

The resurgence in cultural policy in Slovakia in the era of an overall austerity

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Abstract

This paper explains the austerity measures taken in cultural policy in Slovakia, based on the case study in film industry. Existing research points to severe austerity cuts in several European countries after 2008 financial crisis. Based on the interviews with cultural policy experts and document analysis, this paper concludes that culture has been underfinanced during the transition period and the austerity in Europe did not have as harsh impact as in other countries. The outcomes point to post-socialist policy planning in the field of culture before Slovakia entered the European Union and a large impact of politics of austerity in the field of culture since 1989. This is relevant because of contemporary debates of creative industries and the necessity for state funding as well as for the discussion on political independence in the debates on cultural policy.

Points for Practitioners

The paper reviews the historical development of austerity practices that are relevant for Covid crisis and contemporary development of cultural policies

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INTRODUCTION

The global financial crises caused changes in cultural policy world-wide. Sustainable public management includes culture into the pillars for future development (Throsby 2010). Austerity applications in several countries did not, though, regard cultural policy worthy of potential sustainable development (Newsinger 2015). It was mainly serious cuts (Kouri 2012), or change to creative industries (Newsinger 2012) that characterized post-2008 cultural policies in Europe. The global movement of the focus of governmental cultural policies, as well as the change of the understanding of the role of culture have been widely studied.

The goal of this paper is to examine the shape and the tendencies to support cultural policies in Slovakia and its relevant factors from external environment. Meaning the global cuts in expenditures on culture after the financial crisis and tendencies, this paper focuses on the change of perspective to the tendency of creative industries as the main driving topic for national cultural policies e.g. with potential impact from European Union budgeting strategies. The main research question is: How did austerity measures imposed in global financial crisis impact Slovak cultural policy? As will be gradually demonstrated throughout the paper, cultural policy in Slovakia has been underfinanced since the fall of communism in 1989. The tendencies of the governments to establish cultural policies did not succeed (Inštitút pre kultúrnu politiku 2014). The paper will, therefore, analyze how did the changing governments comprehend the role of cultural policy and what were their strategies in cultural policy vision. Additionally, different cultural policy tools and their rationale will be examined in perspective of cultural policy literature and international comparison. In 2020 cultural sphere suffered another sever impact of Covid-19 and its consequences. As the effects and harshness of impacts on the culture are still understudied, this research can bring comparison on impacts of the austerity that has been implemented in the previous times.

Throughout the paper, the definitions of austerity measures in European public policy will be explained. In comparison to Western European countries, the concept of transition economies will be presented with specific application on cultural policies. Then, the case study on film industries will be explained and presented, with the presentation of historical background and evolution. The analysis will consist from demonstration of quantitative indicators of expenditures on cultural policy and the study of documents and semi-structured interviews with cultural policy experts. The paper will conclude on the position of creative industries and cultural heritage in relation to the global financial crisis and the austerity measures.

An example of film industry is used to demonstrate the changes of cultural policy because its relevant development after the crisis. The Audiovisual Fund was created in 2009 and was, then, the first of the created independent funds. Various sources claim (Buran 2019), that cultural policy of the heritage institution has not been reformed until today. It still holds the regulatory practices of socialist times, unlike the independent culture, that was able to profit from arm's length independent funds (Audiovisual Fund created in 2009, Slovak Arts Council 2014, Kultminor 2017). Therefore, it will be argued, that the global financial crisis affected the prioritization of cultural policy (Belfiore 2015), providing space for development of cultural and creative industries and omitting the reflection of cultural heritage and other spheres of cultural policy.

Looking at more depth of the decision making in culture, the paper will also point at the discourse of cultural policy decision from cultural analysis perspective. (Bramall 2013). It can be concluded, that culture is the mechanism that influences decision-making and economy can be a consequence of such cultural orientation. Regarding this optic, *cultural policy* could demonstrate the *cultural politics* and the shared belief of the society to make important institutions on the cultural level relevant for political discussions. As will be evident from the interviews, the way the culture was treated in Slovak policy in general shows the evident marginalization. Therefore, the understanding of the cultural narrative in cultural policy can be crucial key to understand deeper positions on the national level politics.

