 2021a).

We identified all state expenditure in different domains of culture (see ESSNet, 2012) to illustrate the spread of state funding for different areas of art and culture (Jakonen et al., 2021a). It has previously been highlighted (Heiskanen et al., 2005) that the state has prioritised theatre, music, museums, and libraries, whereas visual

48. The sum includes only basic art education. For example, higher artistic education (in universities and polytechnics) is not included.
arts and dance, along with other small and newer forms of culture, have been marginalised within state funding. According to our analysis, not much has changed during the 2000s. Theatre, music, and other performing arts (including dance and circus, hence having significantly improved their respective positions) were the "prioritised" art forms that received most of the state funding for arts. Libraries, museums, and media have also largely maintained their position as important recipients of funding (Jakonen et al., 2021a).

As on the municipal level, a large share of state cultural funding is also channelled to institutions (Jakonen et al., 2021a). A large share of discretionary government transfers and grants is paid to the Finnish National Opera and Ballet, the Finnish National Theatre, and the Finnish National Gallery (Kanerva, 2018). Besides the government transfer system explained above, the MinEdC also provides discretionary state grants to municipalities, of which part is channelled to the same established institutions that also receive the largest share of municipal funding.

According to Saukkonen and Ruusuvirta (2012), actions taken by the state have resulted in a trend towards centralisation, mainly due to the already large funding share of institutions getting even larger during the first decade of the 2000s. Consequently, actors located in the biggest cities in the southern parts of the country, especially the Helsinki region, receive much of state funding for culture. This can hardly be depicted as a transformation of the system, as many of these institutions have been funded by the state since their establishment. However, it is worthwhile to ask what kind of implementation of the Nordic welfare state model is suggested by the trend towards centralization.

Overall, the share of funding reserved for culture in the state budget has not drastically changed in decades. Figure 2 below show the figures in the so-called “earmarked” culture budget (approximately 450 million euros in 2019) that belongs to the responsibilities of the MinEdC and includes state funding for arts, heritage, and culture. Broadly speaking, the graph does not show drastic changes. The situation is similar in other Nordic countries (see other chapters of this volume; Bille et al., 2003, 346 / Table 5b), which is in line with more general reflections on how the Nordic model has functioned: “[Despite administrative reforms], the retrenchment of public budgets never really became an actual policy” (Veggeland, 2016a, 15).

![Figure 2. Funds allocated to arts and culture in the national budget 1990–2019 (in 2019 prices)](https://pxhopea2.stat.fi/sahkoiset_julkaisut/kulttuuritilasto/html/engl0009.htm)

Figures for different years calculated by the author: 2005–2018 with Statistic Finland’s transformation tool (https://www.stat.fi/tup/)
Another way to evaluate changes is to look at the culture budget as a percentage of total state expenditure through the years (Figure 3).

![Graph showing the share of the "earmarked" culture budget in total state expenditure 2010–2020.](image)

**Figure 3.** Share of the "earmarked" culture budget in total state expenditure 2010–2020.

The result: funding for culture has remained somewhat stable over the last decade. These figures and results of also other analysis (Kangas & Pirnes, 2015, 75), make it safe to conclude that, even if there have been changes in how the Finnish welfare state is discussed and administrated, it has not had any drastic effect on how the state has funded culture. However, we are just on the brake of something that should have profound structural effects on Finnish cultural policy. In Figure 2 above, the share of the profits from state pools and lottery operations (grey bars) shows that approximately half of the funding (72% in the year 2000) allocated via the MinEdC via its culture budget is paid from the profits of the gambling monopoly. These profits are now declining.

**Gambling on culture**

Profits from state pools and lotteries have accounted for a large share of Finnish cultural funding. The use of gambling profits to fund culture dates back to the 1920s, when the state allowed the organisation of lotteries to fund the Finnish Opera and the National Theatre. Soon, other institutions and art forms were also being funded using gambling profits (e.g., Jakonen et al., 2021b). During the years 1977–86, funding for arts from the gambling system quadrupled, and further doubled between 1987 and 1992 (Heiskanen et al., 2005).

The share of funding for culture coming from gambling profits grew especially large during and after the economic depression in the 1990s and has remained high since. In practice, the Ministry of Education and Culture has decided each year how funds from the lotteries and betting will be distributed for arts and culture (Kanerva, 2018; Jakonen et al., 2021b). In the future, the MinEdC is projected to receive over 100 million euros less per year from gambling shares to be allocated for sport, culture, and youth than what it received in the year 2019. The cut is predicted to be

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1. laskurit/ahanarvonmuunnin.html), and the years 1990, 1995, and 2000 calculated with cost of living index – table (https://www.stat.fi/ti/khi/2021/05/khi_2021_05_2021-06-14_tau_003.fi.html)
permanent (Valtioneuvosto, 2021). This is one of the biggest future challenges for public cultural funding. At the same time, public economy faces difficulties. In May 2021, the Council of Ministers agreed to make cuts in state funding for culture (approx. 17 million euros in 2022\textsuperscript{50}, and 23 million in 2023).

It is worth noting here that gambling profits have continuously been used to fund many permanent operations, including national institutions.\textsuperscript{51} Therefore, they are not used solely to fund more “experimental” or avant-garde activities, as would ideally have been the case (e.g., Kangas & Pirnes, 2015; see Bille in this volume).

![Diagram](image)

**Figure 4.** Share of funding for national institutions (light yellow), other institutions via the government transfer system (black), and other areas of culture (dark yellow) from the profits of state pools and lottery within the “earmarked” culture budget in 2019.

Essentially, all improvements in state funding for culture during the 2000s – meaning increased funding for dance, circus, and film – were based on gambling profits (Jakonen et al., 2021b), indicating the vulnerability of these areas when profits from lotteries and pools are in decline. Overall, the situation of freelancers, small groups, companies, and so-called “free artists” is the most vulnerable in the Finnish system (e.g., Heikkinen, 2000; Rensujeff, 2014). Most recently, this has been highlighted by the Covid-19 crisis. Freelancers, free groups, and individual artists outside the workforce of institutions have been the ones suffering the most (e.g., Luonila et al., 2022).

**Ideals and realities**

In the beginning of the 2000s, Mitchell (2003) forecasted upcoming changes in funding for culture. She also predicted diversification of decision making, and predicted that the (then new) emphasis on the economic importance of culture

\textsuperscript{50} After a considerable amount of public dispute and criticism, the government decided to draw back the cuts for 2022 in October 2021. The problem of declining profits however remains to be solved.

\textsuperscript{51} In autumn 2020, the MinEdC nominated a working group to consider the situation of national cultural institutions. In August 2021, the group proposed that new legislation should be set to guarantee budgetary funding instead of the gambling profits for these institutions. (OKM, 2021.)
could result in structural changes in the area of public cultural policy. The basic structures however remain the same in the year 2021. Furthermore, in our recent research on state subsidies, we did not find evidence of more diversified decision making; if anything, re-centralisation rather than diversification seems to have taken place (Sokka & Jakonen, 2020; Jakonen & Sokka, 2021).

If modifications have been made, they have predominantly been managerial (results-based steering arrangements, etc.) rather than actual structural changes or redirected allocations of public funding. It must be given that the state has also allocated funding to new areas of culture like art exports, cultural welfare, and creative industries, which can to some extent be regarded as structural changes. When compared to total cultural funding, however, new areas get only a small share of funding, and the stability of allocations can be regarded as one of the most characteristic features of public cultural policy in Finland (Sokka & Jakonen, 2020; Saukkonen, 2014; see Gronow, 1976).

The original, ideal goals of social equality and social justice have also survived in the Norden despite changed international conditions. It is typological for the Nordic welfare model to favour extensive state intervention in order to achieve high levels of employment and social redistribution by both economic intervention and regulation. Previous research literature on the Nordic welfare model has defined universalism as the cornerstone of the model, according to which it is a primary function of the welfare state to protect its members against social risks. Universalism has come about as a pragmatic way of building consensus around the institutionalisation of the welfare state which provides comprehensive social policy, social rights, and social legislation of a solidaristic and universalist nature (Kildal & Kuhnle, 2005a; Kvist, 2013; Veggeland, 2016a). As already mentioned, universalism has also been acknowledged as central by cultural policy scholars (e.g., Häyrynen & Sevänen, 2018).

Nordic cultural policies have aimed both to “ensure the artists’ rights within the country’s borders”, and to provide “equal access to culture regardless of social class or geographic location” (Duelund & Larsson, 2003, 402; Kangas 2003). Art policy has been at the very core of Finnish cultural policy. The functioning of art worlds stems from competitive recognition of quality. Consequently, attributions of quality guide part of public money flows. Grants for artists are allocated solely based on evaluation of quality. According to Heikkinen (2000), the Finnish development differs here at least from Norway, where measures for artistic policy have been traditionally based more on welfare-based arguments and the social benefits of art.

Allocating public funding to culture is additionally a question of which forms of culture get funded. In this respect, the public funding system for culture is rather inflexible in Finland (e.g., Saukkonen, 2014; Sokka & Jakonen, 2020). The network of institutions represents the most established branches of culture and form the core of Finnish “cultural services”. The inflexibility safeguards a high degree of funding for institutionalised forms of culture, whereas it has had a reducing impact on the amounts that can be used to fund other (alternative and temporary) forms of culture (see Häyrynen, 2018). To some degree, the network of institutions ensures regional access (i.e., via the bigger cities in different parts of the country) to culture. In this vein, the current structures partially fulfil the 1960s aim of guaranteeing the social and regional spread of art in Finland (Kom.miet., 1965). Legislation about how the government transfers funding to the performing art institutions has just been revised (Finlex 17.12.2020/1082). The new law includes elements that emphasise
access and even geographical distribution of offerings, but it does not include clearly stated quality criteria for how funding should be allocated based on such purposes.

A new layer of social welfare aims was added to Finnish cultural policy during the 1970s, reflecting a broader conceptualisation of culture that included citizens’ participation in various cultural activities on the local level. Following the original document (see Kom.miet., 1974, 111–112), Kangas (2003, 86) pinpointed the aims of 1970s cultural policy as follows:

1) to secure artists’ right to economic security throughout the country;
2) to ensure that all members of society have equal access to cultural services and the opportunity to engage in amateur art activities; and
3) to promote international cultural cooperation.

Whereas the earlier 1965 committee drew up the original guidelines for artist policy in Finland, the 1970s committee was nominated to prepare the Bill for Promotion of Cultural Activities (Kom.miet., 1974). The committee essentially faced the problem of cultural democracy, where no easy answers are available because of the dangers in valuing socially-motivated aims over cultural contents (Ahponen & Kangas, 2004, 15–16).

The goals of 1960s and 1970s cultural policy unquestionably reflect social welfare aims. However, there still remains work to be done in fulfilling them. There are persistent sociocultural and geographical differences in the use of cultural services (e.g., Sokka et al., 2014; Kangas & Kivistö, 2011; see also Mangset, 2018). Furthermore, the ideals of universally reducing social inequalities, insecurities, and unemployment (Veggeland, 2016a) seem problematic, especially when compared to working conditions and relatively poor livelihood of artists and cultural workers (e.g., Pärnänen & Sutela, 2014; Heikkinen 2000).

As stated by welfare researchers, not even the Nordic states offer many universal benefits; selective policies are common, especially in service provision, with gatekeepers determining applicants’ eligibility (Kildal & Kuhnle, 2005b). The Finnish labour policy is poor in recognising artists and other cultural workers (e.g., Pärnänen & Sutela, 2014). All in all, there is a lack of means to respond to the problems faced by individuals with “hybrid” employment status and multiple, often parallel sources of income in labour markets (Pyykkönen, Sokka & Kurlin Niniaho, 2021). The problem exceeds the limits of traditional artist policy and the responsibilities of the MinEdC, linking different policy areas together, and cannot be solved solely within the traditional scope of cultural policy.

A renewed interest in impact

“Social impacts are connected with the health and wellbeing of individuals, strengthening of communal activities, as well as (at societal level) with the wellbeing policy. Economic impacts are connected with the role of arts and culture as a factor strengthening the national, regional and local economy.” (CuPo2025, 35).

Culture’s role in society is described in the CuPo2025 as stated above. An emphasis on the effects of cultural activities on the surrounding society is by no means a novelty in Finnish cultural policy, but policy emphasis tends to change over the decades. In the late 19th century and the beginning of the 20th, state building and
the civilising of the masses were important motives for allocating state funding to arts and culture. During the 1960s and 1970s, new goals were set, as described above. Subsequently, the 1980s can be viewed as the glory days of welfare-focused cultural policy when, for example, the network of cultural institutions was strengthened.

During the 1990s, economic considerations were given a new role both in the ways to organise cultural services (e.g., public-private partnerships) and the effects that cultural activities were intended to produce. In 1991, a new committee was nominated by the state to evaluate cultural policy on different levels of administration and to create guidelines for national cultural policy from the 1990s onwards. The committee was supposed to include children and popular culture in their considerations, and it also decided to take a closer look into cultural industries. In its concluding remarks, the committee noted how culture penetrates the whole of society and has large-scale societal effects, including economic ones. Furthermore, it noted the strategic importance of both the public and private sector, and even privatisation of cultural services was recognised as a possibility. (Kom.miet., 1992.) The new focus points were analysed by scholars as marking a shift toward the marketisation of cultural policy (e.g., Kangas, 1999; 2003).

During the 1990s, Professor Ilkka Heiskanen took part in the work of a European expert group on culture and development (see *In from the Margins* 1997). Subsequently, he wrote about how the group needed to acknowledge arts and culture as development factors in society (Heiskanen, 1999). The 1990s also witnessed the collapse of the Soviet Union and the strengthening of the European Union (Maastricht Treaty, 1992), changes that led to the penetration of ideas based on Anglo-Saxon neoliberalism into Nordic society. This was seen by some as a threat to the Nordic welfare model, as market-liberal processes have often been politically led by the EU (Veggeland, 2016b), which both Finland and Sweden joined in 1995. Mitchell wrote in 2003 (p. 448) that the 1990s were a “period of neo-liberal economic policies and further dismantling of the welfare state, which also affected cultural politics”, including “tightening of structural strings attached to the public financing of the arts and culture and the setting of new constraints on their autonomy”.

Today perhaps more than ever before, arts and culture are understood as factors of development, production, and identity, and as contributors to employment and economic growth. In contemporary Finland, for example local art and culture institutions are increasingly regarded as tools for local (urban) development that generate many kinds of positive effects (Ruokolainen et al., 2019).

As it is often noted, existing policy goals do not simply disappear when new goals are set. Instead, different goals may continue in a parallel, perhaps even contradictory, existence (e.g., Sokka & Kangas, 2007; Henningsen, 2015). Conflicting aims concur on the micro level and within individual institutions. According to Towse, this leads to situations where new kinds of incentives would be needed, for example, for institutions to generate desired outcomes like the participation of new social groups (Towse, 2013). In the Finnish context, institutional funding is mostly distributed without these kinds of incentives, and decisions about state cultural funding are still today kept strictly in the hands of the central administration (see Jakonen & Sokka 2021). No wonder that the tension between what is offered (and funded) from the top down and what emerges from the bottom up remains “a basic problem of cultural democracy” (Ahponen & Kangas, 2004, 15). There clearly remains work to be
done before we can talk of "a new model of governance of culture" that would include inter-sectoral co-operation and decentralisation of government (cf. Mitchell, 2003, 450) — changes that are arguably needed to achieve broader participation, and to fulfil culture’s potential in terms of welfare and development policy.

**Concluding remarks**

Public art and culture funding is well established in Finland. Finnish governments have set many laws to guide the allocation of public funding for culture. In principle, the existing guidelines were formulated during the 1960s and 1970s.

Public sector coordination and funding have been, and still are, vital for organising cultural services in Finland. The state and municipalities both allocate funding for culture. Together, they make the public sector the most important funding source for many cultural activities. As this article demonstrates, there have not been drastic changes in the allocation of public funding for culture during the 2000s. Despite — or perhaps because of — the lack of political discussion about Finnish cultural policy, public funding for culture has remained on a track set decades ago.

The allocation of public funding for culture has followed welfare principles particular to the Nordic welfare state model. There is however a looming menace that should come as no surprise to anyone (see Heiskanen et al., 2005): the decreasing share of culture funding from lotteries and pools. The state has been content to sit on seemingly ever-increasing gambling profits that have been used to fund even basic functions like national institutions. Now, the state is searching for new solutions in a difficult situation whereby it is having a hard time sourcing other funding than loans for many core functions of the welfare state. The Covid-19 pandemic has highlighted the funding problems that for example freelancer cultural workers face, but the problems that the crisis has revealed stem further back than the present day.

Today, there is a plethora of “strategic guidance” on both state and municipal level. The Ministry of Education and Culture even arranges its part of the state budget according to the strategic goals contained in its CuPo2025 strategy. These strategic aims align with the general objectives of the Nordic welfare model. As stated in the beginning of this article, the ideal goals of social equality and social justice can be seen behind the main goals of Finnish cultural policy, where inclusion, participation, and equality are present; but to some degree, it has not succeeded in fulfilling the original welfare goals. The strategy itself meanwhile is rather general, without a detailed implementation plan. In short, the allocation of state funding has been made to look like it is implementing the strategic goals more than it actually does.

Finnish cultural policy also aims to diversify the ways in which artistic and creative work may be done and distributed. Most of the funding is still directed to the same recipients each year. The established institutions — libraries, museums, theatres, and orchestras — get a large share. Overall, we can talk of an established group of recipients of public funding for culture. Newcomers have a hard time trying to enter the system. It is worth considering how the funding structures could be opened up to better cope with new needs created by current and future changes in the operating environment. Like Trine Bille writes in her text about Danish cultural policy in this volume, there is also in Finland a need to ask whether cultural policy has been too resilient towards changes.
An ever-diversifying society poses difficult questions to cultural policy. There are plenty of reasons – like demographic change (ageing population, urbanisation), withering funding sources (gambling profits), digitalisation, immigration, increasing diversity, etc. – to consider what art policy and cultural policy stand for. Previous work done by older generations should not be forgotten here: based on the documents that I have read during the writing of this chapter, they seem to have understood the effects that art and culture as such have on identity, community-building, and welfare. In this context, there is a clear need for profound parliamentary discussion about the role and meaning of art and culture, reminding us that despite the “strategic goals” of cultural policy, the strategic steering has been controlled and directed by cultural administrators rather than based on open political discussion (e.g., Sokka & Jakonen, 2020; Jakonen & Sokka, 2021).

Above, I mentioned that conflicting aims are common in cultural policy. Veggeland (2016b) has attributed the success of the Nordic welfare model to “flexicurity”, meaning that the system is flexible enough to allow people to accomplish their potential while simultaneously offering them a secure environment to do so. Finnish work and social policy have however had difficulty situating artists and freelancers in the existing social security models. Despite the difficulty of this task, it must be tackled, as the welfare of artists and other freelance cultural workers is endangered now more than ever before when the share of culture funding from lotteries and pools is decreasing.

Established institutions receive a large share of the public funding allocated to art and culture in Finland and other Nordic countries. As Veggeland (2016a) has stated in his analysis of the Nordic welfare model, institutions need to change and adapt to changing environments. How can institutions adapt their functions to a changing society? How can the Ministry of Education and Culture advance its collaboration with other branches of administration without sacrificing the artistic and cultural values that it is responsible for safeguarding?

In the end, policies always come back to the question of who is included (cf. Mangset, 2018), which directly relates to the legitimacy of any given policy. Here, also processes used to allocate the public means is crucial. Traditionally, for example, immigrants and minorities have not taken much part in the actual processes used to steer cultural policy (e.g., Sevänen & Häyrynen, 2018). Part of the problem is how funding responsibilities have been divided between the administrative structures. Cultural policy seems to continue expanding towards societal and economic development goals, but the established structures mentioned in the beginning of this paper are not created for such purposes.

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52. See also https://www.cupore.fi/fi/tietoa/blogi/onko-nyt-kulttuuripolitiikan-aika


2019/
cupore_taide_ja_kulttuurilaitokset_osana_jyvaskylan_kehitysta_ja_hyvinvointia_valmis.pdf


The governmental financing of the culture

Ålanders pay taxes to the state on the same grounds as other Finnish citizens, and the provincial government receives tax revenues through the self-governing system to be used according to its own priorities. A large part of those revenues is used in healthcare and education. Yet a significant portion also includes cultural financing. It is the professional cultural institutions, especially, that are financed with tax revenue from the government’s budget. Among these institutions are the Åland Folk High-School, the Åland Institute of Music, the Citizens’ Institute of Mariehamn, and the Nordic Institute on Åland.

The Citizens’ Institute is financed through the landscape-sharing system, a system incorporating the municipalities’ statutory assignments, which by and large correspond to Finland’s state shares. Even other statutory municipal establishments, such as general cultural establishments and libraries, are financed with tax revenue through so-called landscape-sharing systems. The Nordic Institute on Åland is an important institution, connecting Åland with the Nordic countries through different cultural activities. The Nordic Council of Ministers, through a contract made with the Government of Åland in 1984, has reached an agreement on how the financing of the institute should be distributed between the parties. Åland’s financing covers administrative costs (a new agreement between parties is pending).

The Åland Museum and the Åland Museum of Art are also among the cultural institutions that have their own items within the government budget. Financing is included in the budget proposal, which the Government of Åland sends to the parliament of Åland for approval on a yearly basis.

Beside the above-mentioned funding stemming from taxes, Åland’s gaming monopoly (Ålands penningautomatförening, PAF) has a significant role in cultural funding. PAF’s business includes online games and games aboard ferries in traffic between Finland, Åland, and Sweden, as well as land-based games.