Austerity in Culture

Cultural policies might have twofold understanding of austerity. One means economic budgetary cuts of expenditure in cultural public sector, caused by external factors, as the decrease in demand (Pratt 2012). The austerity in more general sense – on discursive level - might lead to the accent of creativity as a resource of cultural growth (Newsinger 2015) and therefore, the discursive transformation to business logic and profitability (Ibid). The discussion in this article will differentiate in these two levels.

The first possibility – the austerity regime and the cuts of cultural expenditures are mentioned as a consequence of the global financial crisis in 2008. It not only caused the cuts in culture but also in health (Karanikolos et al. 2013), social policy (Farnsworth and Irving 2015, Pietruchová 2013) impacting on labor market (Theodoropoulou 2018) and pensions (Domonkos and Drahokoupil 2012). On social level, it resulted in “ideological and political work is that austerity has become the dominant global wisdom for addressing the ‘problem of public debt’ (including the public debt that resulted from ‘rescuing’ private funds)” (Clarke and Newman 2012). The consequences of financial crises are considered to “be a guiding principle of public management reforms” (Pollitt and Bouckaert 2017). The effect was,

therefore, not only fiscal, but also resulted in re-organization of priorities and public public management on all governmental levels (Silva and Buček 2014). These cuts are visible on fiscal numbers in most of the EU countries.

Economic development after the economic crisis, though, differed across the Eurozone (Mirdala and Ruščáková 2015). Greece, as a typical example of hard times, suffered with ongoing recession, unlike Slovakia, that was able to get to positive numbers only in one year (M. Myant and Drahekoupil 2013). This tendency is, according to Myant and Drahekoupil (2013) typical for transition economies. The governments that have been dealing with crisis did not have equal strategies – they mostly balanced between the necessity to increase or decrease the governmental debt and have approached it accordingly with their political ideology – the social-democratic or the neoliberal (Ibid). The focus of this article is to look at the differentiation of the ideological decision-making.

The case of Slovakia is characteristic for the exchange of approaches between neoliberal and social-democratic governments, as well as for relative quick healing from crisis trauma. Moreover, for historical reasons, similarly as in Britain (Clarke and Newman 2012), Slovak austerity in the post-crisis times was fitting to the collective memory of public cuts in the early 2000. Slovakia has also been one of those countries that have exchanged the governments during the crisis. Slovak political development after 1989 can be characterized by nationalist populism (until 1998) (Carpenter 1997), and the “reformist” neo-liberal government (until 2006) (Mathernová and Renčko 2006), which was followed by social democracy of SMER party to be interrupted by centralist government with neo-liberal tendencies in 2010-2012, dealing with crisis and austerity policies (Pietruchová 2013). The exchange of governments also played role in cultural policy development.

Slovakia is one of the European examples of so-called transition economies. From the economic perspective, the transition economies have suffered the crisis, but with different perspectives (Myant and Drahekoupil 2012). Certain role was played by the International Monetary Fund, that managed the strategies for transitive economies (M. R. Myant and Drahekoupil 2013). Mostly, the reformist transition was doubted by the instability and lack of own financial savings to cover it (Ibid). The diversity of effects was, as Myant and Drahekoupil argue, by the geographical orientation of countries – those with proximity to industrial centers with modern export goods could have much quicker healing and started to grow financially very quickly (Ibid) – in this case, Slovakia is one of those most successful.

The transition tradition used various economic reforms in public sector to set practices to fulfil the criteria for adhesion of the EU, however, the overall neoliberal discourse also reached the most vulnerable group of society. After 1989, the national populist government of Mečiar was leading the country to international economic isolation (Mikloš 2008). The so called “reformology” (Mathernová and Renčko 2006) was a set of governmental practices that resulted in the raise of the attractiveness for foreign companies to invest, the high growth of GDP and the acceptance of Euro in 2009. As such, the reforms had also controversial face and were felt by the most sensitive part of the society, e.g. with the follow-up of Romani unrest (Marušák and Singer 2009). Therefore, the austerity of the period 1998-2006 was still in the living memory in 2009.

Cultural Policy, Creative Industries and the Great Reset

The effect of austerity showed in all social spheres. Focusing on the cultural policy, the set of practices that characterized the times of austerity has been described the exclusive formation of creative industries (Newsinger 2015), cuts in public funding for heritage institutions (Bagwell, Corry, and Rotheroe 2015), counter-urban mobility (Gkartziros and Scott 2015), but also with specific understanding of prioritization of policies because of the selection of the most important sectors when thinking what to save on – selecting the most relevant future for society (Bramall 2013). Some of these effects of the austerity policies in culture might pertain and can completely transform the sector of cultural policy.

The set of cultural policy practices has led to stronger orientation on creativity as a potential force for sustainable development, e.g. in the cities. Richard Florida considered the economic crisis as a potential opportunity for the “great reset” - meaning a possibility to change the consumption and production practices in Western society (Florida 2010). As probably inspired by his theories on creativity (Florida 2004), the cultural policies of European Union also understood the potential economic transformation, using creativity as a force for urban development and economic growth (Power, European Commission, and Directorate-General for Enterprise and Industry 2011). The discourse of creative industries is connected with the new labor movement during the Blair government in Great Britain (Newsinger 2015). Even though the discourse of creativity started earlier, the cuts because of the crisis in Britain sometimes reached 30 % and the role of the government in cultural policy was only articulated when in connection with creative industries (Ibid). The austerity, according to Newsinger, helped to emerge and settle the neoliberal approach in cultural policy. He argues that the creative industries are, “a Russian doll”, a bubble with nothing inside, and suggests that it is the “shock therapy” from creative industries, that would help the reestablish the equilibrium in public management with regard to culture (Ibid). The view on creative industries stays ambiguous – on the one hand, it sustains the economy and helps resilience (Felton et al. 2010), on the other side, it instrumentalizes culture (Belfiore 2015).

The understanding of recession in cultural policy was not only about the fiscal reductions. Opposing to Florida,

the recession did not have any major impact on cultural production (even because of the cuts), but instead remained stable, which is explained by non-discretionary nature of cultural consumption – people just do need to participate in cultural life (Pratt 2012). According to Pratt (Ibid), creative industries lens enables to see the chains of interactions and entanglements of economic production and, therefore, the legitimacy of public spending to support the development of non-profit cultural field, but considers the belief that the creative economy is “the next new boost” as inappropriate. As he concludes (Ibid), “It is very clear that the cultural economy is embedded in institutions and it is social”. The danger of fostering creative economy discourse lies in informal relations and insecurity in work force, which is, according to Pratt, not caused by the fact of crisis, but by neoliberal ideology (Ibid). Austerity practices did not remain connected to the consolidation of public finance but continued by fostering insecurity in cultural sectors.

It has been observed that the society's reaction on austerity doubted the resilience model – e.g. because of the raise in mobility. Florida's theory and the approach of creative industries is highly developed in urban studies. What has been a base of the argument for Florida (Florida 2010) – the understanding that the crisis mobility fixes spatial distribution of people and the work force – was further explained in relation to the financial crisis on the example of Greece (Gkartzios and Scott 2015). It discusses the cultural consequences of the counter-urbanization. The concept of creative city counted with concentration and clustering of creative classes in the cities (Florida 2004), so much supported by the European Capital of Culture policy tool, however, the Greek case demonstrated the potential effects on the financial crisis on the believed paradigm (Gkartzios and Scott 2015). These can be counted as effects of austerity on cultural level.

The fiscal reductions demonstrated the necessity to sustain the values of cultural sector, finding different strategies to build independence from the state insecurity during the times of austerity. Cultural managers have tried to find other sources to cover the gaps from funding (Bagwell et al. 2015), looking at crowdfunding, private funding, or more sustainable mixture between public and other funds. The discussion caused by financial cuts changed the perspective of cultural institutions, including those who did not consider their business model before – such as heritage institutions like museums and public galleries (Lagerqvist 2016; Morse and Munro 2018). Others have argued (Lagerqvist 2016), that very few countries understood the crisis as the opportunity to change the perspective of their cultural policy, but rather imposed large cuts with huge impacts on poverty and austerity. This position is followed by the argument (Belfiore 2015), that the crisis was a motivation to develop instrumental understanding of culture in public policy. The creativity in finding the solutions pointed to the role of state in protection of cultural value.