Some of the yearly earnings of PAF are counted as earnings in the Government of Åland’s budget. These means are used for different kinds of grants meant for the third sector. In 2021, the total distributable amount was 15 million euros, which is equivalent to that of 2020.

Åland’s cultural associations (about 60), together with different projects and
individual artists, receive about two million of this amount in funding. Sports and social associations are also financed by these “PAF funds”.

Åland’s cultural delegation

The Åland cultural delegation is an agency subordinated to the government. Its goal is to further and evolve Åland’s cultural activities. This mainly occurs through financial grants to organisations, group projects, and individual artists. The delegation works in accordance with the cultural political guidelines that are established by the provincial government of Åland. Every year, the Government of Åland and the Åland cultural delegation receive hundreds of applications for grants and loans for the funding of projects, investments, events, and activities. The delegation also has other tasks, including to take new initiatives in the field of cultural policies. For instance, one of the most important tasks for the current cultural administration is to establish a proposal for a new cultural political programme, where new cultural political challenges will be discussed. The cultural delegation will have an important role in this work together with the government.

A significant role of The Swedish Cultural Foundation in Finland concerns the cultural activities of the Swedish-speaking minority in Finland. The foundation also has an important role in funding culture in Åland.

The municipalities of Åland (16) are small and have limited capacity to support culture to any great extent. The exception is the City of Mariehamn. Some of Åland’s private foundations also have a certain impact on the cultural establishment and scientific research.

Only a few organisations or project organisers apply for grants from the Nordic programmes. The reasons are likely varied; the organisations have long had good access to finances on home ground (Åland’s gambling monopoly). Additionally, the aforementioned Swedish Cultural Foundation has played a pivotal role for a long time as a complementary financier of Åland’s cultural projects.

Even at statutory municipal level cultural establishments and libraries are financed with tax revenue through so called landscape-sharing systems, in accordance with a similar system active in Finland.
The gaming company Ålands penningautomatförening (PAF) is assigned to generate funds for the public community. Culture, sport, and social activity in corporate form is granted support through PAF. PAF has its own distributary board, which concerns itself with the yearly distribution of support to select institutions.

**Within the cultural sector, there are currently a few specialised board members, who assist Åland's cultural delegation by making suggestions on the distribution of yearly activity and project scholarships, as well as residence scholarships in Åland for artistically active people within various fields. Music, literature, filmmaking, and visual arts have their own representative boards. Moreover, there is a task force that distributes yearly residential scholarships. The music and literature boards also give suggestions for nominations for the Nordic music and literature prizes.

### REFERENCES


The Nordic Institute on Åland: [https://www.nipa.ax/en](https://www.nipa.ax/en)

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53. Data in this figure have been supplied by Jan-Ole Lönnblad, Head of Culture, Department for Education and Culture, Government of Åland.
A LAND OF MILK AND HONEY?
Public funding for culture in Norway

Ola K. Berge

Introduction

The aim of this article is to analyse the current state of public funding for arts and culture in Norway. It will do so by firstly looking at the main features and objectives of the public subsidy systems, and secondly by identifying and explaining changes in these systems that have occurred since the turn of the millennium. We need such an analysis for several reasons. Firstly, because public funding and state cultural policy have been prime movers in the cultural sector in the Nordic countries at least since World War Two (Duelund, 2003; Mangset & Hylland 2017). Such a prominent position calls for both close monitoring and frequent updates on the state of affairs. In Norway, the cultural policy research literature is quite rich, comprising both academic works and commissioned evaluation reports (ref). Yet, the primary focus of this literature is generally not to review the scope or profile of cultural policy funding structures as such. Thus, the moment for fresh analyses seems opportune.

The fact that a number of significant trends and developments have taken place since the turn of the millennium adds to this argument. Firstly, there has been a continuous policy development following ever-changing governments and parliaments, each with their own particular ideologies, aims, and priorities. Most recently, from 2013 to 2021, Norway had eight years of right-wing government, a government that upon its entry into power – at least in its rhetoric – promised to change the profile of Norwegian cultural policy. As a new, social democratic government takes over following the 2021 election, the time seems right to ask whether any such change has indeed occurred.

Secondly, after the turn of the millennium, both the cultural sector and cultural policy have faced a number of radical global trends and developments, with potentially high impact. Chief among these has been the all-encompassing digitalisation of global society, introducing new communication and business platforms and models, both to society in general and to cultural producers, distributors, and consumers in particular (Valtýsson, 2020). There have also been a number of other more or less interrelated global changes; for example, an alleged neoliberal turn has taken place within cultural policy (McGuigan, 2005), with a subsequent shift in focus from traditional cultural and artistic activities towards more market-oriented cultural and creative industries (CCI) (Pyykkönen & Stavrum, 2018; Røyseng, 2016). Furthermore, former art-world hierarchies have collapsed, particularly in terms of traditional distinctions in the assessment of cultural value, e.g., between highbrow and lowbrow culture (Vanhanen and Swirski, 2017), and the juridification of national cultural policies, with an increased focus on international law and agreements (Bohman, 2004).

Finally, yet importantly, in March 2019, the Covid-19-pandemic hit Norway and the
Norwegian cultural sector, causing unforeseen disruption not only to national budgets, but also to cultural policy as a whole. The pandemic has obviously had an enormous impact on policy in the short term, and presumably it will also have more permanent effects (Berge et al., 2021).

In addition to these more or less radical incidents and developments, since the turn of the millennium – perhaps longer – Norwegian cultural policy has been marked by a number of persistent tensions that the authorities have continuously aimed to balance, in order to achieve the overarching goals of the policy. Notable examples are the tension between production and consumption of culture, between production of high and popular art, and between the institutionalised cultural sector and the project-based production of culture involving many self-employed artists and freelancers. Successive governments have sought to balance these tensions in different ways and in accordance with the changing context. Consequently, it is worth paying considerable analytical attention, not to the fact that these tensions have perhaps not changed, but rather to how attempts at balancing them have.

With these premises in mind, the present article’s overarching research question is how Norwegian funding for culture has developed since the turn of the millennium, in response to various changes of both local and global character. Building on this discussion, the article will furthermore examine the current relationship between Norwegian cultural policy and the Nordic welfare model. According to Mangset (1995), the Nordic, and therefore the Norwegian, cultural policy model builds firmly on the main principles of the Nordic welfare model, such as universalism, a strong state with a high degree of social responsibility, and a focus on high employment and equality of opportunity and outcome (Kildal & Kuhnle, 2005; Kvist, 2013).

Anchored in this common social welfare model, public funding for arts and culture has over recent decades had a high degree of public legitimacy both in the Nordic region generally (Duelund, 2003) and in Norway specifically (Mangset, 1995). Since the 1970s, cultural policy has taken the form of both a democratisation project, seeking to deliver high art to a wide audience, and a cultural democracy project, with emphasis on supporting local culture. In recent years, both these forms have operated concurrently. Strong public support for the arts has thus taken the form of a social contract, based on both grand ideas like culture’s capacity to enlighten, educate, and entertain, and on the arts’ and artists’ need for autonomy. Cultural policy has been regarded as an instrument with which to balance different, partly contradicting needs and interests, e.g., to counteract market failure, to reduce artists’ labour risks, and to secure citizens’ access to a broad offering of culture and art throughout the country. A particularly interesting aspect of the ongoing Covid-19-pandemic is that it has seemingly revealed a number of weaknesses in Norwegian and Nordic cultural policy, particularly in terms of artists’ working conditions. Consequently, a relevant question is whether this indicates that the link between the Nordic cultural policy model and the Nordic welfare model has become weaker than previously anticipated.

Against this backdrop, the article specifically seeks to address potential changes in cultural policy and public funding for arts and culture through the following five subordinate research questions: 1) Who grants public funding for culture in Norway and 2) what is the scope of this funding? 3) In terms of changes in scope and profile, what has characterised public funding for culture in Norway since the turn of the millennium and 4) how do such changes resonate with ongoing social and political
changes? Finally, with regard to the prevailing link between Nordic and Norwegian cultural policy and the Nordic welfare model, 5) Do Nordic welfare principles continue to guide the current Norwegian public funding for culture?

Empirically, the article leans on existing cultural policy literature and grey literature, in particular the annual budgets from the Ministry of Culture and a number of white papers from successive governments from 2000 up to today. On this basis, the article claims that most of the changes that have taken place over the past two decades have mostly been a matter of rhetoric. In terms of both budget scope and profile, significant changes have remained few or none. From this perspective, the Norwegian cultural policy model remains in line with the main principles of the Nordic welfare model. However, the ongoing Covid-19 pandemic highlights a need to question this common perception, as artists’ welfare and professional security may be less stable than the welfare model provides for.

Norwegian cultural policy and funding: a brief introduction

In Norway, as in many liberal democracies, public funding for culture rests on policy and political choices and priorities, but also on a comprehensive bureaucracy. Whereas the first in principle is dependent on who is in government, the latter in principle is not. Furthermore, Norwegian culture policy and funding of culture takes place on both state and local level. In recent years, the two have allocated roughly the same sum for culture annually, i.e., of the total funding for culture in Norway, the state and local level provide for ca. 50% each.

The governmental level consists of several ministries, chiefly the Ministry of Culture (established in 1982 after 164 years as part of the Ministry of Church and Education), and Arts Council Norway. According to Statistics Norway, in 2019, governmental expenditure on cultural purposes in the Ministry of Culture’s budget for 2019 was close to 13 billion Norwegian kroner (NOK). If we count in expenditure for cultural purposes in the remaining ministries’ budgets, this sum is somewhat higher. Today, the sum total of government expenditure for culture amounts to close to 1% of the entire national budget. The Ministry of Culture administers funding to all national institutions, many regional institutions (70%, with the remaining 30% financed by local/regional authorities), and a large number of different organisations which, due to their historical or current importance and relevance, are deemed worthy of permanent, annual funding. Additionally, the Arts Council administers a substantial fund (the Norwegian Cultural Fund) on behalf of the ministry, regularly allocating funding to a large number of artists (individuals and ensembles) and organisations. Although the Arts Council, in the same way as the Ministry of Culture, annually supports a number of more or less permanent grant recipients, the majority of its grants are project based. Consequently, it awards most of its funds to individuals and groups that apply for one of its many funding schemes, and in accordance with assessments made by committees consisting of peers, at an arm’s-length distance from both the Arts Council and the Ministry of Culture. According to Statistics Norway, in 2019, these committees allocated 982 million NOK from the Cultural Fund, which with margins makes Arts Council Norway the single largest funding body of the so-called “free field”. In addition, since 1948, the Norwegian national lottery, Norsk Tipping, has allocated its surplus to socially beneficial purposes, mainly sport- and culture-related. In 2019, the organization allocated 805 million NOK to
culture. The most significant grant was awarded to The Cultural Rucksack, a public institution dedicated to distributing high-quality art and artists to all Norwegian primary, lower secondary, and upper secondary schools (cf. Bjørnsen, 2012).

In addition to the state, also Norway's 11 counties and 356 municipalities, which together constitute the Norwegian regional level, fund the cultural sector. In 2019, county and municipal authorities allocated 1.8 billion and 14.1 billion NOK to culture, respectively. Even though the local level matches the government level in funding for culture, this appears to receive less acknowledgement and discussion both in the cultural policy research literature and in general discourse. Presumably, this reflects a general perception that regional cultural policy is less important than state policy. There are several reasons for this. One is that cultural policy seems to have low status among regional and local politicians. Furthermore, as asserted by Norwegian cultural policy researchers Per Mangset and Ole Marius Hylland, during the formative years of cultural policy from the 1980s onwards, the regional and local levels never really managed to develop a functional regional and local administrative body. Haunted by professional disputes and a lack of robust professional administrative clusters, during the 1980s and ’90s, the Arts Council and the Ministry of Culture finally succeeded in building professional administrative institutions that later came to be regarded as irreplaceable (Mangset & Hylland, 2017).

As with previous efforts, recent attempts to accord regional authorities greater influence and status have often run aground. The latest example is the right-wing Solberg government’s attempt from 2018 to transfer power from the Ministry of Culture and Arts Council Norway to the regional level. Based on the recommendation of an expert committee (Hagen-committee 2018), it was suggested that several institutions and funding schemes be transferred to the 11 regional county authorities, in order to disperse power, build regional clusters of culture professionals and bureaucrats, and increase public engagement in culture (cf. white paper Meld. St. 6 (2018–2019) ‘Oppgaver til nye regioner’ [Assignments for new regions]). Pointing to these objectives, the Solberg government argued that the reform was one of democratisation. Despite their efforts, the reform faced huge resistance, not least from the cultural sector. While regional cultural bureaucrats put forth visionary ideas about how regionally-based theatres and orchestras would become close and dear to the audiences that they were to serve, the theatre and orchestra directors produced massive and efficient lobby campaigns in order to stop the reform. They were successful. The government withdrew all controversial (and visionary) regional cultural policy suggestions from the bill just days before the parliament passed the law proposition. The media characterised it as a failure. 54

Although the Ministry of Culture and the Arts Council administer most state funding for culture, it is relevant to mention that Jeremy Ahearne’s (2009) distinction between explicit and implicit cultural policy is also relevant in Norway. A number of cultural activities are funded by other budgets than that of the Ministry of Culture, and are therefore part of an implicit cultural policy. For example, large parts of the cultural heritage sector are funded by the Ministry of Environment and Climate (cf. Løkka, 2021), and six military ensembles are financed mainly by the Ministry of Defence (Forsvaret, 2021). Regarding literature, the most important subsidy is administered by the Ministry of Finance, in the form of several comprehensive

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54. See, e.g., the Norwegian Broadcasting Cooperation - article https://www.nrk.no/kultur/regjeringen-snur-_skrinlegger-kulturens-regionreform-1.15004224 [The government turns - abandons the cultural regional reform]
exceptions from Norwegian and EU competition laws, most notably the exception from VAT (cf. Løylend & Ringstad, 2012). Finally, the Ministry of Foreign Affairs funds a substantial part of Norwegian cultural workers’ and artists’ international activity, as part of Norwegian Cultural Diplomacy or International Cultural Relations (Berge, 2017). The cost of these implicit cultural policy measures is difficult to assess exactly, but amounts to several billion NOK, with the net loss of proceeds from VAT on book sales in 2019 alone amounting to 4.3 billion NOK.55

Scope of funding since the turn of the millennium

An analytically interesting aspect of Norwegian funding for culture is of course the scope of the funding. The mere size of the budget item in itself is indeed a powerful indicator of political goodwill for a particular sector. This was precisely the idea behind the left-wing Stoltenberg I government’s 2004 initiative that introduced a target of 1% of the overall budget for cultural purposes, as part of their cultural policy scheme ‘Kulturløftet’ [The Cultural Promise]. Since then, this target has been subject to debate, as it has both constituted a symbolic boundary between left- and right-wing policy, and been notoriously difficult to reach, largely because of a steadily expanding national budget. However, the debate has often been more rhetorically than empirically founded, and even though conservative politicians have warn against reducing cultural policy to merely an issue of percent, the differences in budget allocations between left and right have been relatively small.

In the introduction, this thematic is highlighted in the following research question:
Since the turn of the millennium, has something significantly changed in the allocation of funding for art and culture? For example, has the share of public funding for culture drastically decreased or increased? Figure 1 below displays the net public expenditure on cultural purposes in the Ministry of Culture’s budget from 2000 to 2019.

![Figure 1: Public expenditure on cultural purposes in the Ministry of Culture's budget, 2000–2019. Adjusted for inflation. In M NOK. NB: Some budget items removed in order to make time series coherent.](image)

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56. The name of the scheme is in fact an intended pun on the Norwegian word «løftet», which has a double meaning: ‘a promise’ and ‘to lift’. 
As we can see, the graph shows a steady growth over the period. Here, it is worth noting that the budget amounts in the figure are considerably lower than what was stated in the introduction as the total sum for the cultural budget. The reason is firstly that figure 1 shows net allocations for culture, i.e., without costs for administration, and secondly that some budget items in the global budget have been removed, in order to make figure 1 coherent over the time period.

Since the introduction also mentioned regional funding, let us also have a quick look at the development of the regional budgets since the turn of the millennium.

**Figure 2:** Public expenditure on cultural purposes in the regional budgets, 2000-2019. Adjusted for inflation. In M NOK.

Figure 2 displays net public expenditure on cultural purposes in the regional budgets from 2000–2019. As we can see, regional-level funding has also seen a steady growth over the period.

This steady increase in Norwegian public expenditure on cultural purposes (both regionally and nationally) is interesting in a comparative perspective, especially since it deviates somewhat from other European countries, of which many are still suffering the effects of the 2008 financial crisis (Garcia et al., 2018; Rubio Arostegui & Rius-Ulldemolins, 2020). The Norwegian situation should be viewed in the context of a healthy national economy, built on income from a highly-profitable oil production. Thus, over the past 20 years, the limits of the total national budgets have required less moderation and less tough priority setting than many comparable Nordic or European countries. Mangset and Hylland (2017) assert that the Ministry of Culture (and the cultural budget) is a small and insignificant player in the annual ministerial budget wrangles, and often loses against funding for the health sector or national defence. In recent years, the cultural budget has been a little under 1% of the total budget, which according to Mangset and Hylland is “relatively modest” (ibid: 213). However, 1% of a voluminous overall budget means an equally voluminous budget item assigned for cultural purposes. Consequently, several large investments have been made, and few cuts have proven necessary. In particular, such investments have accrued to both existing and new institutions (NOU 2013:4), reinforcing the institutionalised field’s already dominant position regarding cultural policy.
Illustrative examples here are the new National Opera House (Smith & von Krogh Strand 2010) and the new National Museum of Art (Rea 2021). In sum, the expansive cultural budget, which is still expanding at a time when other European countries have made cuts to their budgets, has inspired claims that the Norwegian cultural sector is living in a “land of milk and honey” (Gran 2010).

Funding profile since the turn of the millennium

The scope of the Norwegian cultural budget has increased steadily since 2000. What about its profile? Has it changed since the turn of the millennium? Has something significantly changed in the allocation of funding for art and culture? In order to answer that question, it is necessary to also look briefly at the profile of Norwegian cultural policy prior to 2000. Historically, cultural policy was crucial in establishing important national cultural institutions, and this close and mutual relationship between cultural policy and institutions endures today (Mangset, 1992; Vestheim, 1995; Dahl & Helseth, 2006; Mangset & Hylland, 2017), and is perhaps stronger than ever (cf. NOU 2013:4). A cornerstone of this policy was, and is, a continuous effort to democratise culture, i.e., secure culture for all (ibid.). Consequently, a focus on the audience (and later, the consumer) was apparent from early on. Professional artists and cultural workers have also been part of the cultural policy from the start, mainly through individual artist scholarships. However, a broader policy specifically aimed at professional artists did not appear until the ’60s. Over the decades, this individual focus has widened to include artist organisations, and - even more importantly - artists from a wide range of cultural genres. As early as the ’60s, genres like popular music, jazz, and folk music were included in the important national institution Rikskonsertene [Concerts Norway] (Bjurström & Hylland 2018), and similar examples are to be found within all sub sectors. During the years between the 1960s and the millennium, artists and artist organisations working in such areas as contemporary dance, non-institutional theatre, and even crime literature all found themselves being let in as legitimate stakeholders within cultural policy, and hence eligible for public funding. This took place even though some held that these new genres, particularly popular music and literature, were capable of surviving in the market without public funding and were regarded as a challenge to the traditional ones, particularly the ’high arts’. A continuous hallmark of cultural policy has been an internal conflict over priority between the different cultural sub-sectors. In fact, in his comprehensive analysis of the cultural sector, the influential French sociologist Pierre Bourdieu outlines it as a battlefield, with competing institutional and individual actors, rivalling over common profits (2000 [1993]). In particular, he points to a principal conflict where market-based culture is regarded a threat to the autonomy of the arts. Thus, both organisations and researchers have carefully studied changes in priority given to any group or sub-sector, as signs of an altered policy in general.

The figure below shows how the different items in the cultural budget have developed from 2000 to 2007. As we see from the graph, all sub-sectors experienced steady growth.
Nevertheless, from 2007, an increasing difference in funding between the sub sectors emerges, between a) Visual Arts and Archives, b) Museums, Music and Film and Media, and (in particular) c) Performing Arts. This indicates that sub sectors like Performing Arts, Museums and Music indeed have been prioritized over the past ten or so years, something that is supported by previous research (Arnestad, 2013; Henningsen, 2015). However, it could also be the result of changes in where budget items are entered.

Another interesting development to consider is related to allowances from the Norwegian Cultural Fund, administered by a number of committees appointed by the Arts Council. Figure 4 shows the development of this funding over time, with regard to Visual Arts, Music and Performing Arts:

**Figure 3:** Public expenditure on cultural purposes in the Ministry of Culture's budget, 2000–2015, divided into different sub-sectors. In M NOK. Absolute values.

**Figure 4:** Funding to cultural sub-sectors from the Norwegian Cultural Fund. In 1000 NOK. Adjusted for inflation.
Here, too, we see that the internal differences between the sub-sectors increased from 2001 to 2019, in this case between Visual and Performing arts, and Music. However, it is not possible to draw too much from this. The increased gap between the sectors can possibly be explained by changes in priorities, but equally by budget items being moved from the culture budget to the Cultural Fund, or vice versa. It is also important to remember that pronounced changes in the funding trends may be caused by single, large appropriations, e.g., for buildings. It is thus difficult to interpret the figures in any particular direction, save for a general impression that music and performing arts both seem to have been strengthened over the past 10–15 years. This is in line with previous analyses (cf. Arnestad, 2013; Henningsen, 2015).

**Funding practices**

Thus far, the analysis has been grounded in budget scopes and figures. A complementary method for identifying changes in the priorities and profile of public funding for culture after the turn of the millennium is to look at concrete policy practices and operationalisations. Important here is the previously mentioned Stoltenberg II government’s Cultural Promise scheme, which fundamentally guided state cultural policy from 2005 to 2013. This programme was an essential part of the government’s general election campaign (as as the concept of Cultural and Creative Industries (CCI) had been for Prime Minister Tony Blair in the UK some years before), bringing cultural policy to the forefront of political discourse. Such efforts were also essential in bringing three different parties closer together in order to form a majority government. The three parties involved presumably considered culture a sufficiently low-risk policy area, but with plenty of potential for symbolic wins. As mentioned in the introduction, the policy of the Cultural Promise is thoroughly analysed and discussed in the expert report *Kulturutredningen 2014* (NOU 2013:4), and subsequently in Arnestad (2013) and Henningsen (2015). Henningsen asserts:

*The growth in the state's budgetary expenditure on the cultural sector in this period could have allowed for significant changes in cultural policy along these three dimensions. However, the conclusion that can be drawn from my review of developments in cultural policy in this period is that cultural policy in Norway evolves in a sedimentary fashion, through the gradual addition of new layers to the established arrangements, rather than through changes in the makeup of the sector.* (Henningsen 2015: 28)

Henningsen furthermore concludes that in the Nordic tradition, cultural policy does not change abruptly, through alterations to schemes and structures, but rather “bulges” over time (ibid.). The data presented in Figure 1 support this theory.

However, in his article, Henningsen poses the question of whether or not a (then) new right-wing government could change this, particularly since this new government had signalled that they wanted to change cultural policy, through a declared "freedom reform". What was this reform, and what consequences did it have? An early signal came from the new Minister of Culture, Thorhild Widvey, who claimed in an interview that her predecessors were far too concerned with infrastructure and budget size, and that she, in contrast, wanted a cultural policy
shift towards quality and content. Apart from pushing for reduced cultural budgets (which we now know was not implemented), it is not easy to pinpoint exactly what such a shift meant. In the budget proposal from 2014, however, it is stated that cultural policy should reflect the fact that culture resides where people live, in local communities. The policy should thus be initiated from the bottom up, growing from popular engagement. In this sense, the freedom reform could indicate a shift away from the expert elites of the Arts Council and other major institutions located mainly in the big cities. The resistance against this reform from the institutionalised cultural sector illustrates that the sector has much to gain from a continued strong state, in terms of cultural policy. As discussed earlier, this is perhaps not strange, as the institutions have been awarded increased power under the state-dominated cultural policy. Also interesting is that at the time of the proposed regional reform, the institutions reacted negatively to the idea of diversification of power, despite the fact that it could be argued that some of the rhetoric of the freedom reform resembles the aims of the cultural democracy thinking of the 1970s. Presumably, the resemblance is merely superficial. From this perspective, ideas about regionalization and dissemination of power could be seen as revitalising cultural democracy. From another, supported by most actors within the (institutionalised) field, it was rather taken to represent liberal/conservative anti-state and/or anti-bureaucracy ideology. Nevertheless, the freedom reform proposition stated that freedom also means artists’ freedom to reflect and criticise society. One way to secure such a freedom was to diversify the artists’ income sources, in particular, stimulating private funding.

One such stimulation scheme, the gift fortification scheme, was established in 2014. The scheme administered by the Ministry of Culture is an incentive scheme where the purpose according to the ministry is to stimulate increased private funding of art and culture through monetary donations. The monetary gifts trigger off a gift reinforcement to the recipient (up to 25% of the gift sum) to support their work in line with artistic and cultural aims and plans. In 2019, the scope of the scheme was 59 million NOK (Ministry of Culture). Another scheme that cautiously points in the direction of a liberal, more market-oriented cultural policy is the so-called incentive scheme for film and series productions, administered by the Norwegian Film Institute (NFI). According to NFI, the funding contributes to increasing the number of large international film and series productions that are located in Norway, and consequently to promoting Norwegian culture, history, and nature. Its other aims include increasing experience and knowledge in the Norwegian film industry, stimulating growth, creating a sustainable Norwegian film industry, and increasing international cooperation. The scope of both these schemes, however, has been very modest, especially compared to the volume of the general cultural budget. Neither the rhetoric of the budget proposal nor these policy measures have moved Norwegian cultural policy particularly far in the direction of an Anglo-American, art patron-based cultural policy (cf. Chartrand & McCaughey, 1989; Cummings & Katz, 1987), as some left-wing politicians may have feared in 2013. As Henningsen predicted, changes were to be few and cautiously made. However, the freedom rhetoric did open for an interesting public discourse about whether or not public money should come with control and guidance, something that perhaps few bureaucrats and artists had previously reflected on.

57. Interview in the music magazine Musikkultur ['Music Culture'], December 2013. https://musikkultur.no/nyheter/har-tatt-fatt-pa-frihetsreformen-6.54.81192.635b2edc8c
Increased market earnings

Another way to increase the cultural sector’s independence from public money was to help it make more of its earnings from the market, e.g., from ticket sales, private sponsorships, etc. In 2013, the Arts Council, as a response to a direct governmental initiative, established an office for Cultural and Creative Industries (CCI) in Trondheim. Although the office first saw the light of day under the conservative Solberg government, it had been planned by the left-wing Stoltenberg governments, several years earlier. This suggests that the turn against an increased focus on market solutions as a way of increasing artists’ income, labelled by some as a development towards neoliberal thinking (Hesmondhalgh et al., 2015; McGuigan, 2005), was rooted not in party politics in Norway, but in a much broader cultural policy discourse. The office’s objectives were to increase cultural industries’ value creation; to enable more stakeholders in the cultural industries to make a living from their arts and cultural activities; to increase exports; and to contribute to more attractive communities and places for residents, labour, and businesses across the country. All of them recognisable objectives within a CCI discourse (cf. Hesmondhalgh et al., 2015). From this starting point, the office has maintained its operations under the Solberg government, and is still operating. According to traditional ideological hallmarks, conservative governments are usually in favour of a relatively small state, with as few subsidies as possible. Consequently, enabling artists to improve their market earnings would presumably be considered a logical turn under a right-wing government. When this has not happened, at least not to a large degree, it supports previous research literature claiming that Norwegian cultural policy, with its strong public support for culture, is characterised by a relatively strong political consensus (cf. Hylland, 2011; Røyseng, 2004).

Another aspect of the funding of different cultural sub-sectors relates to a significant dividing line that runs through the cultural field, between institutions on one side and the more project-based sectors on the other. Here, the major distinction is between funding from the Ministry of Culture, which has mostly benefited institutions, and the Norwegian Culture Fund, administered by the Arts Council, which allocates funding to self-employed artists and cultural workers, and freelance artists. As displayed in Figures 1 and 5, both the Ministry of Culture and the Norwegian Culture Fund’s budgets have increased from 2000 up to today. Regardless, several freelancers’ organisations have claimed that the main structures within the field have remained unchanged, since the institutions continue to grow at the same speed as the free field. An interesting question, therefore, is whether the ratio of the funding sources has changed, i.e., whether the relative power balance has remained the same.

One way to look at this is to calculate the increase from the two sources since the millennium. In 2000, the selected budget items displayed in Figure 1, i.e., the Ministry of Culture, amounted to approximately 6 billion NOK. In 2019, the figure had grown to a little over 8.9 billion NOK. The growth over the 20 years was thus just under 50%. As displayed in Figure 4, in 2001, the Culture Fund allocated 202 million NOK for cultural purposes. In 2019, this number had grown to 680 million. The growth for

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58. The objectives are stated in the 2013 governmental white paper Fra gründer til kulturbedrift [From Entrepreneur to Cultural Business], produced by the three Ministries of Culture, Trade, and Local Government under the Stoltenberg II government.
the funding administered by Arts Council Norway was just under 240%. From 2000 on, the Cultural Fund consequently grew at a considerably higher rate than the overall cultural budget, however from a far less significant level. It is still difficult to claim that this indicates an increased prioritisation of project-based, non-institutionalised art in the general funding profile, just because the increase has not been taken at any of the institutions’ cost. The main impression thus remains that the institutions still account for the lion’s share of the total allocation, and that they are still considered the backbone of Norwegian cultural policy. One example that illustrates this is classical music, where the National Opera and Ballet in Oslo, located at the internationally-acclaimed new opera house in Bjørvika designed by Snøhetta architects, in 2020 alone received almost 660 million NOK. Compared to this sum, the Cultural Fund’s 982 million NOK (2019) seems relatively small. However, many self-employed artists and cultural workers, and freelancers in particular, work for institutions on a project basis, and thus make at least some of their living from the institutions’ budgets.

**Altered quality-status hierarchies**

A final dimension that is worthy of attention in a discussion of potential changes to cultural policy since 2000 is whether or not important quality-status hierarchies have been altered. Not least, this relates to the longstanding dividing line that has run between high and popular art. Several sociological studies have claimed that such hierarchies are breaking down or reorganising themselves (Bennett et al., 2009; Peterson & Kern, 1996). Such breakdowns could potentially have important implications for cultural policy and governance. Traditionally, in cultural policy there has been a strong connection between high quality status and funding. According to Bourdieu (2000 [1993]), high status in particular has been awarded to the autonomous part of the field, that holds art as an end in itself. The heteronomous part thus reflected art that also served other purposes, e.g., earning from a market. Consequently, cultural policy has traditionally been based on a double argument: to serve high-status art, and to serve the art that was less fitted to the market, and thus, in an economic sense, subject to market failure. However, if quality hierarchies have dissolved, awarding a higher status also to more market-adapted genres and expressions, public funding is also in play. In a small market like the Nordic countries, commercially-viable artists are scarce. This is particularly the case since commercial sales have diverted to digital streaming services, with relatively low revenues for artists selling some, but not a lot of their products (e.g. songs in streaming services) (Meil & Kirov, 2017; Nordgård, 2017). This dimension relates to a discussion about institutional versus project based cultural production, as popular culture more than high culture exists outside of the institutions. A continued profile where institutions receive significantly more funding than project-based culture production could therefore indicate that popular culture’s role in cultural policy is more a matter of rhetoric than an actual change.

Since the 1960s, popular art forms and genres have increasingly been included in public cultural policy definitions. The current funding structure reflects this development: today a great diversity of genres and expressions characterises the funding schemes administered by the Arts Council, including those with some

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59. Note that in addition, approximately 400 million NOK was allocated to project-based cultural production through artist scholarships and miscellaneous funding (Arts Council Norway 2019).
commercial potential (Arts Council Norway, 2019). However, a closer look into grant recipients and sums shows that even though popular art has been increasingly included in cultural policy rhetoric, in white papers, and in governmental strategies, popular art genres and expressions remain less financed than the high arts. As with the funding ratio of the institutions and the project-based field, the funding ratio of high and popular art still reflects traditional status hierarchies.

Changing contexts’ impact on national cultural policy

The analysis has so far centred on whether and how the scope and profile of public funding for culture and arts has changed since the millennium. This next section will discuss how current funding structures resonate with contemporary changes within different fields of art and culture. As previously asserted, such changes can be both global, for example as the result of digitalisation, marketisation (neo-liberalism), dehierarchisation, or juridification; or local, for example as the result of changing political environments or national changes in the cultural sector profile. Currently relevant is, of course, the ongoing Covid-19-pandemic, of which the long-term impacts are still uncertain.

A new challenge that already has impact, and which will supposedly have more impact on Norwegian and Nordic cultural policy in the years to come, relates to national cultural policy’s jurisdiction or perimeter. Although cultural policy is predominately national, over the past 20 years, several of the most important terms and premises of the cultural sector and policy have been detached from national governance and control. The most recent governmental report on cultural policy, Kulturens kraft [The Power of Culture], published in 2019, takes a rather surprising turn, as the government connects it to a much broader framework incorporating both the United Nations’ Sustainable Development Goals and the concept of freedom of speech (Ministry of Culture, 2019). In addition to seeing cultural activity in light of its most fundamental function, the freedom of expression, this ties national policies together with a supranational, convention-driven level of governance, only partly in the hands of national authorities. The fact that Norway is required to implement international conventions as part of its constitution illustrates this well.

This development furthermore relates to the many consequences of the above-mentioned trend towards digitalisation, leading to an all-encompassing upheaval for the production, distribution, and consumption of art and culture, affecting and changing traditional structures and hierarchies, the distribution and regulation of status, economy, and power within the sector. As Mira Burri asserts:

The Internet governance domain has radically different governance features, with substantially less gravity given to the state, with multiplicity of actors and complex interactions. Through its active deliberation platforms, often facilitated through communicative technologies, it bears the potential to produce changes in the underlying meanings of issue areas through interaction rather than through power. (Burri 2016: 168)

In particular, we are seeing the emergence of an intensified ‘superstar’ economy, resulting from the streaming-based distribution of books, films/TV series, and music,
which has systematically led to a winner-takes-all principle, dominating value assessment, particularly within popular culture (Hagen et al., 2020; Meil & Kirov, 2017). Since multinational companies often own and run such technology, and the technology, as Burri asserts, has a fundamentally borderless nature, traditional governmental regulations or interventions have become extremely difficult, something that has left cultural policy with little room for action.

The consequences of this are somewhat hard to survey. However, one such consequence that has potentially large budgetary implications is an increased call for measures to counteract the effects of international streaming models that negatively impact artists’ income. Similar calls could also be made for funding of art organisations and cultural mediators (Hagen et al., 2020). Such measures are well within the framework of both the Norwegian and the Nordic cultural policy model. On a more overarching political level, not least in the EU (including the EEA), some steps have been taken in order to coordinate policies across national borders. One example is the attempt to tax the global tech companies, such as Facebook, as they undermine national media services on the grounds of better business conditions (Lassmann et al., 2020). The question thus remains whether a new level of governance will assume prominence in the years to come, and whether it could destabilise the Nordic cultural policy model. Although the development towards such supranational governance has been taking place for a while, we have only seen the beginning in terms of cultural policy (Valtysson, 2020). It is thus not a bold prediction to make that even though this question has not been high on the agenda in the past two decades of Norwegian and Nordic cultural policy, it will be in the next two.

Cultural policy and welfare

The previous sections have discussed various changes in Norwegian cultural policy funding priorities. Yet, one central research question remains: can we interpret any of these changes as a step away from a historic approach where the main principles of the Nordic welfare model form the basis of Norwegian cultural policy? This final section of the article discusses this question, taking the Covid-19 pandemic as its point of departure. Interestingly, the pandemic has revealed that several welfare aspects seem to be missing from the otherwise generous Norwegian and Nordic cultural policy models, leaving freelancers and self-employed cultural workers particularly vulnerable (Gründer et al., 2020; OECD, 2020; Berge et al., 2021). This may indicate a problem for cultural policy, as the key features of such a welfare model are universalism, a strong state with a high degree of social responsibility, and a focus on high employment and equality of opportunity and outcome (Kildal & Kuhnle, 2005; Kvist 2013).

There are many reasons why the cultural policy model should maintain its familiarity with the Nordic welfare model. In a recent analysis, Fløtten and Trygstad (2020) argue that the Nordic model has been a success. During past economic crises, economists have expressed concern about whether the model was viable in a global economy; but in recent decades, according to Fløtten and Trygstad, the model has demonstrated that it has been able to absorb economic shocks and externally-inflicted crises. The Nordic countries have recovered faster and better from crises than most other European countries. There is nothing to suggest that the Covid-19 pandemic is any different. According to the two scholars, the Nordic countries can
point to good economic management and sound public finances, high employment, high productivity, low corruption, low inequality, gender equality, a highly-skilled population, good living standards, peaceful societies, and a high degree of trust between people and between people and institutions. In the Nordic countries, they claim, the authorities have succeeded in uniting economic growth and the distribution of goods amongst inhabitants (ibid.). One result of this is that the Nordic countries are characterised by a well-regulated working life and high general job satisfaction (Sandvin et al., 2020). Despite this, the cultural sector in the Nordic countries is, as in many other countries and regions, characterised by artists who are often highly educated but have low and unstable incomes, uncertain prospects, and weaker social rights than other professionals (Abbing, 2002). This has partly been explained by the work preference theory (Throsby, 1994), pointing to artists’ tendency to prefer interesting work opportunities rather than those that will generate the most income. In addition, it has been explained by a particular economic model, referred to as the patchwork economy (Grünfeld et al., 2020), where freelancers and self-employed cultural workers obtain income from a wide range of different sources. Since social security systems favour steady income from full-time work, freelancers and self-employed cultural workers stand out as particularly vulnerable in cases where they lose job opportunities.

The Covid-19-pandemic, in particular, has revealed the vulnerability of freelancers, as government relief packages in both Norway and the other Nordic countries did not seem suited to this group (Berge et al., 2021; OECD, 2021; see also Lindqvist and Sokka in this volume). Because of their patchwork economy, many found themselves in a situation where they were not eligible for the support they needed. Mangset and Hylland (2017) describes state cultural policy as a collective risk reduction model in terms of the working life of artists and cultural professionals. However, the pandemic has shown that low-income self-employed artists and cultural workers/freelancers do not take full advantage of this risk reduction. Generally, the Nordic welfare model does secure their basic needs, as they can receive public assistance. The problem is that this assistance requires that the artist searches for and/or takes any job that is available. For most artists, this means a path away from artistic work. Taking advantage of one component of the Nordic welfare system thus cuts an artist off from another, namely the free work market. At the same time, this situation is under-researched. While studies on the work situations of cultural workers have mostly been based on art sociological and cultural policy perspectives, labour and welfare policy perspectives have featured less prominently. Consequently, there is a need for more knowledge about the consequences of unstable and low incomes for freelancers in a broader labour and welfare perspective. This is necessary in order to give an adequate answer to the question of whether or not the risk-reduction model of cultural policy is still in line with the principles of the Nordic welfare model. To see cultural and social policies connected would moreover represent a significant cultural policy change for the better – even in a land seemingly of milk and honey.

**References**


CULTURAL POLICY
DEVELOPMENT IN THE 21ST
CENTURY

Tales of two decades in Iceland

Erna Kaaber

Introduction

In the Nordic family portrait, Iceland is one of the little cousins, whose cultural policy for most of the last century has been influenced by its fight for independence (Rastrick, 2013; Guðmundsson, 2013). During the 20th century, over a period spanning a little more than 50 years, Iceland was raised from severe poverty to become one of the most affluent nations in the world. After centuries as a Danish dependency, following the Second World War and subsequently the Cold War, the strategic geographical location of Iceland aided in its rapid economic progress and modernisation. Ample work for locals on behalf of the American occupational forces, generous aid courtesy of the Marshall Plan, a US defence agreement, and US support of Iceland’s declaration of independence in 1944 created a bond between the two countries which affected Iceland’s cultural development (Ólafsson, 2003; Guðmundsson, 2003; Thorhallsson et al., 2018). This close relationship with the United States, along with a habit of modelling governance and social affairs after a Danish fashion, placed Iceland at the centre of cultural influence from both its west and east (Thorhallsson et al., 2018). The development of cultural policy in Iceland in the 21st century bears strong markings of this tug of war.

Strong individualistic values, belief in the self-made man, and market-driven self-interest solutions, give Icelandic culture a more liberal disposition (Ólafsson, 2003). Baldur Pórhallsson has discussed Iceland’s dependence on other countries in much of his shelter theory research. Iceland, as a sparsely populated island on the periphery of Northern Europe, is particularly dependent on foreign education to prevent stagnation. Pórhallsson has pointed out an interesting trend in student recipients of loans for study abroad decreasingly choosing to do so in the Nordic countries up until Iceland joined the EEA in the early 1990s. Conversely, through the seventies and eighties, more Icelandic students were studying in the United States, reaching a peak of 37% in the early nineties (Thorhallsson et al., 2018). Similarly, during the Cold War, senior Icelandic officials had increasingly received their education in the United States or Great Britain (Kristinsson, 1994). At the close of the 20th century and beginning of the 21st, Icelandic governance was dominated by Anglo-Saxon ideology. Neoliberalism was influential in the wider world at the time and was embraced by Iceland’s largest political party, which most frequently led coalition governments (Ólafsson, 2011). This goes some way to explaining divergences between the Icelandic welfare system and its Nordic counterparts.
The Nordic welfare system has been defined as service-oriented and quality-minded, characterised by universal rights and extensive employment insurance, social responsibility, equality, accessibility and participation (Kvist, 2013). While the Social Security Act of 1946 bears close resemblance to the Nordic welfare model that inspired it, it has lagged behind its counterparts in the years since (Ólafsson, 2003). Welfare services in Iceland have also been viewed as contingent on economic prosperity and therefore subject to change in tandem with the great economic fluctuations that have characterised Icelandic development (Jónsson, 2001). According to Stefán Ólafsson, the Icelandic welfare system is therefore smaller, less costly, less protective, and less generous than its counterparts in Scandinavia. Iceland’s social security system is characterised by low and highly income-dependent benefits, which denotes its relation to the liberal system.

Quality welfare services and universal rights, however, bring it closer to the Nordic social democratic welfare model (Ólafsson, 2003). Funding for culture in Iceland is nonetheless quite substantial compared to the other Nordic countries and even in a wider comparison (Sigurjónsson 2018), and there is a political prominence in the growth in public funding for culture in the last two decades of the 20th century. Public spending on culture rose from 4% to 6%, as a percentage of total expenditure (Einarsson, 2012).