From the humanities perspective, the practices are dependent on narratives on austerity, and as such can be narrated the role of the state. The austerity can be characterized as the “uncaring times” (Morse and Munro 2018). Even if saving on culture can be dated up to Protestant ethics (Weber 2013), the discursive practice that shapes the consumption behavior and decides upon political decisions and governance reappears with social transformation – a memorable event that helps to divide the flow of time. Bramall claims the austerity to be a “discursive struggle between different versions of future” (Bramall 2013). In the age of austerity as understood in this paper, the role of the state is being reduced to minimum and this position is being criticized by austerity opponents (Ibid). The fact that the state is weaker in cultural policy shapes the modality in the value of culture (Belfiore 2015), being between economic and social (Hutter and Throsby 2008) and its normative prevailing social position. The story of the saving, is the story of putting priorities and omitting something, that might be politically irrelevant.

METHODS

The study on the effects of austerity in cultural policy in Slovakia has two parts. The first part consists of descriptive quantitative financial indicators in culture. The data originates in public registry (2009-2018) and is completed with the data collected by Oskar Novotny (Novotný 2013). The data shows the difference in budget allocation for cultural policy and compares the pre-crisis and post-crisis development. The figures are completed with the information on the government politics. The following set of data portrays the diversity in cultural participation and originates in EUROBAROMETER survey completed in 2007 and 2013.

The second part is an analysis of a case study. The case study was selected as an example of cultural industry (film) sector bordering – bordering of culture and creative industry. The film sector in Slovakia was also selected because of the availability of the data to show the transition period and the austerity period on the story of the production, distribution, and consumption of movies. The analysis is based on the desk research of documents, strategical and annual reports. The three expert semi-structured interviews helped to enrich the analysis with personal insights and experience.

Slavomira Salajova is a cultural policy expert. She studied law and worked at the Ministry in Audiovision and Media Section before 2006, when Rudolf Chmel was a minister. She currently focuses on the development of strategical documents for creative industries on regional and national level as an external consultant and works for Creative Industry Forum. Her experience was selected because of the connection with pre-crisis government and contemporary experience of a cultural policy observer.

Magda Vášaryová is an actress, a sociologist and a diplomat, who established an independent non-

governmental organization “Institute for Cultural Policy”. Her interview was conducted online in a written form. She has published largely on the governance of culture during last 10 years. She was also a member of Slovak parliament in 2006-2016, where she was a member of culture and media committee. She was selected because of her long-lasting interest in cultural policy and active role as an opposition MP.

Martin Šmatlák is a professor of film theory and film production. He has been a director of the Audiovisual Fund (AVF) since its creation in 2009. Before the AVF, he worked at Slovak Television (1998-2000) and the Ministry of culture (2001-2002) as a director-general for Audiovision and Media Section, when Milan Kňažko was minister. Then as a manager of production in private TV (2003-2007). He has been a Slovak expert for Compendium – an international Council of Europe project of comparative cultural policy portal. He was selected because of the variety of positions and extensive knowledge of film industries.

ANALYSIS

The analytical part will illustrate the historical development of Slovak cultural policy. The development of the policy instruments will be also compared with the description of financial tools. The Country Report of Slovakia for Council of Europe in 2003 stated: “Slovakia’s image is still confused, too blurred, and insufficiently dynamic and positive” (Denel 2003). This negative impression originates in the experience of foreign cultural policy expert visiting a transition country in the midst of reforms, roughly ten years being independent.

Historical Development

1) 1990-1994

Even if the post-socialist governments in the early 1990s searched to establish cultural policy that would align with Western Europe (Šmatlák 2016), the strategies to manage the privatization and liberation of culture, e.g. from state monopoly in the case of film production, ended with a lot of chaos. The film distribution was separated from film production and the long-known argument that the sources from distribution can cover part of the costs of production were ignored (Ibid). Martin Šmatlák stated in the interview, that the film was considered to be an industry comparable to a production of lunch meat cans by most of the decision makers (Interview).