At the heart of cultural policy lies the question of what kind of society people want to live in (Sigurjónsson, 2013). Although contested in democracies, public values generate a relative consensus about the principle base underlying governments and policies, the rights, benefits and prerogatives of citizens, and their obligations to each other, the state and society as a whole (Bozeman, 2007). According to Thomas Dye’s simple definition of public policy, what states choose to do and not to do, government is the main actor, while it can give others a say in the policy process. This definition presumes that public policy is a conscious decision on the part of the government whether or not to take action (Howlett & Cashore, 2014). Geir Vestheim (2012) has argued that cultural policy making is inherently an instrumental action that happens in an overlapping zone where the cultural field and the field of politics, public administration and economy negotiate solutions. The legitimacy of cultural policy derives from the balance of the cultural, aesthetic, political, and economic value represented by the different agents involved in the negotiation. These agents need to represent shared and collective interests.

What states then choose to do or not do regarding cultural affairs can be divided into two categories: 1) the setting of regulations and 2) the allocation of public funds for the promotion of culture (Bell & Oakley, 2014). Framework legislation for individual sectors within the cultural field, work on which began around the turn of the century in Iceland, has refined and professionalised the administrative framework for different cultural sectors. The term “professionalised” is used here in the sense that peer criteria for cultural allocation began to be standardised when allocations of funds were gradually moved from the budget items of Alþingi to specific cultural sectors. Performance management was introduced into the administration and the proposed use of action plans to realise policy goals. In this chapter, the framework legislation for the museum field will be analysed to give an example of this structural formation, along with management agreements between

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60. Further, a strong labour movement has mostly operated without a supportive political arm in government (Ólafsson, 2003).
61. The role of the third sector is also relatively large in Iceland, where NGOs have a considerable part to play in poverty alleviation (Ólafsson 2003).
administrational levels and the decentralisation of the cultural policy and intersections with other policy fields.

Although culture is posed as one of the main targets of policy with the emergence of the welfare state in the Nordic countries in the 1960s (Kangas & Vestheim, 2010), an emphasis on welfare in the development of Icelandic cultural policy was a long time coming. Attempts to democratise cultural policy were not a priority for the most part of the 20th century; the autonomy of the cultural sector was weak, and the implementation of the arm’s-length principle was both late and slow compared to the other Nordic countries (Guðmundsson, 2003). It is therefore appropriate to pose the question of whether a welfare emphasis in Icelandic cultural policy has been enhanced during the period in question.

The first two decades of the 21st century have been a time of great change in Iceland. One event has had greater consequences than any other: the economic collapse of 2008. To identify and analyse welfare objectives in the development of cultural policy development, the period will be divided in two halves: before and after the 2008 crash. The end of the 20th century and the beginning of the 21st century have been a time of the development of the liberal market system from a strongly state-centred patronage system (Önnudóttir et al., 2021). The second decade of the 21st century saw political instability that disrupted years of steady focus in cultural policy development and a turn away from market orientation towards a social democratic welfare position.

### Decentralisation and administrative reform

Although cultural policy, as a formal document, was not introduced by the state in Iceland until 2013, such documents were produced by local governments over a decade earlier. Coinciding with a shift of authority between levels of government, cultural policy was mandated in the cultural agreements – performance agreements between the state and municipalities, the first of which was made in 2001. Decentralisation had already made its mark on cultural policy in Finland and Sweden as early as the 1970s (Renko et al., 2021). In Iceland, on the other hand, there was a momentum in the distribution of the functions of government from state to municipalities at the same time as the New Public Management (NPM) administration reform was being implemented in the 1990s. Members of the centre-right Independence Party were the luminaries of the NPM reform which greatly influenced cultural policy development over the two-decade period (Júlíusdóttir, 2008; Hofsteinsson & Árnadóttir, 2013).

NPM reform policy places emphasis on efficacy and a belief in economic rationality, market methods, contractualisation, and competition (Bryson et al., 2014). Governments should be setting goals and trying to achieve them, and instead of providing all the services themselves should rather hand them over to autonomous actors (Pollitt & Bouckaert, 2011). Management agreements between government and various actors were therefore set in order to secure entrepreneurial and result-oriented management of governmental tasks. In regulation, this calls for institutional changes that allow for such independence of management. A clear set

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62. Ministers for culture appointed in the years 1991-2008 all came from the Independence Party.
of measurable goals or products, and possibilities for monitoring the process, are also essential (Klijn, 2012).

The extensive use of framework legislation goes hand in hand with the timeline of the implementation of NPM in Iceland. Framework legislation is used to establish organisational structure that enables a decision-making environment, in contrast to legislation that prescribes a substantive product of the decision-making process (Garrett, 2004). The implementation of the Budget Law (no. 88) in 1997 remedied the disordered legal environment of Icelandic fiscal law by introducing an overall framework which included budgeting, budget implementation, preparation of central governmental accounts, financial statements, and borrowing by the Treasury. Instead of the budget being the sum of funds accumulated in the state system from the bottom up, the government decided on total expenditure from the top down (The Icelandic National Audit Office, 2001). The impact of these changes on the developing cultural policy are evident. Performance agreements between the government and both institutions and municipalities, linking the government’s expenditure to goals and strategies in individual policy areas (Ministry of Finance and Economic Affairs, 1996), mark the beginning of this transition.

Through the cultural agreements, the state provided funding to enhance local cultural development work, and the municipalities provided gradually increased funding for co-operational projects. Cultural councils, for each of the municipal associations, provided the municipalities with a co-operational field. They were responsible for the cultural development work, the allocation of funds for cultural projects and cultural tourism, the implementation of the agreements, and monitoring progress (Ministry of Education, Science and Culture, 2007). Similarly, the growth agreements between the Regional Development Institute and the Business Development Associations were made with the aim of strengthening innovation and the competitiveness and growth of the economy of each region. The growth agreements also set plans of action to increase culture and cultural tourism in the relevant region (Júlíusdóttir, 2008).

**Economic and social goals**

The integration of cultural policy with other public policies was not limited to regional policy. The development of the tourism industry was also linked to culture in government policy-making. Cultural policy has increasingly begun to serve multiple goals (Bell et al., 2014), as is visible in the development of Icelandic cultural policy in recent decades. The cultural agreements aimed at reducing rural flight.63 In her research on the interrelation of culture and tourism, Magnfríður Júlíusdóttir (2008) found the interests of tourism and culture to be intertwined in multiple ways in various official documentation. Examples include increased funding for cultural centres in rural areas that could also be made use of by the tourist industry, and the Regional Development Institute hiring an expert to assist the municipalities in establishing a cultural industry that could attract more tourists. The governmental plan to make art and culture the base of regional policy, in a methodic way, is quite clear in its request to the Regional Development Institute (Ministry of Education, Science and Culture, 2000).

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63. A survey of the causes of resettlement showed that culture and entertainment was a major influence in people’s acceptance of their domicile (Ólafsson 1997).
Interestingly, the Ministry of Transport and Local Government published a report (2001) that had a major effect on cultural policy development in the following years. There is a practical and commercial approach to culture in the report which states that Icelandic culture holds great value for the marketisation of the country. Culture is, in other words, a job-creating resource that can be utilised to stimulate economic growth. Culture-related tourism as a specific industry is the main focus of the report, which further proposes that regional policy take its cue from the policies of both the Ministry of Education, Science and Culture and the Ministry of Transport and Local Government, and illustrate the distinctive cultural elements of each region’s national parks, historical sites, and museums. The report divides the country into seven regions and encourages the business development associations in each area to start developing plans in this spirit. This was the basis of the system of Regional Plans of Action that was instituted in the post-crash years. The report recognises that those who bear the costs of cultural tourism are not always those who profit from it, and it is therefore the responsibility of the state and the municipalities to back the regional plans (Olrich 2001).

This new emphasis on local prioritisation of cultural affairs and tourist-friendly cultural attractions made its mark on the dissemination of cultural heritage (Hafsteinsson et al., 2012). Regional museums, which could be found all across the country, were perceived as stagnant, lacking cultural diversity, and not promising for building up a new industry. Performance management agreements, which the state made with individual museums, consistent with NPM policy, were meant to increase museums’ independence in order to diversify their offerings. An emphasis on private enterprise led to multiple performance agreements between private companies and holding companies on one side and public museums on the other. Many of these privately-run museums centred on aspects of Icelandic culture which traditional museums had disregarded, lending them a unique cultural importance. These included facets of the country’s cultural heritage that had been shunned by more orthodox curators, such as industry, women’s history, and folklore. The success of this unconventional approach and the governmental incentive led more traditional museums to reevaluate their own perspectives (Hafsteinsson et al., 2012).

Establishing structure

The framework legislation adopted for individual cultural sub-sectors in the beginning of the 21st century gradually set a more professional guidance and structure for public cultural administration. Laws for different sub-sectors set allocations from central funds assigned by professional committees, policies in each field became mandatory, and the formulation of promotional centres was shaped.  64 In the spirit of the government’s new policy on the creative presentation of cultural heritage and the international marketability of local features and character, a framework law on museums was adopted.

The Museum Act (no.106/2001) of 2001 was a part of a more comprehensive legislation on heritage. The bill for the law was drafted in consultation with many professional groups and institutions in the field and modelled on similar legislation introduced in Denmark in 1984 and Finland in 1992. When preparing legislation in the

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64 Alþingi’s budget allocated grants for cultural affairs without professional criteria well into the 21st century. The arm’s-length principle was not introduced into law until the adoption of the artist’s salary in 1991 (Guðmundsson, 2003).

The definition of a museum according to the new law is characteristic of the shift towards commercialism in attitudes regarding culture. Although a museum exists to disseminate information about man, history, and the environment and nature for purposes of research and education, entertainment is also noted in the definition. The structure of the museum field is set by the law, which specifies three state-run museums as leading in each of their fields. Special laws apply to them and their funding allocations, and they are each to produce a coordinated museum policy and strategy. The three leading museums have a consulting role for other museums in their field and a presentational role in Iceland and abroad. Other museums are allocated funds through a museum fund, responsible for ensuring consistency and monitoring the use of grants (Art. 238/2000–2001). Emphasis is placed on cooperation with the intention to ensure that a number of private centres, exhibitions, and small museums have the ability to apply for project grants from the museum fund. The Act also stipulates the establishment of the museum council, a cooperation forum for museums, which is obliged to formulate a long-term policy for the field and allocate funding from the museum fund.

Despite the legislation, considerable funding for museums and related activities was still allocated without professional criteria from the state budget (Safrnáður, 2004). The development of the museum field in Iceland differed from Denmark and Finland, where the number of museums and exhibitions decreased, whilst they grew considerably in number in Iceland in the first decade of the 21st century (The Icelandic National Audit Office, 2009). According to the Icelandic National Audit Office's assessment, the lack of a long-term policy in museum funding reduces the professional activities of museums and their role in society. The Office recommends clear rules on public allocation for museums and related activities that ensure transparency and equality (The Icelandic National Audit Office, 2015).

Further legislation, in accordance with the framework legislation on cultural heritage, was enacted in different cultural sectors in the years to follow. Similarly, this legislation aimed to provide public funding to individual cultural sectors through central funding in each field, professional guidelines for allocation, and consultation and cooperation forums within the sectors which were given promotional and policy obligations. Promotional centres for the arts function as venues for consultation and collaboration on policymaking in their respective fields, as well as serving the Ministry of Education and Culture in an advisory capacity. Advancing Icelandic cultural production on the international market is a foundational goal of the various promotional centres for the arts, which are by no means uniform. Some are founded through legislation while others are non-profit organisations, associations, or private companies (Richardsdóttir, 2012). All, however, receive some public funding. Today there are six operating promotional centres: the Icelandic Music Information Centre, the Icelandic Art Centre, the Icelandic Film Centre, Iceland Music, Iceland Design and Architecture, and the Icelandic Literature Centre. Performing Arts Iceland, the association for the stage arts in Iceland, is currently working on establishing an official promotional centre, in accordance with recent legislation on stage arts (Act no. 165/2019), making it the most recent piece of framework legislation concerning a particular cultural field.
Policy coordination and consultation

It could be said that a fast-paced comedy turned into a tragedy in mere moments during the autumn of 2008. A deficit-free period of economic growth and low unemployment rates, rooted in the privatisation of the public banks, ended with a bang, resulting in an account deficit, collapse of currency, and a severe decrease in GDP. Iceland sought assistance from the International Monetary Fund (IMF) in the autumn of 2008. According to the revisited macroeconomic forecast published in the beginning of 2009, about a 10% reduction in GDP and a standstill in economic growth until 2010 was anticipated (Ministry of Finance and Economic Affairs, 2009).

The economic crisis marked the start of a period of instability in Icelandic politics, with frequent changes of government. The standing administration, composed of the Independence Party and the Social Democratic Alliance, resigned in January 2009 and a minority government made up of the Left Green Party Movement and the Social Democratic Alliance took the reins. The same parties formed a majority government after elections in the spring of 2009, with a noticeable turn towards the Nordic welfare orientation. Revenue increases were prioritised over traditional austerity measures like spending cuts (Ólafsson et al., 2014). The new government issued a Welfare Watch to monitor the most vulnerable members of society and advise the government. It exemplifies the redistributive measures taken to deal with the consequences of the crash, which are in contrast to the austerity measures taken by other affected states (Ólafsson et al., 2014). National meetings were held all over Iceland in order to promote societal responsibility in policy making during a time of dissent, disruption, and conflict. The first meeting, held in 2009, laid the groundwork for further national meetings around the country, with the aim of reforming basic societal values and policy (Prime Minister’s Office, 2012).

The capacity of the public administration to react and to formulate policies came under heavy scrutiny in the wake of the crisis. The Report of the Investigation Committee of Alþingi illustrated the lack of coordination and cooperation between governmental entities working in related fields and developing correlated projects. In a governmental report titled “Coordinated Administration” (Prime Minister’s Office, 2010), the compartmentalised approach emblematic of the administrative hierarchy was criticised for reducing the capacity of collaborative efforts and the possibility of implementing shared policies built on interdisciplinary approaches. The report marks the beginning of a new reformative process based on the principles of Joined-Up Government (JUG), partly in response to the constituents of the NPM that had failed (Unnsteinsson et al., 2012).

The doctrine of coordination has a long history in the field of administration, although JUG is a new term for the strategy (Pollitt & Bouckaert, 2011). The four fundamental objectives are to relieve tensions in public policy and improve coordination, to make better use of resources, to diversify cooperation among invested parties in order to propagate new ideas, and to simplify the interfaces intended for users of differing public services. Emphasis is placed on consultation and ensuring the involvement of all stakeholders in the policy-making process so that a more systematic whole is conceived (Pollitt & Bouckaert, 2011). What has been referred to as post-NPM reform, a hybrid or sedimented layers of reform

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65. Income inequality had risen from 1995 to reach unprecedented levels in the first decade of the 21st century. This was related to the change in national attitudes, political ideology, financialisation, and globalisation (Ólafsson et al. 2014).
(Christensen, 2012), constitutes the emerging administrative trend. The emphasis on coordination resulted in cross-sectoral collaborations and often networks are formed to discuss solidarity on mutual objectives. Citizenship and democracy are central in a conversation that includes members from multiple sectors creating public value. Citizens take part in deliberative problem solving and become co-creators of the policy process, moving beyond being just voters or customers (Bryson et. al., 2014).

In a strategic document, “Ísland 20/20” (2010), issued after the national meetings on future policy, the stated goal is for Iceland to become a full member of the Nordic Region welfare societies where social security and equality is ensured. The Regional Development Plans are one of the key projects of the strategy, proposing one such network for state-municipal relations regarding the culture and growth agreements, discussed further in the chapter Regional Policy below. The new emphasis on the collaborative process later led to the creation of a communication portal, Samráðsgátt, set up online in 2018 to improve transparency and boost public participation in policy making, regulation, and decision making of public bodies. The Ísland 20/20 report identified the cultural and creative industries (CCIs) as one of the most promising fields for economic growth. Simultaneously, there was a strong emphasis on the importance of the CCIs for economic growth, employment opportunities, and innovation in the Nordic cooperation (Richardsdóttir, 2012). Tourism became the more promising contender in the years following the crash, but the CCIs have gradually gained attention in recent years.

National cultural policy

Post-crash Iceland saw several counter-effective policies and plans amended and reduced in number, with new procedures and policy processes better linked to the budget preparation (Matthíasson, 2011). Before leaving office in the spring of 2013, the left-leaning administration of the post-crash years passed Iceland’s first formal legislation on cultural policy. The introduction to the policy describes a diverse cultural life as a facilitator of the general wellbeing of society and a promoter of equality, and underlines the important role of culture for tourism. The policy has four main elements that aim to increase public welfare: creation and participation, accessibility to the arts and heritage, public collaboration, and a special emphasis on the status of children and youth.

For the years 2014–2017, a strategy was put in place to guard against sidelining children in cultural affairs, in accordance with the new policy. An earlier initiative had focused on strengthening the role of art and creativity in the national curriculum. The curriculum’s content revolves around the important role of art and culture; value judgement; access to the cultural discourse of society; and participation and involvement in the formation of culture (Ministry of Education, Science and Culture 2011). In a newly-introduced strategy for culture, even greater importance is placed on the role of children and youth, and their access to Icelandic cultural life is prioritised (Ministry of Education, Science and Culture, 2021a).

However, the new strategy includes plans of action beyond the field of children and youth. As cultural policy essentially concerns the shaping of citizens, it concerns itself with the analysis of who culture belongs to, who is included, and who is not (Sigurjónsson, 2020). Despite a willingness to address the role of immigrants in the
cultural context, and for Iceland to take a leading role in doing so being indicated in the parliamentary proceedings for the Cultural Policy of 2013, no mention is made in the policy text of the role of immigrants (Sigurjónsson, 2020). In the new strategy, however, there is an emphasis on removing obstacles that immigrant artists may encounter in dissemination and access. It is further stated that Iceland is a multicultural society, and that modes of dissemination and promotional activities must be developed for reaching diverse groups in society. The plan also recognises that information technology has revolutionised contemporary culture, and outlines actions on the digital transfer of cultural material and on safeguarding copyright. The 2013 policy’s emphasis on participation relates to many of the actions proposed in the new strategy with regards to research and assessment (Ministry of Education, Science and Culture, 2021a).

The 2013 policy is principally meant to be a roadmap for government and lawmakers in future policy and decision making. The intent is to professionalise the public sector, encourage best practices, and ensure the arm’s-length principle: to distance political power from the allocation of funds. The role of the Icelandic state is brought closer to that of its Nordic counterparts, according to the Nordic model (Sigurjónsson, 2013). Why the government chose to set the national policy in this mode is a question worth asking. The heavy criticism the public administration came under in the pre-crash years regarding a lack of policy formulation, coordination, and implementation indicates the answer. The structure building in framework legislation calling for policies for each cultural sector also responds to the call for vision in each sector, although it has taken some time to produce those policies along with accompanying strategies identifying actions to achieve goals and secure funding.

Change of perspective

It can be stated that despite differences in ideology between the governments in power right before and after the crash, the same methods were used to structure different cultural sectors. Framework legislation was adopted for individual sectors in the second decade of the 21st century with a similar structure as introduced in the first decade. Allocations from the state budget to various projects were streamlined and channelled through professionalised funds, many of them set under the administration of the Icelandic Centre for Research, which was already operating competitive funds for research. The years-long revision of a number of laws that began soon after the enactment of a body of law on cultural heritage in 2001 took more than a decade, and resulted in a variety of legislation that covers the role of preservation. Rapid development of information technology and growing internet use also had a great effect on individual legislation (Art. 1316/2010-2011).

The role of museums in the new Museum Law (no. 141/2011) clarifies the change of perspective post-crash by defining museums as permanent institutions that are not run for profit and operate in the public interest. For-profit museums are not recognised by the law and cannot apply for allocations from the Museum Fund (Art. 370/2011/2012), although the state-run museums are enabled to do so. The Museum Council now provides accreditation to museums, providing the arm’s-length principle to the process, and is obligated to form a policy for the heritage field along with holding a supervisory role and an advisory role to the Minister of Culture.
The rapid growth of museums and related activities that began after the adoption of the Museum Law of 2001 came to a halt with the introduction of the new museum law in 2011, as can be seen in Figure 1. Operating and start-up grants for art productions, museums, and heritage, which were previously allocated through Alþingi’s budget committee, were added to the cultural agreements between municipalities and state in 2012. Growth picked up thereafter, although the partnership between public museums and private entities came to a close as the idea of running private operations under the wing of public institutions came to be seen as unseemly (Hafsteinsson et al., 2012).

Policy grid

The reform of the post-crash years was in many ways aided by international organisations and specialist guidance like the OECD (Matthiasson, 2019). The Icelandic government sought advice from the IMF in 2011 to codify the budget practices that had been developed since the crisis and prevent a reversion to the practices of the past. The old practice was defined by the IMF as pro-cyclical, having weak budget discipline and a lack of coordination between government levels (Hughes et al., 2012).

The new Public Finance Act (no. 123/2015) marks a major change in the public finance framework, connecting policy and strategies on 35 subject areas of the Central Governments Accounts. The law is intended to ensure an overall vision for five years concerning which objectives, priorities, expenditure frameworks, and decisions of the term of office are to be based on, in line with the government’s fiscal policy. The subject areas are the responsibility of the relevant ministers, who are also responsible for formulating action plans for the activities and projects that fall under their policy areas. Government bodies must formulate a policy which covers both general operations and strategies to achieve policy goals.
The link between fiscal policy and the policies of individual divisions and branches should ensure that financial contributions are in line with prioritisation of strategies. The result is a rather taut budget framework, leaving little room for chance or for major changes. The impact is reflected in a new Design Policy, for the years 2019–2027, which has no adjoining strategy, as none of the 35 subject areas covers design, and therefore no funding. The policy is instead aimed at different industries for general implementation (Atvinnuvega- og nýsköpunarráðuneyti, 2018). A new Film Policy issued in 2020, set forth with an adjoined strategy, reiterates that the fiscal framework sets limits to the reimbursement system for film production, as it provides for immediate estimates of reimbursement amounts (Ministry of Education, Science and Culture, 2020). The Public Finance Act also addresses consultation between the state and municipalities in strategic planning.

Regional policy

The scope of cultural policy on the municipal level increased steadily up until the 2008 crash and is in sync with the regional policy goal of enhancing culture in rural areas. After the crash and up until 2012, there is a drastic reduction in local government expenditure for culture. Local influence on prioritisation was increased, with the additional funding of operating and start-up grants for art productions, museums, and heritage being transferred from the state budget to the cultural agreements in 2012. At the same time, the cultural agreements and special growth agreements for employment and innovation, made by the Ministry of Industries with the municipalities, were joined together to form the Regional Plans of Action between the state and the Associations of Local Authorities and adopted into law in 2015. Since then, the municipalities’ cultural expenditure has again been gradually rising, as can be seen in Figure 2.

![Figure 2: Local government expenditure for culture in the years 2000–2020 (at 2020 prices)](image)

The government’s regional policy at any given point is the centre for coordination of public policy and planning, under the auspices of the Government’s Steering Committee on Regional Affairs in which all ministries have a member. The committee is also in charge of the Regional Plans of Action, which are collaborative projects of the Regional Associations, municipalities, government agencies, business, and culture, as well as the academic community and other stakeholders. This is a network for policy and strategy coordination where state funding is allocated to the regional associations for their plans of action. Each region allocates the funds to different projects in both the cultural field and other industries in general. Funding is divided into two parts, lead projects and development competition funds.

Social context changes

The beginning of the 21st century has been marked by social change and reconfiguration.

Through the past two decades, various changes have been made in how the financing of different cultural sectors is structured. Many of these changes are indicative of an industrial policy forming in regards to the cultural field. Rebates for production costs incurred by filmmaking were established by Act no. 43/1999. Comparable laws for reimbursement of production costs for music recording (no. 110/2016) were established in early 2017. The bills state that the systems are set up to increase state and national revenue and to strengthen the reputation of important industries in the Icelandic economy. A law was also enacted regarding rebates for book publishing (no. 130/2018). Despite the fact that the aim of the law is to protect the cultural value of the Icelandic language, references are also made in the bill to the deteriorating operating position of Icelandic book publishers. There are also newly-approved amendments to the Income Tax Act (No. 90/2003) which cover more diverse incentives and tax concessions that benefit both producers and sponsors of third-sector projects and the cultural industry. The bill specifies legal entities, covered by new and revised provisions, operating according to an ideology that aims for social reform for the benefit of the public (Art. 1240/2020-2021).

These changes encourage the private financing of culture. Along with subsidies to the private media and reduced tax collection on copyright income (Reg. 1245/2019), they take place in a period of international competition and rapid technological development that have led to changes in the production, distribution, and consumption of cultural products. The social context of policies and the goals they are meant to achieve is in flux. There is an increased demand for social responsibility in operations and organisational goals. Demands for sustainability, empowerment, cooperation, and transparency also apply considerable pressure to change public systems (Unnsteinsson, 2021). The UN’s Sustainable Development Goals (SDGs), meant to balance social, economic, and environmental sustainability and promote general welfare, have been integrated into general policy making, reflecting the Icelandic government’s commitment to implementing them (Prime Minister’s Office, 2019a).

66. The Regional Association of the Capital Area is not included in the cultural support of the Regional Plans of Action, as population density and placement of most of the state’s cultural institutions reduce the need for such support. Akureyri is the one municipality finalising a cultural agreement with the state for the purpose of strengthening the town as a cultural centre outside the capital area (Ministry of Education, Science and Culture, 2018).
The first systematic mapping of the cultural and creative industries (CCIs) in 2011 made use of UNESCO’s classifications of what constitutes cultural industries, and placed emphasis on the complex nature of the value chain of the industry (Sigurðardóttir & Young, 2011). What exactly defines the CCIs is still being debated, but in the new 2021 strategy for the cultural field it is clearly stated that diverse cultural activities are a key factor in Iceland’s economy, with wide-ranging economic impact in other industries such as tourism, intellectual property, and technology (Ministry of Education, Science and Culture, 2021). The Regional Plans of Action for the period 2020–2024 likewise further the aim of increasing the share of CCIs in the economy in the value creation of different regions. The CCIs in Icelandic policy making have the same basis for economic regeneration, regional development, and competitiveness as in the other Nordic countries. The interplay between business and culture has similar characteristics with slight variations across the board, where global scripts and supranational policies are “translated” in national, regional, and sub-national policy making (Pinheiro & Hauge, 2014).

Countries increasingly link the CCIs directly to innovation policy (Power 2009, Dervojeda et al., 2013). Jason Potts (2009) has argued that the CCIs’ ability to allow for the adoption and retention of new ideas gives them a unique role in the context of innovation. Industrial policy is reforming as innovation policy, and in Iceland the CCIs have seemingly been incorporated in an industrial policy, through regional policy, for the greater part of the 21st century. The newly-published Cluster Policy (2021) is coordinated with a new Innovative Policy (2019) that proposes increased regional support and correlates with a report on Iceland and the fourth industrial revolution (2019). The Cluster Policy aims to allocate funds for business development and regional development systematically, with an emphasis on strengthening cooperation and innovation to increase the competitiveness of companies and industries (Ministry of Industries and Innovation, 2021).

The increased importance of the CCIs can also be seen in the incremental involvement of multiple ministries in the cultural field from the start of the century. The coordination of different ministries, administrations, and the business community for the promotion of the creative industries was launched in mid-2019. The promotional group was given an advisory role on the prioritisation in the fields of culture and heritage, education, development and research, and infrastructure, and on supporting development in the field of export and international cooperation (Business Iceland, 2019). Other initiatives in recent years have involved increased collaboration between different ministries and government agencies (Ministry of Education, Science and Culture, 2021b). This development poses difficulties in tracing cultural expenditure on the Central Government Account.

Cultural statistics

Over the past 20 years, welfare has become a benchmark in public policy making, as public wellbeing is directly linked to the national economy (Martin, 2019). The multidimensional welfare perspective introduced in the 1980s by Sten Johansson stresses the fundamental importance of essential collective resources for the measurement and evaluation of human wellbeing. Economic resources, health, employment, knowledge and education, social integration, housing and neighbourhoods, security of life and property, recreation and culture, and political
resources all require evaluation (Johansson 1970; 1979). The systematic living standard survey, conducted in Iceland since 2004, has been criticised for having a limited scope and disregarding subjective measures of quality of life (Eydal & Hrafnsdóttir, 2017). Work is now underway to develop measures of prosperity and quality of life to support the Icelandic government’s policy- and decision making. The process has proven more difficult when it comes to developing criteria for measuring social capital via societal wellbeing indicators (Prime Minister’s Office, 2019b). The systematic collection of cultural statistics has been scarce in Iceland, also hindering the analysis of policy development.

The policy platforms of the past three administrations have cited support for the CCIs in the form of data and research. Political instability and short-lived administrations might explain the slow delivery, but in June 2021, Statistics Iceland published cultural indicators for the years 2008–2020 following special funding in 2018 to support cultural data development.

In 2020, Statistics Iceland published figures on employment in the creative industries from a 2019 workplace survey. By the institute’s estimation 7.7% of the Icelandic workforce are employed in the CCIs. Jobs in the creative sector total about 5,900 and creative positions in other industries number 9,700, totalling 15,500 jobs for a population of 365,000 people. Over twice as many people working in this field are self-employed when compared to other sectors, or 24.4% compared to 10.6%. Women are proportionally more numerous, representing 59.4% of those employed in the field. In comparison, women represent 45.1% of workers across other sectors. Immigrants, on the other hand, are underrepresented in the creative industries. While the proportion of residents who are immigrants has grown from 3.0% in 2000 to 15.2% in 2020 (Statistics Iceland, n.d.c.), significantly diversifying Icelandic society, immigrants make up only 9.1% of those employed in the creative industries, compared to 19.6% in other sectors. Similarly, the increase of immigrants in the field since 2015 is only 41.2% compared to 61.3% across other sectors (Statistics Iceland, 2020).

Figure 3: Employment in the CCIs in the years 2010–2019

Source: Statistics Iceland, 2020
Significant changes in the number of those employed in some cultural industries have been observed over the past decade, as can be seen in Figure 3. Today, the largest industries are the creative arts and recreation, as well as museum operations and other cultural activities. These have also experienced the most growth during this period. At the same time, printing and reproduction, and television and radio broadcasting and programming have undergone a sharp downturn. Looking at the chart, it becomes clear that traditional forms of media dissemination have declined in a time of rapid technological advancement, during which cultural consumption has taken other forms. The most recent survey of cultural consumption in Iceland was undertaken in 2009. The newly-introduced action plan for culture includes a plan for conducting thorough research on cultural consumption and participation.

The position of artists

The creative sectors are more vulnerable to the effects of the Covid-19 crisis than other professions, according to the OECD, which has urged member states to ensure that this group’s labour market measures are adapted to their specific needs. That members of the group combine different sources of income, as they are often both employed and self-employed, reduces their entitlement to benefits (OECD, 2020). A survey by the Icelandic Confederation of Icelandic Graduates (BHM) showed that 80% of respondents had lost income due to the Covid-19 pandemic and that more than half of them had lost about 50% of their income between the years 2019 and 2020. Nearly 25% of artists have experienced a 75–100% drop in income. Compensation measures are either inaccessible or have limited effectiveness within the industry (BHM, 2020).

The Artist’s Salary Fund allocates an artist’s salary, paid monthly, for a period ranging from three months to one year, and in exceptional cases up to 24 months. In the 2008 financial crisis, the total distributable amount of artists’ salary was increased by 400 months with the Artists’ Salaries Bill (No. 57/2009), bringing the total to 1,200 distributable months. A salary fund was established for designers, who could now apply for artists’ salaries for the first time. Individual funds were set up for musical performers and performing artists who had previously been able to apply for the Art Fund. Another move was fixing the amount of monthly salary to the national budget, taking into account variation in accordance with wage developments, prices, and the economy (Art. 688 / 2008–2009).

The conditions that contribute to the current economic crisis have been a particular hardship for a large group of artists whose income relies on spectators or communication with the consumer. The government provided additional funding through the artists’ salary system in response to the Covid-19 pandemic in 2020 that constitutes 600 extra months paid. Temporary amendments were made to the Act on Artists’ Wages, implemented in early 2021, which increased the number of months paid by 550. Additionally, the government has provided income subsidies and additional funding through project funds with special emphasis on self-employed artists (Ministry of Education, Science and Culture, 2021c).

67. Disputes between different cultural sectors delayed the enactment of an artist wage fund in the 20th century, first enacted in 1967. A special wage fund was established for writers in 1975 providing funding according to the arm’s length principle, adopted into law in 1991 when the writers fund became a part of a sector-compartmented fund including the Arts Fund, for various art forms (Guðmundsson, 2003).
Project-based grants and contractors’ salaries, inherent to the structure of the cultural field, reduce artists’ social security and are not comparable to those employed in other industries. The general wage index has risen by 96% in the past ten years, whilst for artists the increase amounts to a mere 49%. Moreover, the recent crisis has affected the cultural industries twice as much as other industries when comparing the crash years 2008 and 2009 and the pandemic years 2019 and 2020 (BHM, 2021). The newly-introduced strategy in cultural affairs pays special attention to making improvements in this regard. It proposes a comprehensive assessment of the position of self-employed artists in terms of unemployment insurance, pension funds, and other social factors (Ministry of Education, Science and Culture, 2021a).

Public cultural expenditure

Smaller countries generally allocate a higher percentage of total public expenditure to culture compared to larger, more populous countries. A concern for protecting domestic culture against foreign influence could explain this disparity, along with minimal spending on defence (Einarsson, 2011). The cost of infrastructure can have an impact as well, and there is an active policy ongoing for the two-decade period in question to build cultural centres in different parts of Iceland.

![Figure 4: General government total expenditure on culture in the years 2000–2020 (as % of GDP)](image)

Source: Statistics Iceland, n.d.d.

Looking at the development of public expenditure on culture for the past two decades, Figure 4 shows that somewhat more was spent in the pre-crash years. The
comparison is limited by unusual circumstances. The rather erratic graph shows an unsurprising steep reduction in expenditure in 2008, but the peak in 2011 warrants further explanation. It can be accounted for by Harpa concert hall and conference centre in Reykjavik. The construction and operation of Harpa was taken over by the government following the proprietor’s bankruptcy in the post-crash years. What started as a public-private partnership venture ended up as a record-setting expense in public allocation for culture, and continues to this day to add considerable cost to the year 2011. The total government investment, initial capital expenditure, and annual operating costs of well over 26 billion Icelandic króna (ISK) are all accounted for in the year the investment was initiated, in accordance with Government Finance Statistics (GFS) standard. Although public expenditure on culture has not reached the same heights as pre-crash, it is again on the rise.

Conclusion

The formulation of the overall structure of public cultural administration over the last two decades is, in itself, a development towards a stronger welfare orientation in Icelandic cultural policy, moving away from the patronage system of the 20th century. Although cultural policy is markedly different before and after the economic collapse of 2008, the systematic structure building of sectors through framework legislation continues to develop throughout the period. Performance management continues to be a part of the toolbox in the latter period, with a growing emphasis on coordinated policy making, along with enhancing the participation of different stakeholders. The influence of social perspectives makes for the most difference between periods, before and after the economical crash of 2008. Social responsibility is accompanied by a flatter administrative structure and requirements for sustainability have introduced operational goals relating them more closely to the operational goals of cultural enterprises. Technological development has also increased the welfare impact of culture, making for better access to cultural production, as in the case of the digitisation of heritage. The overall organisation of cultural policy develops in the direction of seeking to ensure the arm’s-length principle in allocation of funds, emphasis on professionalism and quality, accessibility, participation, and collaboration. A lack of action plans to complement policies, clarification on actions taken to promote measurable goals, or statistics for evaluation, plus the slow process of implementation reduces the effects of the more systematic approach.

The development of indicators for measuring the prosperity of nations that involve more than just economic factors pushes for government policies to take into account various new factors in public policy in general. At the same time, emerging public value from deliberation and problem solving between different stakeholders in the policy process (Bryson et al., 2014) has the aura of democratisation. The collaborative effort to represent shared and collective interests in the reformed administration seem to give legitimacy to cultural policy as presented in Geir Vestheim’s definition of cultural policy being the outcome of negotiated solutions. On the other hand, the lack of cultural statistics and criteria for assessing social capital reduces the ability to assess cultural policy development, and makes declared goals appear insubstantial. Further, there is a need to investigate to what extent collaboration networks improve democratic decision making and what impact
stakeholders have on the government’s proposed plans via the online communication portal Samráðsgátt. For the whole of the two-decade period, Icelandic cultural policy is seemingly gathering an increasing number of goals, all the while connecting the cultural field to other policy fields. At the beginning of the century, cultural policy was woven together with the building of a tourism industry and regional policy. That policy was furthered post-crash with the Municipalities Associations Plans of Action and the collision of general industrial support and cultural funding. The introduction of the economic importance of the CCIs and recent policies for clusters (2021) and innovation (2019) further complicate public authorities’ involvement in the cultural field.

The introduction of the Cultural Policy of 2013 clearly states its efforts to enhance the professional framework and administration of the cultural field. It is also focused on the support of quality in service production and other welfare objectives aimed at universalism. This applies not least to the special emphasis on children and their opportunities to participate in cultural activities and thus shape society. The new action plan for culture (2021) also makes considerations for immigrants, as well as the effect of societal changes linked to technological development and research on cultural consumption and participation.

The position of cultural workers compromises the welfare characteristics of Icelandic cultural policy development. Artists have less social security than those working in other areas of the labour market and have fallen sharply behind in wage development (BHM, 2021). As one of the goals of the new action plan for culture states, this situation needs special consideration and assessment. However, it must also be viewed in the context of the structural formation that has characterised cultural administration in recent decades. Despite the cultural policy developments increased professionalisation and collaboration and the increased importance of the CCIs in public policy in general, the statement from the 2001 report on cultural tourism still applies 20 years later: those who bear the production costs are not necessarily those who profit.

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In 1974, Sweden won the Eurovision Song Contest with ABBA's song *Waterloo*. ABBA is still one of the best-known names in Swedish pop, alongside others such as Max Martin and Avicii. The same year saw the birth of Swedish cultural policy as a coherent and distinct national policy area, explicitly supporting inhabitants’ access to culture beyond the commercial market. Sweden is still one of the primary music-exporting countries of the world, a position many claim to be the result of extensive public support for democratically-accessible music and cultural welfare society (Swedish Institute, 2017). Government support to culture, or certain kinds of culture, can be and has been questioned. This chapter will take a closer look at the funding of culture in Sweden, in particular public funding, and at arguments for public funding of culture. As Sweden is commonly described as a welfare country, the political concept of welfare in relation to cultural policy will also be discussed. The article finds that both public and private funding of culture has a solid basis in Sweden, but that general welfare structures in place paradoxically make accessing welfare difficult for some groups of professionals in the field of culture.

Recognising the challenges of conducting research across disciplines (Dryzek, 1982; Gray, 2010), concepts and theories used in welfare and cultural economics are introduced here as a way to discuss cultural policy from an economic perspective. Since cultural economics puts questions of culture as well as policy into an economic polity context, it offers new perspectives on cultural policy compared to political science. Very briefly, economics is the study of economic systems in society. Central concepts include scarcity and choice, as well as exchange (Sinclair, 1982), and therefore economic models are important for policy decisions. Besides cultural economics literature, this chapter refers to research sources and to formal policy documents and public reports of various kinds within the field of policy and governance.

Swedish cultural policy has been a small but consistently-funded policy area since its inception in 1974. Regardless of claims about reduction of funds and economisation, public as well as private funding of culture has remained stable and has even slightly increased in the last few decades, with policy goals remaining surprisingly intact since their formulation, although they have twice been revised in the last fifty years. Swedish cultural policy emphasises democratic access to and participation in culture, and culture as an independent force in society. The major trend or direction of Swedish cultural policy has been decentralisation, resulting in the launch of a Cultural Partnership Model in 2011. This reform decentralised decision making regarding the distribution of national allocations for local-level culture to regional governments. The reform had a limited effect on total public expenditure on culture in Sweden, but generated new cultural policy routines and closer dialogue between regions and municipalities.
The context of cultural policy: the Swedish welfare state

In comparative policy research, Sweden constitutes one of the Nordic welfare states (Esping-Andersen, 1990) with universal and all-encompassing social security combined with targets of high equal employment. Important historical factors for the formation of the Nordic welfare states were (working) class mobilisation, class-political coalition structures, and institutionalisation of welfare policy by long-reigning Social Democratic governments (Esping-Andersen, 1990: 29). Central to the formation of the Swedish welfare state were pragmatic alliances across classes and political groups in the early 1900s, largely driven by a broad identification across groups with the notion of society as common ground. These alliances have been indicated as key for broad support of a general welfare regime in Sweden (Stråth, 2005).

The Nordic welfare model is generally defined as based on universalism, on the idea of equal participation in working life, and a strong support for participation in working life through institutions for childcare, unemployment, and other care (Kvist et al., 2012). Furthermore, the Nordic welfare regime is all-embracing in scope and based on high employment, since this allows people to individually develop their agency, regardless of social background or family situation (Kvist, 2013). Another central element of Nordic welfare states is equal access to education as a means for equal opportunities to enter the job market, and thus equal life opportunities. The wide access to welfare, based on participation in working life, includes the middle class, which secures broad legitimacy of the system. Finally, the Nordic welfare model displays high-quality public services with highly-qualified employees (Kvist, 2013). In the last decade, questions have been raised regarding the survival of the Nordic welfare model in a globalised, deregulated, and market-oriented, migration-prone world (Kvist et al., 2012; Mangset, 2020). Yet, there are no clear signs of abandonment of the Nordic welfare model.

So, where is culture in all this? Researchers have indicated that politicians in Sweden in the first decades of the 20th century saw economic security as paramount in the building of a welfare society. The Swedish educational system at the time was highly stratified. Therefore, working-class aspirations were targeted towards education and Bildung, which were seen as the tools of empowerment and increased welfare. Culture was seen as important in human endeavour, but it was not considered a state concern until after the Second World War (Larsson & Svenson, 2001; Stråth, 2005). At this point in time, the welfare model was established and the economy allowed for elaboration of state ambitions for good living conditions. It was clear to politicians that a tax-funded cultural policy needed contributions from many taxpayers, including the working class (Frenander, 2014). Swedish cultural policy does not constitute part of the welfare system, defined as a coherent structure offering social security. Most definitions of the welfare state identify policies relating to social security, employment, and taxation as essential elements (Arts & Gelissen, 2010; Öktem, 2020). Cultural policy is thus not considered a core element of welfare systems, but nevertheless indicates a level of ambition of a state. Swedish cultural policy financially secures democratic access to culture of high quality and supports the production of culture beyond the market. Whereas substantial cultural experiences are produced and consumed under market conditions, as well as outside markets, public support is given to certain kinds of culture based on political priorities. Whether governments at all engage in cultural policy is an important and interesting political question, and the next section will take a closer look at what drives political action and policy making for culture.
An economic perspective on policy making in the field of culture

Public policies constitute complex structures based on political decisions about how to achieve welfare for the members of a society (Goodin et al., 2008; Dunn, 2018). Policies are the tools by which politicians as representatives of the people in a polity address and act on (or refrain from acting on) societal problems and challenges (Jenkins, 1978; Peters, 2005). In order to implement policy and provide public services, governments levy taxes. Policies generally come with allocated budgets, and the output and outcome of a policy are generally considered as indicators of policy success.