2) 1994-1998

The Government Program Declaration in 1994 illustrates the national populist character that isolated Slovakia from the rest of Europe and postponed accession dialogues – “We will not support any forms of spiritual terrorism” (Mečiar 1994). The declaration of Dzurinda government (Dzurinda 1998) discusses the misuse of cultural policy during the previous government for national populist reasons. For Mečiar, Matica slovenská was considered to be the most important cultural institution, as well as language and media policy, oriented towards national interests. None of the interviewees discussed the period of Mečiar, partially because the questions were oriented to post 2000 development. The declaration (Mečiar 1994) promised to support the development of Slovak cinema and cultural production, but there were no effective policy means to do that – the cultural fund “Pro Slovakia” was never completely independent from political will (Šmatlák 2016).

3) 1998-2002

The declaration focuses on democratization of cultural policy and participatory planning (Dzurinda 1998). From the financial perspective, it declares the necessity to create plurality of sources to finance culture (Ibid). It was during this period, that Koliba film studios¹ collapsed (Denel 2003; Fajnerová 2013). The first “Pro Slovakia” grant scheme also disappeared after the tendencies to de-Mečiarize (Šmatlák 2016). The Audiovisual fund was almost created already in 2002, but the president did not sign it for the protests of the film-makers – it seems like the law that established the fund aimed to change the ownership of distribution rights of Slovak films – which resembled much of the privatization of national cultural heritage (Šmatlák 2016). This government prepared the decentralization of the country which resulted in the division of governance and financial support of culture between the state and the 8 regions. All of the interviewees confirm that the decentralization was not finished and properly prepared.

4) 2002-2006

1 Koliba film studios were state-owned studios that were privatized by a private company, left for destruction of the value

After the strongest reforms, considered “understandable” by the cultural policy experts from the Council of Europe mission (Denel 2003), the public funding of culture was considered very poor – culture on state-funded, cuts and public reforms GDP scarcely half the EU countries 0,6 in 2002. The visit of Denel characterizes the atmosphere of cultural policy at the time with repeated word “crisis“ in the report “/.../(regarding the wish to create at least 5 full-length movies in 2002) This is hard to do at present, and there seems to be little prospect of finding a way out of the crisis“ and “This crisis - this kind of dead-end in which Slovakia’s audiovisual industry and culture have landed, in spite of legislative efforts and European harmonization - is the most disturbing aspect of Slovak cultural policy“ (Ibid). There are two more important historical testimonies: he also undermines the large role of the church, mainly in ownership of most of the cultural heritage sites. Additionally, he mentioned the artistic craft institution “ULUV as a very conservative body, that is unlikely mobilizing the modern Slovakia” (Ibid). The government declared the intention to create the cultural policy that would represent contemporary international tendencies, plurality and access to culture (Dzurinda 2002). As Slávka Salajová pointed out in the interview, this has been by far the only post-socialist cultural policy created in Slovakia (Ministerstvo kultúry Slovenskej republiky 2004) and its only flaw was, that it was never implemented. The program declaration declared the need to reform the public governance of culture and created the national heritage fund at the ministry – a scheme to support the re-construction for those who own a declared national heritage. The independence and democratic ethos are very visible with the accent on the independence of public media. A new grant scheme was established at the Ministry of Culture that started working in 2004. Šmatlák argues, that film culture only received 18 % from the allocated budget – comparably with literature of national minorities.

5) 2006-2010

The first Fico government expressed the will to continue with the good practice set by the previous government (Fico 2006), however, it re-started with the accent on national interest and declared the necessity to create the “Press Law”, that enabled the right to respond to the politicians. The declaration also promised the creation of the Audiovisual Fund (which was created in 2009). According to Magda Vášaryová, the creation of the Fund is a result of the pressure from the outside, not the result of cultural policy (Interview with Magda Vášaryová). The model of the Audiovisual Fund counted with 50 % of the contributions of the broadcasting sector, which would be covered by another 50 % from the state (Interview with Martin Šmatlák). Currently, the state funds 70 % and guarantees 6 milion € to the Audiovisual Fund every year. According to Šmatlák, smaller countries need higher contribution from the state. The independent funds have been planned in the cultural policy already in 2004, but the audiovision was the most compact and generated own money to the overall budget (Ibid). Šmatlák also argues, that the introduction of Euro in 2009 helped the film sector to start more co-production with international environment (Ibid).