From a scholarly perspective, cultural policy is of interest to cultural economists as well as political scientists. Political science and economics have a common interest in investigating the relationship between governments and society, moral issues relating to governance, and legitimacy in modes of governance. Cultural economics in general is concerned with the economic particularities of the cultural field, as well as with the impact of government intervention in markets for cultural goods; but it also addresses the very arguments for public action and intervention in markets for cultural goods that could be and are actually proposed by governments (Throsby, 2010). Therefore, an economic perspective on public funding of culture can contribute to our understanding of cultural policy.

Economists identify similar arguments for welfare policy as for cultural policy (Frey, 2003). In a welfare economics perspective, political intervention in general and welfare policy specifically should increase the welfare of inhabitants without crowding out market actors and negatively impacting functioning markets. According to economic theory, governments should not intervene in areas or issues where the market is a better regulatory mechanism (Peacock, 1994). Arguments in favour of support to culture are based on the identification of market failures. Market failure means that the market cannot support maximum effectiveness of resources and demand. In other words, the market cannot deliver what is good for society at large, and therefore it can be argued that political intervention is legitimate to improve individual and societal welfare. Arguments for government intervention in the field of culture that have been put forward by policy actors and researchers include equality of opportunity, beneficial externalities, the public-good characteristics of cultural products, start-up support, the image value and option value of cultural activities, and culture as a merit good (Baumol, 2003). These arguments will be presented below.

Firstly, a common argument for public support to culture is equal access to cultural experiences. Studies have repeatedly shown that cultural consumption increases with level of education and income (Mossetto, 1993; Kulturanalys, 2021). Therefore, cultural policy often includes subsidised access to culture for groups with lower levels of education and income so as not to exclude cultural consumers due to price levels. Equal access to culture has been a central goal of Swedish cultural policy since its formation, and has entailed subsidies to selected cultural organisations to allow free access or greatly reduced entrance fees.

A second argument for public support to culture in economic theory is the claim that culture and art generate positive externalities. This means that they are observed or
claimed to have positive effects for others than those directly involved in cultural production or consumption. A common argument is that cultural treasures or contemporary artistic expressions increase tourism, which in turn generates jobs and income, and therefore benefits society as a whole.

Thirdly, culture can be described as a public good (Getzner, 2017). This means that once it is produced, it can be consumed by additional individuals without incurring any further cost. The viewing of a painting in a gallery, for example, by one individual does not exclude it from being viewed by another (generally speaking). Therefore, free or low-cost access to cultural experiences contributes to welfare, given that the costs for production have already been covered. For society as well as for individuals, welfare increases if more consumers can access what has already been produced rather than just a select few. If the same costs contribute to the welfare of more rather than fewer people, the investment yields a higher welfare return.

A fourth argument for public subsidies to culture is that it may be difficult for single professional actors to enter the cultural market, and if society wants diversity in cultural professionals and expressions, it may be beneficial to provide initial support to new ventures or forms of expression. This is because trends as well as actors take time to become known to consumers.

Fifthly, public subsidies to culture can be argued for whether they are consumed or not. There might, according to an economic argument, be important non-use values of culture to society and individuals (Armbrecht, 2012). Non-use value relates both to contemporary and, perhaps more importantly, to future possibilities of consumption. Option value is the value of having the option to consume culture, even if the individual does not actually do so. Existence value is similar to option value and refers to the very existence of culture in society, regardless of personal interest or intention to consume it. Lastly, bequest value is the value in making consumption of culture possible for future generations by supporting it today. Non-use value has been identified as important in studies of individuals’ willingness to support cultural activities that they are not themselves interested in.

Sixthly, public support for culture is generally argued for in terms of the irrationality of consumer choice in relation to complex goods such as culture or education. These kinds of goods are called merit goods, following Musgrave (1956). Governments can argue for limiting actual consumer choice if they can show that the goal is to produce an effect that consumers prefer. The most agreed-upon merit good in economic literature is education, but cultural economists have also discussed culture as a merit good, as cultural consumption impacts on individuals’ assessment of the value of cultural goods (Ver Eecke, 2008).

Although not stated in explicit terms, cultural policy in Sweden echoes several of these welfare arguments. So, are the arguments presented above discernible in patterns of public funding of culture in Sweden? This will be discussed following an introduction to cultural policy and funding in Sweden.
Cultural policy in Sweden

In an EU-28 context, Sweden displays many similarities with other countries in the North, with a very high participation in culture and high public and household expenditure on culture. Sweden matches the EU-28 average of public expenditure on cultural services of 1% (Eurostat, 2019: 195), whereas adult participation in cultural activities (cinema, cultural sites, and live performance attendance) in Sweden was 85% in 2017, compared to the EU-28 average of 64% (Eurostat, 2019: 125).

In Sweden, cultural policy exists at national, regional, and municipal level, all of which refer to national-level goals. Cultural policy in Sweden is a voluntary policy in contrast to several other policy areas. This means that municipalities do not have to have a cultural policy, apart from public libraries, which are regulated by a specific library law. The historical development of Swedish cultural policy will not be discussed here, as there are other sources that discuss this in detail (Larsson & Svenson, 2001; Larsson, 2003; Frenander, 2014; Klockar Linder, 2014).

The state implements Swedish cultural policy through agencies with expertise, keeping decisions about content at “arm’s length” from politicians (Mangset, 2009). This principle is further emphasised in Sweden due to the ban on ministerial rule. At regional and municipal level, however, policy implementation is undertaken by administration directly under political assemblies and committees (Kulturanalys, 2021).

Although cultural policy goals have been revised twice since 1974, political consensus on these goals has overall been very strong in Sweden across the political spectrum. Table 1 presents a comparison of cultural policy goals over time since the introduction of cultural policy in Sweden. Freedom of expression, artistic renewal, international exchange, and equal access to culture are values recurring throughout the period. Although the goal of counteracting the negative effects of commercialism in culture has disappeared, Swedish cultural policy is designed to allow cultural production and consumption beyond the market, allowing other experiences than the market – important though it is – can offer.

Although the elimination of the goal of counteracting the negative effects of commercialism in culture drew attention in 2009, it did not significantly change the orientation of Swedish cultural policy. The only major shift in Swedish cultural policy has been the introduction of the Cultural Partnership Model in 2011. Before looking more closely at this reform, however, we will discuss reforms to state budgeting and financial policy that have had significant effects throughout public administration in Sweden. These reforms were introduced in the 1990s in order to secure better national finances in both a short- and a long-term perspective. The reforms followed years of problems with a slowing economy, inflation, increasing budget deficits, and a financial crisis in the early 1990s (Prop. 1991/92:100; Lindvall, 2006).
Table 1. Swedish cultural policy goals since the introduction of cultural policy. The two first columns have been translated from Swedish by the author. Goals more or less corresponding to each other are placed in the same row. Goals are placed in a new row in the order in which they are stated in the respective policy documents.

<table>
<thead>
<tr>
<th>1974</th>
<th>1996</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribute to protecting freedom of expression and creating real conditions for this freedom to be exercised.</td>
<td>Safeguard freedom of expression and create real conditions for everyone to use it.</td>
<td>Culture is to be a dynamic, challenging and independent force based on the freedom of expression.</td>
</tr>
<tr>
<td>Give people opportunities for their own creative activity and promote contact between people.</td>
<td>Work to ensure that everyone has the opportunity to participate in cultural life and in cultural experiences as well as in their own creative activity.</td>
<td>Everyone is to have the opportunity to participate in cultural life.</td>
</tr>
<tr>
<td>Counteract the negative effects of commercialism in the field of culture.</td>
<td>Promote cultural diversity, artistic renewal, and quality, thereby counteracting the negative effects of commercialism.</td>
<td></td>
</tr>
<tr>
<td>Promote a decentralisation of activities and decision-making functions in the field of culture.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Be increasingly designed with regard to the experiences and needs of disadvantaged groups.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enable artistic and cultural renewal.</td>
<td>Give culture the conditions to be a dynamic, challenging, and independent force in society.</td>
<td>Creativity, diversity, and artistic quality are to be integral parts of society’s development.</td>
</tr>
<tr>
<td>Ensure that the culture of the past is preserved and brought to life.</td>
<td>Preserve and use cultural heritage.</td>
<td>A dynamic cultural heritage that is preserved, used, and developed*</td>
</tr>
<tr>
<td></td>
<td>Promote educational efforts.</td>
<td>Opportunities for everyone to experience culture, education, and develop their creative abilities*</td>
</tr>
<tr>
<td>Promote the exchange of experiences and ideas in the field of culture across language and national borders.</td>
<td>Promote international cultural exchange and encounters between different cultures within the country.</td>
<td>International and intercultural exchange and cooperation in the cultural sphere*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Equal access to arts and culture for children and youth*</td>
</tr>
</tbody>
</table>

* Defined as strategy to achieve the three goals of cultural policy
Substantial economic control reforms in public administration

Following the financial crisis in 1992, Swedish politicians wanted to strengthen their control of state finances and agency expenditure. Management by objectives and results (mål- och resultatstyrning) and similar management control procedures had been introduced in Swedish public administration from the 1960s, but in the early 1990s these were combined with elements of marketisation such as deregulation and purchaser-provider models (Mundebo, 2008). To strengthen long-term economic planning of the state budget, three-year budget plans with fixed spending frames were introduced, replacing flexible state budgets. Economic responsibility for achievement of goals and results was delegated to agencies with the intention to make agencies more cost-aware (prop. 1991/92:100). This principle was emphasised by the endorsement of a state budget law in 1996 which introduced annual fixed state budgets (SFS 1996:1059).

A productivity reduction in price and salary adjustment of agency allocations was moreover introduced in 1993 to ensure that state expenditure followed the general rate of inflation in Sweden. The productivity reduction means that allocations are adjusted for a calculated average for organisations in Sweden for costs for labour, rent, and production, including inflation, through an index of wage costs in manufacturing industries and a ten-year average of productivity development in the private service sector (Prop 1990/91:100; SOU 2003:21; ESV, 2018). The productivity reduction is a central principle in Swedish national economic policy and control. These reforms and related economic control systems within the public sector directly and indirectly affect cultural activities benefitting from cultural policy programmes and linked economic resources. The productivity reduction to allocations has been criticised by actors within several areas of public administration such as culture and higher education, who point to its hollowing-out effect on allocations to organisations that cannot rationalise their activities and increase their productivity through digitisation.

Funding of culture in Sweden

Funding of culture can be public, private, or a mix of both. Public funding consists of tax transfers from individuals and organisations to public expenses according to policy priorities. Sweden does not allow general tax deductions to private individuals or enterprises for donations or expenditure on culture, except when justified within the strict regulations for sponsorship or staff wellbeing. Thus, Sweden has a clear orientation towards direct public support to culture through tax transfer. This can be compared to indirect public support through tax deductions, which exist in some countries (Frey, 2003; Klamer, Petrova & Mignosa, 2006). Private donations and foundations with charitable status are rare in Sweden. Sponsorship remains at a level of around 1% of total expenditure on culture in Sweden, and crowdfunding is only a marginal form of private funding for culture (Lindqvist, 2008; Kulturanalys, 2013; Rykkja, Munim & Bonet, 2020). Most private funding of culture is in the form of purchase of goods or services, whether publicly subsidised or not.

Of total expenditure on culture in Sweden in 2005, 70% originated in private households, whereas public expenditure amounted to 30% (Månsson, 2008: 212).
2012, private household expenditure on culture amounted to SEK 49.8 billion, whereas public expenditure amounted to 24.1 billion, giving a quota of private to public funding of 67 to 33% (Kulturanalys, 2014; Harding, 2017). According to Eurostat (2019), average household expenditure on culture (including technical equipment) in Sweden, as a quota of total household expenditure, was the highest in the EU (data for Denmark and France unavailable). Swedish households spent around 5% of total household expenditure on culture as compared to the EU-28 average of 2.9% (Eurostat, 2019).

Importantly, private and public funding go to rather different types of culture in Sweden. Both types of funding play an important part in the development of cultural production as well as consumption. The consumer market for cultural goods is very important for cultural professionals, as private expenditure on culture is the major source of funding for all culture in Sweden. Markets for cultural goods support many cultural professionals through efficient distribution based on demand, but also allow innovations that public policy cannot harbour. Public support for cultural production and consumption through educational institutions and through institutions hallmarking artists through commissions, employment, and purchases of works are important in the network that makes up the cultural field as a whole (compare Srakar & Čopič, 2012). This chapter is focused on public funding of culture, and this will be discussed next.

Public expenditure on culture in Sweden

Public expenditure on culture has been stable and marginally growing in fixed prices in the last few decades in Sweden. This trend is visible at state, regional, and municipal level. Graph 1a shows levels of public expenditure on culture in Sweden in fixed prices over the last two decades. Comparable data for national and municipal level exist for the years preceding 2010, but not for regional level, as there was a process of reorganisation from counties to regions in the period between 1999 and 2010. The share of expenditure on culture as compared to total expenditure of the state has remained the same since 2010 (roughly 1.3%), whereas the share of municipal expenditure on culture as compared to total municipal expenditure has diminished from roughly 2.3% to 2.1% in the same period. This equals a decrease of around 8%. Expenditure on culture in regions in Sweden has been around 1.45 to 1.5% of total regional expenditure in the same period, equalling a decrease of roughly 4%. In the same period, the population in Sweden has grown by one million inhabitants, an increase of around 11%.

Graph 1b shows the development of total public expenditure on culture in fixed prices per inhabitant since 2007. This graph shows that total public spending per inhabitant has increased in real terms. The level of expenditure can vary in different parts of the country, as regions and municipalities differ in their expenditure levels.

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68. This section is based on information published by Myndigheten för kulturanalys (2020), using statistical data from Swedish National Financial Management Authority and Statistics Sweden.
The distribution of total public expenditure on culture across levels of government expenditure over the last few decades has remained largely the same, with the state contributing around 45% of total public expenditure, while municipalities contribute with around 40%. In the last decade, regions have slightly increased their share of total public expenditure on culture from 14 to 15%, whereas the share of municipalities has diminished to a corresponding degree.

**State expenditure**

In 2019 prices, total state expenditure on culture rose from roughly SEK 9 billion to just over SEK 13.5 billion in the period 1997–2019, corresponding to an increase of 47%. The main expenditure areas of the state budget on culture are, in descending order, Culture, Folk education, and Media. The area of Culture includes support to various art forms and to general cultural areas, whereas Folk education includes support to folk high schools and adult education outside of formal educational institutions. The area of Culture increased by roughly 60% in fixed prices in the
period 1997–2019, from around SEK 5 billion to over SEK 8 billion, whereas the area of Folk education received increased support by more than 40%, from approximately SEK 3 billion to around SEK 4.5 billion. The area of Media includes support to the media sector. It should be noted that broadcasting in Sweden is funded through user fees and not government allocations. The Media budget decreased somewhat during the period from just under SEK 1 billion to approximately SEK 0.8 billion, a decrease of 18%.

Regional expenditure

Counties and more recently regions have had a central role in offering access to high-quality cultural experiences close to home since the 1970s. Regional institutions were established across all parts of Sweden in the fields of music, cultural heritage, and performing arts, among others. The responsibility for these institutions has gradually shifted from the state to the regions. For regions, the main areas of expenditure are Performing arts (theatre and music), Museums, Other cultural expenses, and Folk high schools. Regions have contributed to culture with increasing levels of expenditure since 2007, when statistical data is available, with approximately 35%, from SEK 3.5 billion to SEK 4.7 billion in 2019 prices. At regional level, the largest areas of expenditure are Performing arts and Other cultural expenses, including support to libraries, adult education (excluding folk high schools), and visual arts, literature, and design and crafts. Regional expenditure on these areas has increased in the period, in the case of Performing Arts from just under SEK 1.2 billion to SEK 1.8 billion, or around 45%, and in the case of Other Cultural Expenses from SEK 1.1 billion to SEK 1.5 billion. The high increases reflect smaller absolute amounts of expenditure of regions compared to state and municipal levels of expenditure. Expenditure on the area of Folk High Schools increased from just under SEK 0.7 billion to SEK 0.8 billion, or more than 20%, in the period 2007–2019, whereas expenses on Museums increased from SEK 0.5 billion to SEK 0.7 billion in 2019 prices.

In the last decade, Värmland, Jämtland, Uppsala, and Gotland are the only regions out of a total of 21 displaying a negative trend during the period 2007–2019 in fixed prices. All other regions show a moderate or significant increase in expenditure on culture in the same period. The Cultural Partnership Model, which will be discussed below in more detail, was introduced from 2011 onwards, and after this year an increase in regional expenditure on culture can be observed.

Municipal expenditure

Municipalities have four major areas of cultural expenditure: General cultural activities, Libraries, Music and culture schools, and Subsidies to study organisations (primarily voluntary adult education in study associations). Since 1998, average municipal expenditure on culture has increased by more than 35% in fixed prices, from SEK 9 billion to over 12 billion in 2019. Public libraries and General cultural activities are the largest areas of expenditure, the former seeing increased expenditure in the period from SEK 3.5 billion to SEK 4.6 billion and the latter from SEK 3.3 billion to SEK 4.4 billion. Municipal and music and culture schools have received steadily increasing budgets, with average municipal expenditure rising from SEK 1.5 billion in 1998 to SEK 2.7 billion on average in 2019. Lastly, subsidies to adult
education for leisure is the only area where expenditure has decreased over the period, with allocated budgets going from just under SEK 0.7 billion in 1998 to SEK 0.5 billion in 2019.

A large part of everyday cultural activities takes place in municipal contexts. Total expenditure on culture has increased, but the quota of total municipal expenditures has decreased over the period. This means that municipal expenses in other areas have seen greater increases during the period as compared to culture. It should also be noted that there are significant differences between municipalities in expenditure on culture both in absolute terms and per capita.

**Striking a balance between institutional support and project grants**

The largest portion of public expenditure in Sweden goes to institution-based cultural activities, in particular performing arts institutions, museums, and galleries, and related heritage activities. About three quarters of total expenditure on culture (the largest area of expenditure besides folk education and media) went to the areas of performing arts and cultural heritage. The remaining quarter of expenditure on culture went to different kinds of direct support for production and distribution by artists in various domains, to archival activities, and to research. State support to cultural institutions goes partly to very old institutions such as the Royal Opera and the Royal Armoury.

Swedish governments have been criticised on one hand for giving support to the same organisations year after year, reducing possibilities for other actors to access public support. On the other, they are also criticised for granting increasing funds to projects, which are perceived as allowing only short-term engagement in culture, for example in socially- and economically-deprived areas. The Ministry of Culture is aware of this criticism and has tried to strike a balance between long-term and short-term support schemes. An example is Skapande skola, a state grant for schools introduced in 2008 to fund commissions of cultural projects undertaken in collaboration with cultural professionals. The grants broaden the work market for cultural professionals through commissioned work for and with school children (Lindqvist & Blomgren, 2016). Internationally, most public support for culture goes to institutions, and among researchers, criticism is directed at cuts to public funding in general rather than at cuts affecting specific types of cultural actors (Čopić et al., 2013). It is difficult to find research that analyses and discusses public funding across cultural areas and different types of actors (Caust, 2019). Studies of government spending generally analyse politicians’ or voters’ attitudes in general to public funding of culture (Lewis & Rushton, 2007; Jacobsmeier, 2021). What can be concluded as regards public funding to arts and culture is that it is the result of political negotiation involving the interests of many stakeholders (Feder & Katz-Gerro, 2015), and that demand on public policy resources is always higher than supply (Benhamou, 1996; Rius-Ulldemolins, Pizzi & Arostegui, 2019).
The Cultural Partnership Model: decentralisation of state support to local culture

The main change in Swedish cultural policy since 2000 has been the introduction of the so-called Cultural Partnership Model (kultursamverkansmodellen) from 2011 onwards. This was a reform that increased decentralisation of decisions on national support for culture in the regions. In brief, the Cultural Partnership Model for distribution of state grants for local culture implies a consultation process, where regions present three-year culture plans based on dialogue with local governments and cultural sector actors. Regional culture within seven specified fields (performing arts, music, museums and cultural heritage, libraries, literature, visual arts and design, archives, film, and developing handicrafts) can receive support through the Cultural Partnership Model. With the introduction of the reform, some existing regional cultural structures were dismantled, in particular the Swedish Travelling Concerts (Rikskonserter) (Svensk Scenkonst, 2015) and Swedish Travelling Exhibitions (Riksutställningar). The resources thus freed up were redistributed within the culture budget. The Cultural Partnership Model has been studied and evaluated several times (Harding & Nathansson, 2012; Riksdagen, 2015; Kulturrådet, 2019; Renko et al., 2021).

Regions and municipalities have increased their expenditure on culture since the introduction of the Partnership Model, whereas state subsidies for activities within the model have remained more or less at the same level as before 2011. In the period 2010–2019, state expenditure within the Cultural Partnership Model amounted to approximately SEK 1.2 billion annually in 2019 prices, with a total increase of 2.4% over the period, whereas regional grants increased from SEK 1.7 billion to SEK 2.2 billion. In the same period, municipalities increased their expenditure for activities within the Cultural Partnership Model from just under SEK 1 million to almost SEK 1.3 billion (Kulturrådet, 2020). This means that the quota of state expenditure on regional culture decreased from 31% in 2010 to 26% in 2019, while the quota of regional expenditure increased from 43 to 47%, and the municipal expenditure quota increased from 25 to 27% of total regional culture expenditure. The increase in regional and local expenditure is probably linked to higher ambitions regarding regional culture plans and a perception of culture as important for regional development. It should be noted that the figures listed here are also included in the total expenditure figures referred to previously in this chapter.

Economic aspects of Swedish cultural policy

At the beginning of this chapter, some economic arguments for public funding of culture were presented. Whereas cultural policy goals express political values such as democracy, diversity, freedom of speech, and independence (see Table 1), economic considerations are the basis for how policy programmes are designed to achieve their goals. Since economic arguments for how cultural policy is designed are seldom traceable in official documents and political discourse, some possible links between Swedish cultural policy and economic arguments are proposed here.

Equal access to culture is one of the main policy goals in Sweden and is expressed in a variety of policy programmes supporting cultural activities for children and in areas with low levels of cultural supply. Here, the compensatory or market failure
aspect of cultural policy is explicit. Positive externalities, on the other hand, are not used as an argument for public support of culture as such, but rather for public support of the use of culture in other policy areas. One example of this ‘aspect policy of culture’ (Prop. 2009/10:3) is the introduction of cultural consumption in care and rehabilitation as part of health policy, and business development support to cultural and creative industries as part of enterprise policy.

The status of culture as a public good can be traced in support to cultural heritage as something that is owned collectively. Cultural consumption is not fully a public good, since it is to an extent rivalrous and exclusionary if demand surpasses supply. One line of debate has concerned the extent to which public funding crowds out private funding in the cultural field, and can be exemplified by the shifting policies on entrance fees for national museums in the early 2000s. A Social-Democratic government introduced free entry to national museums in Sweden, mainly those located in Stockholm, in 2005. Free entry was argued for on the grounds of equal access, as many studies show that museums are mainly visited by higher-income groups. An economic argument for the reform could be that it increased the effectiveness of public expenditure, as national collections would be accessible to more people, and thereby the positive effect on welfare would be greater than the added expense. A conservative government in power from 2006 later reintroduced (voluntary) entrance fees with the argument that the majority of visitors making use of free entry to national museums stated that they were not price-sensitive (Adelsohn Liljeroth, 2006; Kulturrådet, 2006). This argument seems based on the idea that public funding crowds out private funding, at least as regards entrance fees. More recently, Social-Democratic-led government coalitions have reintroduced free entry to national museums, with a range of effects for museums identified in a recent evaluation (Riksrevisionen, 2019).

Cultural policy in Sweden is designed as a market failure measure. This is based on several of the economic arguments put forward in cultural economics, such as culture as a public good, culture as a merit good, and equal access. The cultural policy goal of counteracting the negative effects of commercialism (abandoned in 2009) was based on arguments relating to the irrationality of consumers; in other words, to culture as a merit good. As cultural consumption alters consumer preferences, subsidising access to culture for children can be suggested to be based, among other things, on a merit-good argument. The non-use (option, existence, and bequest) value of culture can be the basis for long-term support to cultural institutions, as decisions about what culture to support in order for it to be available tomorrow need to be made today, and lost assets (both material and immaterial) may be impossible to retrieve.

Even the argument that artists need to be helped to establish themselves on the market can be found in Swedish cultural policy. Public work grants and commissions (which will be discussed in further detail in the following sections) are two important tools for supporting artistic practice within cultural policy. A policy area concerning another type of public funding for emerging artists comes in the form of business development consultancy expertise or vouchers within Swedish enterprise policy. This policy field is currently expanding in Sweden as in many other countries, and is designed to facilitate market access. This split between cultural policy and enterprise policy is mirrored in the Swedish social security system, which will be discussed next.
Cultural policy and welfare

This chapter will conclude with a discussion of cultural policy and welfare: the welfare of inhabitants and of professionals in the field of culture. Although not strictly a part of Swedish welfare systems, cultural policy is seen as an important element of a welfare society, as it aims to secure democratic access to culture regardless of location or economic status. But whereas cultural policy seeks to secure a diversity of culture in society, it does not claim to be responsible for supporting professionals in this field. The goal of Swedish cultural policy since its inception has been to expand the work market for professionals in the cultural field through public commissions and other solutions specific to the field. Over the years, such support has taken the form of income guarantees for artists (SFS 1976:504); subsidies to member-based industry organisations (centrumbildningar) which function as intermediaries between employers and professionals in specific cultural fields; public art commissions; programmes such as Skapande skola; and project grants offered by the Foundation for the Culture of the Future 1994–2011 (Kindstrand, 2010) and Kulturbyrggan.

Inquiries into the income of cultural professionals, and in particular artists, show that it remains very low compared to income in other areas of the economy (SOU 1975:14; SOU 1990:39; Flisbäck, 2011; SOU 2018:23). From a welfare perspective, it is relevant to ask to what extent the structure of the Swedish welfare model can secure the welfare of artists. A central element in Swedish social security systems is the idea of universalism, in the sense that all individuals, regardless of profession, should have the same rights to social security. The Swedish social security system is general, individual, and based on participation in working life. But it also assumes individuals to be either employed or self-employed, not both, as is often the case for professionals working in culture. Many cultural professionals have income of both types, during a single year. There is meanwhile a strong social norm of working full-time. This means that part-time work, brief employment periods, and a combination of employment and self-employment lead to reductions and restrictions in support. Culture is perhaps the only field in which this pattern is common, and addressing it means pointing to a blind spot of Swedish welfare.

Given the structure of the cultural work market, with its network-based production and project-based work, this causes challenges for individuals. In other countries with different welfare support systems, governments have developed sector-specific support systems for the cultural sector to better cater for those working in this field (SOU 2003:21). The Swedish Ministry of Culture has recently stated that it is looking into the issue, but currently there are no defined proposals for changes to laws or social security systems. As the Swedish welfare system is based on general rules for all fields, finding tailored solutions for a particular group of professionals challenges the very logic of social security, and it is for this reason that the problem has been difficult to solve, despite the fact that the situation of cultural professionals has been known for a long time.
Conclusion

In Sweden, household expenditure on culture is very high in a European comparison, and participation in culture is among the highest in the EU. Children in Sweden have many opportunities to have cultural experiences for free or at heavily subsidised prices. There is a network of regional cultural institutions that complement in particular municipal cultural offers close to where people live. National institutions offer high-quality cultural experiences to a smaller audience at heavily subsidised prices, whereas cultural experiences offered on the free market are funded directly by consumers. Public expenditure on culture goes to securing high-quality cultural productions and cultural heritage, with an emphasis on democratic access. Public funding of culture in Sweden targets cultural supply and demand beyond the self-regulating market, and distinctly recognises the limits of the market for cultural goods. Private funding (mostly household expenditure) to a great extent goes to cultural goods available on market conditions. Public and private funds are intertwined in relation to the cultural field, and they are both important in the Swedish cultural landscape. Public funding of culture allows cultural actors to work beyond pure market demands but cannot fully compensate for market imbalances. For example, cultural professionals tend to be both employed and self-employed. The universal structure of Swedish welfare systems is not adapted to such combined roles, but rather to those who are either one or the other. Therefore, the current system lets many creative professionals fall through the gaps of the social security net.

In terms of funding, culture is a small but cherished area for most politicians as well as individuals in Sweden. Swedes are culturally active, and there is no substantial political threat to support for culture. Culture is recognised by most political parties as a small expenditure area which generates significant externalities besides cultural and other non-monetary values. People also appreciate the option value of culture, even if they do not value a particular art form or mode of expression. The low income of cultural professionals is a complex issue and cannot be solved solely within the confines of cultural policy, nor by market actors. Further investigations into which social security systems might be better suited for cultural professionals would benefit from international comparisons. Overall, the general Swedish welfare model is better suited to the industrial-scale organisation of the job market than the mixed form of the cultural field.

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NORDIC CO-OPERATION
GRANTS FOR CULTURE

Per Lundgren

Introduction

“It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of Light, it was the season of Darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us, we were all going direct to Heaven, we were all going direct the other way—in short, the period was so far like the present period, that some of its noisiest authorities insisted on its being received, for good or for evil, in the superlative degree of comparison only.” (Charles Dickens, A Tale of Two Cities, 1859)

Outside of the Nordic region, we in the Nordics are often seen as branches of the same tree, sharing a common cultural root. For myself, during my time as senior advisor for Culture and Media at the Nordic Council of Ministers’ secretariat in Copenhagen, Denmark, 2010–2018, it was a tree standing well rooted, in the wind.

From this starting point of personal experience, in this chapter I outline and broadly describe the purpose and incorporation of the Nordic Council of Ministers’ allocation to major institutions that are also responsible for various grant programmes for culture; who makes the funding decisions; the involvement of sector organisations; and, in those cases where evaluations have been made, whether the grant programmes are received with the intended effect. The data underlying this chapter were collected from close reading of documents (visionary and strategic documents, evaluations, annual reports, programme manuals) and from interviews, all conducted by myself. The chapter concludes with a summary and profile overview.

Historical background

The co-operation between the Nordic countries is the world’s oldest regional partnership. It involves Denmark, Finland, Iceland, Norway, Sweden, the Faroe Islands, Greenland, and Åland, as illustrated in the map below.

After the Second World War, politics worked in pursuit of stronger international co-operation. It was during this period that the United Nations was founded, the Council of Europe created, and the first steps taken towards what would one day become the European Union. Simultaneously, discussions about a significantly more native Nordic co-operation led to the foundation of the Nordic Council in 1952. On 23rd March 1962, the Nordic countries signed what was to become the Helsinki Treaty, in the Finnish capital.
Nordic co-operation has deep roots in politics, economics, and culture. In general, co-operation is focused on areas where a Nordic approach generates added value for the countries and people of the region. Nordic co-operation seeks a strong Nordic voice on the world stage as well as in European and international forums.

**Organisation and priorities**

The Nordic Council of Ministers was set up in 1971, and rules were adopted on who was to be involved, with jurisdiction and procedures for the various sectors. The 1962 Helsinki Treaty was amended to ratify the Council of Ministers as the official inter-governmental body of the region.

A number of action plans were also adopted for the individual sectors.

The Nordic Council of Ministers is the forum for inter-governmental co-operation, and the Nordic Council for inter-parliamentary co-operation. The Ministers for Nordic Co-operation are responsible for the work of the Council of Ministers. The members discuss topical issues and the future of Nordic co-operation with the Nordic prime ministers once a year, at a summit meeting held during the Session of the Nordic Council. The Nordic vision is to make the region the most sustainable and integrated region in the world by 2030.

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**Figure 1. The Nordic region.**

Source: [https://www.norden.org/en](https://www.norden.org/en)
The official Nordic cultural co-operation is based on the budgetary instructions of the Nordic Ministers for Co-operation. Each year, the Ministers for Culture decide on the cultural sector’s interplay with the general secretary’s budgetary suggestions, including budget texts showing the distribution of funds under different budgetary items.

The Nordic cultural-political co-operation programme 2021–2024, adopted by the Nordic Ministers for Culture on 20th October 2020, aims to contribute to the Nordic Council of Ministers’ vision that by 2030 the Nordics will be the world’s most sustainable and integrated region. The programme has three strategic priorities: a green, competitive, and sustainable Nordic region. The programme interacts with 12 goals of the Council of Ministers’ action plans and outlines concrete focus areas within the cultural sector. The co-operation programme supports the UN’s global Sustainable Development Goals. Vibrant and inclusive artistic and cultural activities, accessible to everyone, should contribute to the Nordics being a sustainable, competitive, and attractive cultural region. Media, arts, and culture should be free, as stated in the programme. The arm’s-length principle is crucial for Nordic cultural-political co-operation. Nordic utility means that co-operation occurs in areas where the Nordic countries have a vested interest; a children’s rights and adolescent minded view, where equality, inclusion, and sustainable development are cherished values.

**Budget for culture**

Nordic institutions and grant programmes uphold and contribute to a rooted infrastructure of networks amongst culture workers across the whole Nordic region, thereby promoting networking, artistic quality, and development. In their emphasis of these values, along with equality and inclusion, they clearly also reflect the values of the Nordic welfare state system. Grant programmes are tools for achieving the
Nordic co-operation’s vision, and the cultural budget 2021 below (Figure 3) is seen as an expression of how to fulfill this vision.

Looking at the cultural budget decision from an overall perspective, Ministers for Co-operation set a budget for the cultural sector from the total Nordic budget. The Ministers for Culture then set priorities within the given cultural budget, and set the budgetary limit for each grant programme. However, it is the Ministers for Co-operation who set the budgetary limit for the Nordic Culture Fund. The table below (Figure 3) shows minor differences in the total culture budget from year to year over the past decade.

**Figure 3.** Nordic budget for culture 2010–2020, % of total Nordic Council of Ministers budget (TDKK).

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</thead>
<tbody>
<tr>
<td>Culture</td>
<td>163,484</td>
<td>166,751</td>
<td>169,972</td>
<td>173,335</td>
<td>167,879</td>
<td>167,143</td>
<td>170,551</td>
<td>174,413</td>
<td>176,797</td>
<td>181,622</td>
<td>173,766</td>
</tr>
<tr>
<td>Total</td>
<td>899,247</td>
<td>934,716</td>
<td>961,472</td>
<td>986,726</td>
<td>955,215</td>
<td>931,782</td>
<td>927,546</td>
<td>935,091</td>
<td>950,862</td>
<td>956,679</td>
<td>967,547</td>
</tr>
<tr>
<td>% of total</td>
<td>18.2%</td>
<td>17.8%</td>
<td>17.7%</td>
<td>17.6%</td>
<td>17.6%</td>
<td>17.9%</td>
<td>18.4%</td>
<td>18.7%</td>
<td>18.6%</td>
<td>19.0%</td>
<td>18.0%</td>
</tr>
</tbody>
</table>

* Data in this figure have been supplied by the Nordic Council of Ministers.

A culture grant programme in this Nordic Council of Ministers’ co-operation context, is a financial resource available to applicants as defined by the individual programme. Programme targets vary between programmes, and partnerships can be eligible either between partnering Nordic organisations or between partner organisations in Nordic and Baltic countries, or even between Nordic organisations and Canada and Alaska, and on some occasions, between organisations in the Nordics and the rest of the world. The focus point is that such co-operation should promote Nordic development as described in the individual culture grant programmes, as well as in the cultural-political co-operation programme 2021–2024.

In the following section, the major institutions and organisations that accept applications from external actors in the field of arts and culture are briefly presented: The Nordic Film & TV Fund, The Nordic Culture Point, The Nordic Culture Fund, The Sami Council, and The Nordic Institute of Greenland.

It should also be mentioned that the programme Nordplus, albeit not included in this presentation, is a large educational programme that, along with a broader scope of applications, offers opportunities for culture schools and culture projects (Nordplus junior) to apply for. The Nordplus programme, under the Ministers for Education, is aimed at all educational sectors, organisations, and institutions involved with teaching and education.  

Applicants from the Nordic countries, the autonomous regions of Faroe Islands, Greenland, and Åland, and the Baltic countries are eligible for grants. The Nordic Translations grant supports translation of fiction and drama from one Nordic language to another. The Agency for Culture and Palaces in

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69. Strategy documents, annual reports, and relevant evaluation documents to be found at: [https://www.nordplusonline.org/](https://www.nordplusonline.org/)
Denmark co-ordinates the five national offices responsible for allocating the grant in their respective countries (The Danish Arts Foundation, FILI in Finland, Icelandic Literature Centre, NORLA in Norway, and The Swedish Arts Council). In addition, Farlit in the Faroe Islands, Kalaallit Atuakkiortut in Greenland, and the Sami Artist Council are included in this network.

Institutions and grant programmes

**Nordisk Film & TV Fond – Oslo, Norway**

“The international film and TV series co-production and distribution markets are growing and getting tougher day by day. The fund’s mission to strengthen the Nordic industries in collaboration with our 22 partners, is thus more important than ever.” (Liselott Forsman, CEO Nordisk Film & TV Fond).

**Purpose**

The purpose of the organisation is to promote the production and distribution of Nordic audiovisual works of high quality, in accordance with the rules laid out in statutes and administrative guidelines. Nordisk Film & TV Fond (NFTF) funds quality Nordic works, including all forms of fiction (feature films, drama series, animation, etc.), as well as creative documentaries. Productions aimed at children and young people are prioritised.

NFTF’s long-term goals are to strengthen Nordic audio-visual culture, as well as the industry’s international compatibility, and challenge talent to create diverse content.

**Background**

NFTF was established in 1990 and is located in Oslo, Norway. It builds on co-operation between private and public industry partners and is funded by the Nordic Council of Ministers (NCM), five national film institutes/funds, five public media companies, and 11 private ones. The Nordic Board of Directors is appointed by the Nordic Ministers for Culture as one of the partner institutions. The five board members represent their national industries and are selected from both film and media partners.

NFTF is registered in the public register in Norway as funds/donations (statutes; agreement with Nordic Council of Ministers, article 2). Today, the fund consists of 22 parties. The Nordic Council of Ministers appoints the leadership board of the fund, following proposals from said parties, and establishes the fund’s statutes (treaty of NFTF, article 39). The NFTF’s daily activities are organised through a director appointed by the board, and a secretariat. The fund’s activities are governed by guidelines, approved by the management. Treaty negotiations are held every five years, and decided on by all parties, with the Nordic cultural ministers as signatories.

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70. Interview with Liselott Forsman, September 29, 2021.
71. Nordisk Film & TV Fond statutes, to be found at: [https://www.nordiskfilmogtvfond.com/](https://www.nordiskfilmogtvfond.com/).
The agreement stipulates a shared funding model. Today, about 30% of NFTF’s activities is financed by the Nordic Council of Ministers and the same amount by the national film institutes. The remaining close to 40% is funded by five public and 11 private media companies.

Grant programmes

Grants awarded in 2020 amounted to 121 MNOK. Within the Nordic Council of Ministers, budgetary limits are set by the Nordic Ministers for Culture.

To apply for support, a project needs to have national-based funding, including financing from one of the partners and distribution in at least two Nordic countries. Current criteria especially encourage support to films and TV series for children and young people.

The evaluation of whether a production complies with the NFTF’s objectives is based on an overall assessment of the project in terms of artistic and market criteria. An evaluation is conducted regarding whether the financial preconditions for the production are realistic, in terms of production, marketing, and distribution. There are no particular requirements for joint Nordic themes, national quotas, or requirements regarding the composition of artistic or technical personnel.

Applications are evaluated by at least two persons, normally members of the NFTF secretariat, and occasionally freelance fiction readers. For decisions on production support, the fund looks at the overall quality and intended distribution, the latter being primarily relevant in the Nordics and secondarily internationally.

Strategic perspectives

The NFTF is internally evaluated each year, and in 2021–2022 will also be evaluated externally. The NFTF collects statistical information on applications, and uses questionnaires and surveys from event organisers and feedback from applicants and meetings with NFTF partners to reflect upon trends and changes.

National film institutes/funds offer basic development and production support to help build strong and diverse domestic industries. The NFTF then funds productions that have the potential to cross national borders, reach audiences in other Nordic countries, and offer something culturally new from a Nordic point of view. Thus, the national and the Nordic systems work well together, supporting both feature films and documentaries.

The NFTF recognises and discusses new pan-Nordic strategies to strengthen the industry. As the global streaming services have strongly penetrated markets, the younger generations are growing up with 24/7 access to global content. In 2022, the Fund has a special focus on Nordic quality films and series that could potentially draw younger audiences. Today, when global giants hire Nordic talent directly for international productions, there is a constant need to educate and nourish new Nordic writing talent. The Fund responds to this need in 2022 with the co-operation programme Nordic Script.

73. Strategy documents, annual reports, and relevant evaluation documents, to be found at: https://www.nordiskfilmogtvfond.com/.
Nordic Culture Point – Helsinki, Finland

“Cross-border activities and cultural encounters – aka meetings between people, ideas, cultures, and projects – are quite literally a fundamental part of Nordic co-operation. Cultural encounters result in new insight, new experiences, and new knowledge, not to mention development, progress, and social community and sustainability. If artists and practitioners of culture are to develop and learn from one another, they require freedom of movement.” (Nordic Culture Point director, Ola Kellgren)

Purpose

Nordic Culture Point (NCP) is an official Nordic cultural institution in Helsinki, active in all Nordic countries. NCP forwards, strengthens, and communicates Nordic cultural co-operation with the vision that everybody should be able to participate in cultural and societal activities on equal terms.

Background

The history of NCP goes back to the group of Finnish islands known as Suomenlinna, which have been home to official Nordic cultural activities for over 40 years. Today’s organisation was established in 2012, but its history can be traced back to 1978.

Today, NCP administers four cultural grant programmes, arranges events, and runs a cultural centre and the only Nordic library in Finland in the heart of Helsinki. Scheduled activities for groups of visitors from schools and kindergartens are an important part of its function, including storytelling sessions, visits to the Nordic Library, and the high-school projects Piece by Piece towards the Nordics and Borrow a Nordic Person. NCP also runs a few projects, of which the current project on Nordic picture books (Den nordiska bokslukaren) is worth mentioning.

Grant programmes

Grants awarded in 2020 amounted to 5.4 million euro, by decision of the Nordic Ministers for Culture. Within the Nordic Council of Ministers, the budgetary limits are set by the Nordic Ministers for Culture.