6)2010-2012

The short term of Radičová government declares (Radičová 2010) the hidden economic potential of the culture for the first time. The post-crisis government claims that “public finance on culture had increasing tendencies which influenced negatively the whole cultural sector” (Ibid). One million of the contribution to the Audiovisual Fund was cut, but the contributions from the broadcasting sector covered the it (Interview with Martin Šmatlák). The government program declaration repeats the necessity to support multiple sources to finance culture and to use EU and structural funds for cultural heritage renovations and digitization (Radičová 2010). It declares the will to cancel the “Print Law” created by previous government. Other priorities in the program declaration are in television broadcasting. Slávka Salajová mentions, that the preparation in media sector was unprofessional and the deformations on the market are still evident (Interview). Additionally, the government, also declared and support of the European Capital of Culture in Kosice (prepared for 2013). This government fell in 2012 because of the large dispute over the Euro-bailout Fund in the parliament. Therefore, the austerity policies in the anti-Greece atmosphere and neoliberal practices had indirect impact in the change of government again to social-democratic.

7) 2012-2016

Second government of Fico (Fico 2012) declared the necessity to support the strategy (2013-2020) of cultural policy created in wide dialogue and create the Slovak Arts Council (created in 2014). It also stressed the necessity to align copy-right law.

8) 2016 – 2020

Culture is considered beneficial to both economic and social development of the society (Fico 2016). The government declares the will to create the Fund of Minority Culture (independent arm's length) and a grant scheme for

disadvantaged groups (at the Ministry of Culture). It declares the will to support cultural workers, support the development of heritage for further use, support the “satelite account” of cultural and creative industries and regional development of culture.

Slovak Film Commission created in 2018 to support the film production of foreign producers in Slovakia in collaboration with Audiovisual Fund.

General Evaluation

The Ministry of Culture Annual Budget has been developing positively, as can be shown in the numbers (See Figure 1 “Ministry of Culture Annual Budget”). The amount has been shaped by inflation and the actual percentage of GDP of culture gradually decreased (see Figure 2 “Public and State Expenditures to GDP”). The expenditures increased in 2009 with the creation of the Audiovisual Fund, however, the cuts in 2010 caused a decrease (according to the interview with Martin Šmatlák, Minister Krajcer had cut the already approved budget by 1 mil. € in 2010, which has further led to a guarantee of the obligatory amount resistant to government cuts – which is not visible from the Figure 3, because the initial budget was higher – agreed by previous government – and because the initial 2009 budget is missing as it was only the administrative budget to start establishment of the institution in 2009). From the mentioned summaries of the government program declarations, it is visible that the austerity was expressed as an urge during the 2010-2012 government.

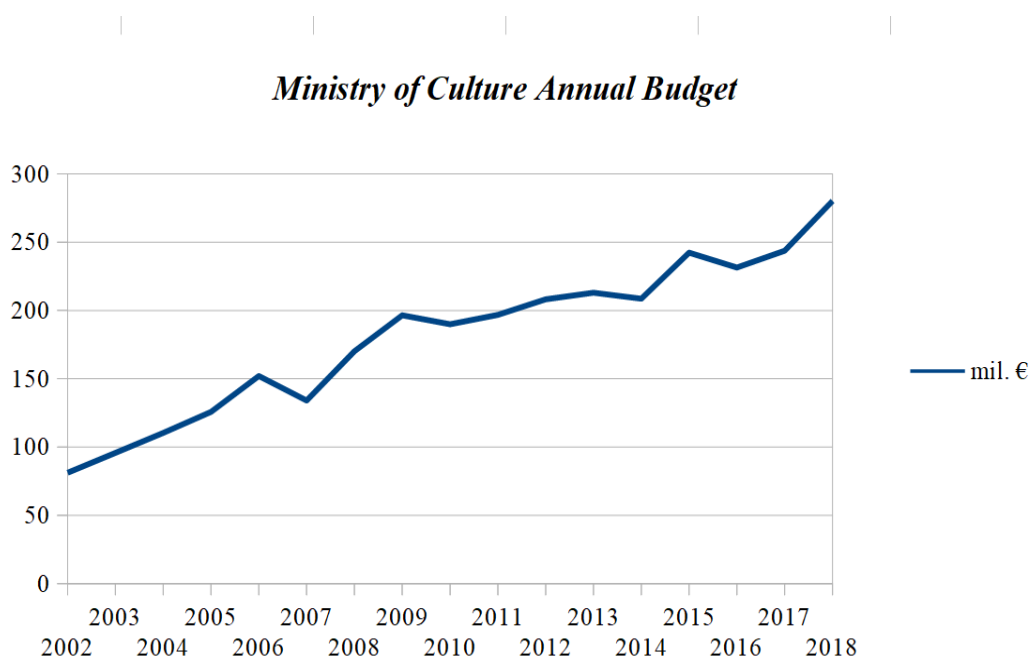


Figure 1 Ministry of Culture Annual Budget. Source: www.rozpocet.sk

Audiovisual Fund Annual Budget

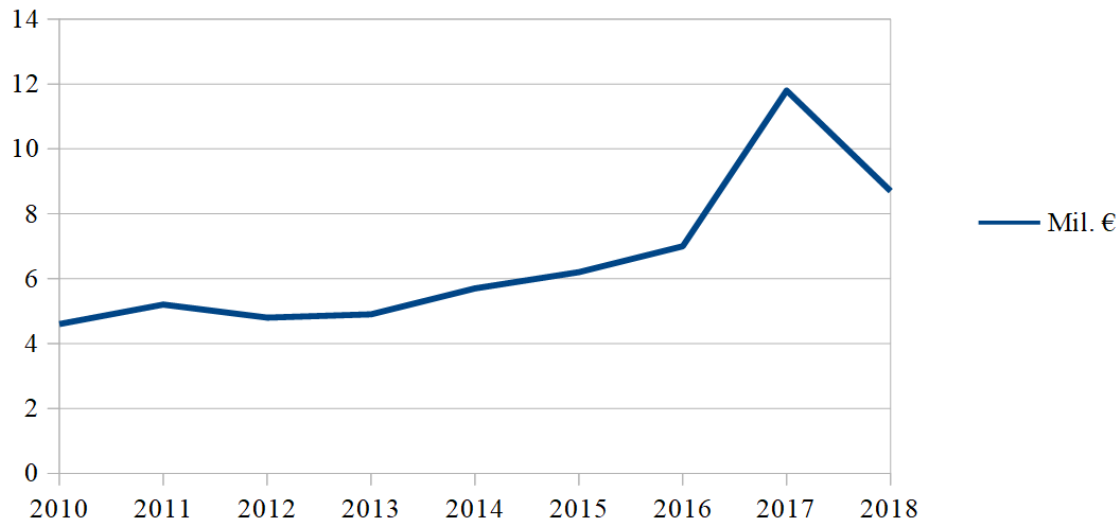


Figure 2: Audiovisual Fund Annual Budget. Source: Audiovisual Fund.

Strategies and Development

In general, the interviewees commented on the lack of strategical thinking in cultural policy and the lack of data that would base the strategical decisions. The approach to the creative industries was pushed by the European Year of Creativity (2008) (Interview with Slávka Salajová). However, Slovakia supports to use the “creation of jobs” as the main indicator in evaluating European structural funds for creative industries – which is quite unrealistic in contemporary creative sectors (Interview with Martin Šmatlák), but the other sectors, mainly cultural heritage, were never reformed from the traditional governance (Ibid, Interview with Magda Vášaryová). According to Magda Vášaryová (Interview), each of the ministers missed the opportunity to bring a real program. Even the support for creative industries means only the preparation of many strategic documents, that have not been accessible to public review.