NCP administers the following cultural grant programmes: The Nordic-Baltic Mobility Programme for Culture, the Culture and Art Programme, Volt, and Norden 0–30. Via the grant programmes, funding is distributed following rulings by independent Nordic and Baltic expert groups. The Culture and Art Programme broadly supports Nordic co-operation around art and culture. The Nordic-Baltic programme is aimed exclusively at professional agents within the cultural sector, and the programme consists of three forms of support: mobility, network, and residential. Volt is a culture and language programme for children and adolescents up to 25 years of age.

The purposes of each grant programme are discussed below. The handbooks accompanying each programme’s information service are certified by the Committee of Senior Officials for Culture, which consists of civil servants from the

74. Interview with Ola Kellgren, September 29, 2021.
Nordic Ministries for Culture, and, in the case of the Nordic-Baltic mobility programme, also by Baltic civil servants. The handbooks also describe success indicators for the respective grant programmes.

In 2021, NCP has begun a process of evaluating the effects of 11 selected projects from the above-mentioned grant programmes. The results will be published in early 2022.75

Nordic-Baltic Mobility Programme for Culture

The Nordic-Baltic Mobility Programme for Culture focuses on mobility for artists and other professionals within the field of art and culture, network building, and artist residencies, and is an important instrument to strengthen the conditions for cultural and artistic co-operation in the Nordic-Baltic region.

Mobility funding can be seen as a gate opener, where several individual grant recipients form groups and go on to apply for project grants. A continuation from short-term networks into long-term networks will then show if the applicants manage to extend their projects. The programme is also a way of improving and increasing capacity building in Estonia, Latvia, and Lithuania, in terms of finding new opportunities for those working in arts and culture.

The applications are assessed by external Expert Groups consisting of artists and other professionals in the field of art and culture, from both the Nordic and the Baltic region. The purpose of the Expert Groups is to safeguard the principle of arm’s-length distance in assessment and in funding decisions. The experts assess the applications according to programme guidelines and final decisions on funding are made at group meetings, based on consensus.

Culture and Art Programme

The Culture and Art Programme supports Nordic co-operation, through projects with artistic and/or cultural value which are seen to promote a multifaceted and sustainable Nordic region. The programme supports projects that invest in cultural and artistic productions and creative work, but also those that develop skills within the field of art and culture. The programme grants support to projects within all areas of art and culture, in all project phases: preliminary work, production, presentation, and dissemination. Branch organisations are not actively involved in programme administration but may apply for funding.

The assessment of applications to the programme is organised via a group of eight experts, one from each Nordic country (Norway, Denmark, Sweden, Iceland, Finland, Åland, Faroe Islands, and Greenland). They are nominated by the national Ministries of Culture and appointed by the Nordic Council of Ministers. The assessment takes place according to programme criteria (Nordic dimension, co-operation, quality, and sustainability), goals in the co-operation programme on cultural policy 2021–2024 and the policy for mainstreaming sustainable development, gender equality, children’s rights, and a youth perspective in the Nordic Council of Ministers.

The Culture and Art Programme is open to applicants from all countries in the world, as long as the planned project includes partners from a minimum of three different

75. More information can be found at: https://www.norden.org/en/publications.
countries, two of which must be Nordic. Regardless of partners involved, the project content shall have a Nordic dimension and a Nordic impact, alongside the other programme criteria of quality, sustainability, and co-operation. The requirement of international co-operation is often interpreted by the experts as the co-creation or sharing of competencies, not just a formal partnership or internationally provided services.

Norden 0–30 and Volt

Norden 0–30 supports children and youth’s ability to organise their own processes and gain influence, as well as furthering the sharing of experience and networking between children and youth organisations within the Nordic countries.

Volt culture and language programme for children and youth promotes Nordic meetings and co-operation through culture and aims to contribute to improving language comprehension skills in the Nordics. The programme supports projects where adolescents’ own cultural and artistic creations and participation are in focus, and where activities also contribute to strengthening adolescents’ understanding of other Nordic countries, as well as the language and culture of these areas.

While Volt is explicitly devoted to culture and language, Norden 0–30 includes cultural projects alongside political and social ones. Therefore, Norden 0–30 is not included in the budget for culture, but budgetary limits are instead set by the Ministers for Co-operation. Nordic support to children and youth projects allows for co-operations between a wide variety of different constellations and projects: individuals, organisations, or networks.

Norden 0–30 and Volt both have external expert groups. The Norden 0–30 group consists of four regulars and two deputies. Among the four regulars are two between the ages of 0–30. The deputies are also within the age group 0–30. The expert group for Volt consists of four experts, of which two are within the programme’s target audience age group of 0–25. The other two are from the expert group for the Culture and Art Programme.

According to evaluations, both programmes reach the intended recipients, that is children and youth in the age groups 0–30 and 0–25, respectively. A majority of applications come from applicants within the target audience. Applications from those outside of the required age groups are sometimes received, though these applicants generally intend to work with and for the target groups. Both Norden 0–30 and Volt allow such applications, as long as the target group has a clear role in the project.

Both programmes encourage youth to initiate and develop projects themselves. This does not necessarily mean they must create art or culture, but rather it is about how youth are engaged in and granted the conditions for being creative and spearheading the process. The Nordic Committee for Children and Young People (NORDBUK),\(^\text{76}\) which is responsible for the Norden 0–30 programme, made the decision in June 2021 to allow applications from either two- or three-country collaborations. If two countries apply, one of these should be either Greenland, Iceland, the Faroe Islands, or Åland.

Strategic perspectives

The activities of NCP aim to foster a sustainable cultural life through prioritising education, diversity, and opportunity. Strategic work is an active process in all forms of planning and is reconciled against several initiatives, mainly public activity. Naturally, it aligns with evaluations and other input that define how the success criteria of programmes are achieved.77

Nordic Culture Fund – Copenhagen, Denmark

"What we are doing in the Nordics has increased significance in international and global contexts.” (Nordic Culture Fund Director Benny Marcel)78

Purpose

The Nordic Culture Fund (NCF) grants aim to give artists and cultural practitioners better opportunities to create quality work through Nordic co-operation. The aim of the grant allocation is to improve possibilities for artists and cultural actors to collaboratively create quality work, and thereby produce and disseminate art and cultural expressions with Nordic relevance in both a Nordic and a global context. The fund also works with specific thematic initiatives that have been developed to support current cultural policy initiatives and are implemented in the form of support, network initiatives, or other relevant formats.

The NCF is led by a board, consisting of 13 members (two from each Nordic country and one each from the Faroe Islands, Greenland, and Åland), that sets the general criteria for allocation of grants. The board is appointed by the Nordic Council and the Nordic Council of Ministers for a two-year period. The board also appoints the director of NCF. The director appoints a group of experts in the field of arts and culture whose task is to provide quality assessments, and to ensure that the views of people outside of “official” Nordic circles are taken into account, and to guarantee support for activities at a national level. Based on the nominations by the group of experts, the director, on delegation from the board, makes the formal decision on the allocation of grants to applicants.

Background

The NCF was established in 1966 through an agreement between the Nordic countries. Since then, the state and civil society have both invested to establish a rich artistic and cultural life within the Nordic countries, providing the NCF with many stimulating opportunities for Nordic funding.

Recent evaluations of NCF conclude that the fund creates value within Nordic artistic and cultural life in several different areas (de Pauli & Foss, 2019). In particular, the fund contributes to extending Nordic networks and relations that can provide the starting point for developing new and innovative methods, approaches,

77. Strategy documents, annual reports, and relevant evaluatory documents, to be found at: https://www.nordiskkulturkontakt.org/en/
and activities to enhance the artistic quality of the supported projects, and of Nordic arts and cultural life in general. The fund’s international profile has been strengthened in recent years, with the aim of increasing the accessibility of art and culture and artists’ international reach.

**Grant programmes**

Grants awarded in 2020 amounted to 29,322 TDKK. Within the Nordic Council of Ministers, budgetary limits are set by the Nordic Ministers for Collaboration.

The NCF practices a differentiated support structure that consists of a variety of funding schemes, which support applicants in different phases of the project’s development. The NCF gives priority to assessing international co-operation and Nordic relevance, rather than the formal requirement of co-operation between at least three Nordic countries.

Opstart, in short, supports the joint development of promising project ideas. Globus is the NCF’s new funding programme for 2020–2024, designed to give artists and cultural players new opportunities to seek funding for projects that extend beyond the Nordic region.

In interviews with Globus and Opstart applicants, pilot project users and other stakeholders express expectation and show interaction with regards to the relationship with the Globus programme, and believe that the programme fulfills a significant need within the field of arts and culture. Puls is the NCF’s music initiative, and a network of Nordic venues and festivals aiming to provide musical experiences of high artistic quality to a wider Nordic audience.

**Strategic perspectives**

In its strategy document for the period 2019–2025 (updated 2021), the NCF identifies behaviours and relationships that require a new approach moving forward (Nordic Culture Fund, 2019). According to the NCF, along with changes in the Nordic welfare state during the 1970s, the roles of cultural policy, art, and culture have changed. The view of culture as a creator of education for Nordic citizens altered through the shift in perspective regarding the individual/human and society. Man became both a part of society and the bearer of his own interests. Cultural political governance changed the conditions for art and culture practitioners and paved the way for a new strategy for the NCF (Nordic Culture Fund, 2019).

The NCF has set three objectives for its activities:

- To promote the production, innovation, and communication of arts and culture in the Nordic region and globally.
- To promote artistic and cultural networks at all levels within the Nordic cultural co-operation.
- To develop and communicate knowledge of arts and cultural life in order to stimulate the development of cultural policy in the Nordic region.

The fund proposes, through its activities, to increase knowledge about and synergy between cultural policy, cultural leadership and practice in arts and culture.
Saami Council Cultural Funds – Karasjok, Norway

“Being one of few pan-Sámi cultural funds available for all Sámi people to apply for no matter where in Sámi they live, the Saami Council cultural funds are important as facilitators for cooperation in the Sámi art and cultural field.” (Christina Hætta, Head of Cultural Unit, Saami Council)

Purpose

The Saami Council and the Saami Council’s Cultural Committee work to support Sámi culture, where culture is understood in its broadest sense and includes intangible culture. Supported projects include Sámi festivals, artistic productions within film, music, literature, and other genres, documentation and making cultural practices available for other Sámi, cultural gatherings for children and youth, language, and cultural revitalisation projects. The Cultural Committee also prioritises projects that are organised for children and youth.

Background

The Saami Council, established in 1956, is a voluntary Sámi organisation (NGO), with Sámi political and cultural member organisations in Finland, Russia, Norway, and Sweden.

The primary aim of the Saami Council is the promotion of Sámi rights and interests in the four countries where Sámi people live, to attain recognition for Sámi as a nation, and to maintain the cultural, political, economic, and social rights of the Sámi in the legislation of the four states.

Grant programmes

In 2021, the Saami Council allocated 1,800 TNOK to grant programmes for culture. Within the Nordic Council of Ministers, the budgetary limits are set by the Nordic Ministers for Culture.

Project grants support cultural cooperation across national borders. The grants are primarily allocated to activities affecting at least two countries where the Sámi live. Working grants support active cultural workers. Travel grants help active culture workers by enabling them to visit places where they can promote their artistry and find inspiration. The study-travel grant is primarily for travel to other indigenous people.

The Saami Council cultural fund prioritises cross-border cultural projects and projects for Sámi children and youth. The Saami Council allocates funds to the cultural fund each year from the support from the Nordic Council of Ministers.

Strategic perspectives

Nordic culture subsidiary programmes are important for the Sámi cultural, societal, and political work and cooperation, as there are almost no other funding possibilities for pan-Sámi cooperation. The Sámi people, being one people divided across four

79. Interview with Christina Hætta, June 1, 2021.
80. More information to be found at: https://www.saamicouncil.net/en/cultural-fund
national borders, depend on Nordic support programmes. The 2020 Sámi Culture Think Tank, as a strategic priority, pointed out the future need for a coordinated language grant, supporting the entire field of activities.

The Cultural Unit works to promote the Sámi cultural field as one field spanning four national borders, and through the cultural funds supporting Sámi art and cultural actors across these borders. According to the wide Sámi definition of culture, the funds support both modern and traditional cultural activities.

Other support mechanisms are organised within each of the four countries, preventing the field from working across borders and creating differences in working conditions for Sámi cultural actors. Sámi artistic and cultural activities reach across the national borders, making it possible to access Nordic market- and co-operation opportunities.

The Saami Council Cultural Committee decides on the distribution of the Saami Council cultural funds, once every year, and co-operates with the Sámi Artist Council, Sámi art, cultural, and film organisations, and other essential bodies. On the committee, the seats for artists and cultural organisations alternate between organisations to achieve the broadest possible representation across genres.

The Saami Council appoints the Cultural Committee members based on suggestions from the Sámi art and cultural organisations. The Committee has five members, one from each of Finland, Russia, Norway, and Sweden, plus one from the Saami Council. Each member has a personal substitute member. The term of office for members and substitute members is two years with a change of members at the turn of the calendar year. The Saami Council appoints the chairman. A Saami Council secretariat carries out the day-to-day operational administration of the fund.

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**Figure 4.** Organisation of the Saami Council cultural funds.

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81. Strategy documents, annual reports, and relevant evaluation documents, to be found at: https://www.saamicouncil.net/en/home/.

82. Data in this figure have been supplied by Christina Haetta, Head of Cultural Unit, Saami Council.
Nordic Institute of Greenland – Nuuk, Greenland

Purpose

The Nordic Institute of Greenland (NAPA) supports Greenlandic and Nordic cultural life. NAPA supports travel and cultural projects that engage children and young people, are sustainable, have Nordic relevance, and involve Greenlandic or Nordic actors and/or applicants. In addition to the eight Nordic countries and self-governing regions, NAPA also supports projects in co-operation with the Baltics, and focuses on the region’s neighbours in the west, Canada and Alaska.

Background

NAPA was established in January 1987 to provide people in Greenland with knowledge about the other Nordic countries’ languages and cultures. The Institute also aims to spread knowledge about Greenlandic language and culture to the other Nordic countries. In co-operation with different Nordic Houses and Institutes, NAPA also coordinates cultural co-operation with the region’s neighbours in the North American countries and the Arctic.

NAPA organises cultural events such as meetings with authors, exhibitions, and lectures on Nordic issues. In addition, unlike other Nordic Institutes and Nordic Houses, NAPA also funds external projects through its grant programmes.

Grant programmes

Grants awarded in 2021 amounted to 2,850 TDKK (within NAPA’s basic grants and additional allocations from the Nordic Ministers for Co-operation). Within the Nordic Council of Ministers, budgetary limits are set by the Nordic Ministers for Culture.

Grants are organised for travel support and project support. NAPA distributes approximately 3 million DKK annually in support of cultural projects. NAPA’s grant programmes support cultural projects with Nordic relevance in Greenland and the Nordic countries, and must always include one Greenlandic partner and at least one partner from the Nordic region. The programme has a special focus on projects that involve and engage children and young people and that focus on sustainability. The Cultural Support Programme prioritises projects that facilitate co-operation, co-creation, and exchange across national borders in the Nordic region. Applications are processed by the NAPA board, consisting of five members from the artistic and cultural sector, each with a three-year mandate.

Strategic perspectives

NAPA contributes to the Nordic Council of Ministers’ 2030 vision through four focus points. Arctic perspectives are recognised throughout the Nordic region. Children and young people in Greenland should experience that they have the opportunity to thrive in a diverse Nordic community, contributing to an increased Nordic trust in civil society and sustainability in cultural life. This is done by engaging with the cultural environment, so that cultural projects and competencies elevate Nordic civil society as a whole, from an environmental, social, and competitive perspective.

83. Strategy documents, annual reports, and relevant evaluation documents, to be found at: https://napa.gl/en/.
Summary

The strategies and profiles of the above-mentioned grant programmes, in their own unique ways, seek to provide the greatest contribution to Nordic ‘added value’. This is to be achieved within the context of meeting the goals set out in the Nordic co-operation programme on culture policy 2021–2024.

The Nordic countries’ cultural policies are usually summarised as being welfare-oriented with strong interest associations, strong governmental- and low private financing, with some nationally protectionist directions, strong ministries, and arts and cultural councils with a significant influence on cultural policy making, and an emphasis on the arm’s-length principle. This is usually labelled the Nordic cultural policy model (e.g., Duelund, 2008; Mangset et al., 2008).

According to Peter Duelund (2008), this model, when confronted with key political realities, needs a different approach to cultural policies in a number of areas. A recent anthology published by the Nordic Culture Fund (Reflections – art culture politics society, 2021) identified the same need to further discuss today’s dilemmas, to face similar challenges, reflected for example in shifting ideologies, the precarious position of artists and art institutions, and attitude towards citizens.

Nordic co-operation concerning arts and culture aims to take advantage of the ideal opportunity, in the form of the Internet, for Nordic cultural content to be available at everyone’s fingertips. This seems especially relevant as young Nordics are highly engaged in communication channels controlled by major global technology players, who have far less interest in Nordic values and priorities. There is little research on the challenges posed by global technology players for Nordic cultural collaborations, and how to reduce the risk of undermining cultural policies. Nordic culture grants support a variety of programmes aimed at reaching end users and delivering added value to the Nordic region. Internal quality processes integrate findings from external evaluations, and, by doing so, programmes strengthen their individual profile in balance with a joint Nordic culture grants model.

In a recent evaluation of Nordic co-operation network funding, the most important reported effects when it comes to professional artists’ and cultural workers’ ways of working were as follows: exchange of information, competence, and experience relevant to their work; production of new knowledge relevant to their work; strengthening of participants’ identity, self-esteem, and network contacts in the art field; invitations for ideas for new arts and cultural projects; increased legitimacy, status, and self-esteem for themselves and the field of art; and new ways of handling cultural policy issues in their own country (De Paoli & Foss, 2019).

Nordic culture grants - profile overview

A comparative analysis of national and Nordic cultural policy assignments shows that, regarding purpose and goal, there are many similarities pertaining to inclusion, children and youth, and equality and participation. While the national assignments work with substantially more funds, Nordic grants can be seen both as Nordic and as
stepping stones for developing international (European, global) projects. Below, Nordic grants are summarised, according to criteria that have been identified through my analysis of the data presented in this chapter.

**Programme orientation.** For the applicant, the programme system offers a broad range of collaborative working options; namely production, distribution, and networking. Contemporary developments, for example the digitisation of culture, co-creation, and interactivity, resonate well with current funding structures within different fields of art and culture.

**Extensive industry co-operation.** The Nordic Film & TV Fund, with its unique structure, complements the national subsidies with Nordic branch co-operation. Most other grant programmes either aim to involve branch organisations in their expert panels or grant the branch organisations the possibility of applying for funds in a similar fashion to other actors.

**Experts’ involvement using an arm’s-length distance principle for policy making.** While it is the Nordic Ministers for Co-operation that set the budgetary limits for culture, and the Nordic Ministers for Culture that set the priorities within the overall budget, expert panels are responsible for assessment and decision making regarding allocations to specific activities and projects. The arm’s-length principle thus remains a central priority in all Nordic co-operation culture grant programmes.

**The Nordic three-country rule.** With the three-country rule as a starting point, the Nordic countries build added value. Projects that encourage children and adolescents’ participation could be facilitated, in some cases, by allowing two-country participation instead of the usual three, as in the case of the Nordic Culture Point programme Norden 0–30. The Nordic Culture Fund also has exceptions to the three-country rule, as does the Nordic Film & TV Fund.

**Effects and results; end user reach.** For those programmes that have undergone evaluation, they seem to reach the intended end users. However, in order to identify the major/minor receivers of Nordic Culture co-operation funding over an extended period of time, a more in-depth analysis of all programmes is necessary.

**Results from evaluations.** All organisations conduct internal evaluations, and some have also conducted external ones. The Nordic Culture Fund was evaluated in 2018. Nordic Culture Point evaluated the Nordic-Baltic Mobility Programme for Culture in 2019 (de Paoli & Foss, 2019), and in 2021 will follow this up with an evaluation of 11 projects from all support programmes, to be published in the beginning of 2022. The Nordic Film & TV Fund is internally evaluated on a yearly basis, and also considers several alternative areas for upcoming external evaluation. Several grant

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84. The arm’s-length principle usually implies that politicians should provide financial means for artistic and cultural activity, but not interfere with the content of that activity (cf. Mangset, 2015).

programmes have official strategy documents; others work strategically on a continual basis, based on the results of evaluations, for example.

**Children and youth priority.** The Nordic Film & TV Fund, like Nordic Culture Point (Volt, Norden 0–30), gives priority to children and youth in several of their programmes.

**End-user satisfaction.** Interviews and evaluations point to a high level of appreciation for the programmes, both for administrators’ guidance work and the programmes themselves. The current individual character of each programme aligns with its history. The specificity of each programme is important, while through cooperation and networking, such as annual seminars, a common shared understanding is promoted.

**Adequate sizing.** The connection between appreciation and demand, availability, and development potential is illustrated by the fact that, for example, Nordic Culture Point has an approval rate of around 20%. Considering that there is a three-country co-operation policy, there is dissemination potential, and conditions to take advantage of a latent interest, a reasoning likely to be relevant for other grant programmes. The size of the grant programmes is, in other words, not a fixed amount, but rather a question of how political will wishes to take advantage of potential and define what the appropriate level of Nordic cultural co-operation through grant programmes should be.86

**REFERENCES**


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86. Programmes of lesser size or with limited capacity regarding affiliation to the cultural sector are described in the text and do not specifically affect this overview.


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