Political Manipulation

The strongest political influence in culture was during the 1994-1998 national populist government. Strong centralization of cultural funds in 1998-2009 was, however the argument for the cultural activists to demand a separated Audiovisual Fund and Arts Council. It was created during the government when Marek Maďarič, who was minister of culture in 2006-2010, 2012-2016 and 2016-2018 (resigning after the murder of Ján Kuciak, the journalist, and his fiancée), was most of the time high political figure in managing political party, SMER (Interview with Magda Vášaryová). Slávka Salajová mentioned, that he might have used his position in the governing party even more – and bring and implement a larger cultural policy (Interview). Even though Martin Šmatlák did not see any political interventions to the creation of the Audiovisual Fund (Interview), Magda Vášaryová commented, that the work of fund was initially very problematic with accusations of conflict of interests – probably a result of political positions of some film producers (Interview). She also mentions the problematic aspect of the nomination of regional cultural managers by the regional governments (e.g. the director of East-Slovak Gallery is nominated by the chair of the Košice region, which is an elected politician) (Ibid).

Decentralization

The governance of the cultural sector is divided between the state ministry and eight regional governments since 2008. The competencies and financial management were not based on any data and until today have consequences in chaotic approach to management of culture (Interview with Martin Šmatlák).

Austerity Measures

Slovak cultural policy has been defined by austerity since 1989, the promised 1 % of culture was never reached (Interview with Magda Vášaryová). “The employees in culture already have lowest salaries in the state economy./.../ Cultural institutions are under-financed, the buildings are falling apart, the galleries do not have archives, the cultural heritage in Slovak National Library will disappear. Therefore, none of the ministers dared to use the word austerity.” (Ibid). However, as has been mentioned in the characteristic of the 2010-2012 government, the public spending was prepared for cuts (Radičová 2010). As is visible from the Figure 2, the continuous decrease in public spending did not cause major change in finance on culture. While Audiovisual Fund was created in 2009, because of political changes, the other funds could only be created five to eight years later. These funding schemes support the independent culture and are project based (also for regional public institutions). As was demonstrated in the introduction, Slovakia very quickly healed from the crisis and the fiscal strategies resumed to the pre-crisis pace (Myant and Drahokoupil 2013).

The austerity might have caused the change in cultural participation. The slow decrease in GDP on culture might have contributed to the decrease in supply of cultural events. This can be demonstrated on the Index of Cultural Practice. *Index of Cultural Practice* is created in a very simple way: each of the cultural activities in Eurobarometer have been given points according to frequency of visiting. The scoring method enabled the creation of four categories, according to the received points: very high, high, middle or low index of cultural practice. It is visible that Slovakia had higher rise in inactive citizens, unlike and decline in culturally active participation. It is explained by the post crisis development (Šebová 2016). Even if the cultural participation can be connected with the supply of culture and therefore connected with the austerity measures, it is not clear if it was caused by the crisis and the lack of possibility to participate (and allow) cultural goods, or if it was the continuous austerity and gradual decline in cultural participation. More can be studied on the new Eurobarometer results in 2019.

| | SK | | EU 27 | |
|------------------|------|------|-------|------|
| | 2013 | 2007 | 2013 | 2007 |
| Very High | 2% | -2 | 5% | -1 |
| High | 12% | -5 | 13% | -2 |
| Middle | 53% | -7 | 48% | -1 |
| Low | 33% | +14 | 34% | +4 |

Cultural Participation Index. Eurobarometer 2007, 2013

Source: (TNS Opinion & Social, 2013), (Papacostas 2007)

CONCLUSIONS

This paper developed the understanding of austerity measures in the area of transition countries and the field of culture. The theoretical part introduced the concepts of austerity and the concepts of transition countries to develop the understanding of the financial consolidation during the financial crisis. The austerity was understood as a historical period of financial cuts in EU countries as a result of consolidation of public debts, however, as well as the mindset of political neoliberalism. The transition countries have been in both of these senses austere and it resulted in the effects on cultural policy.

In the analysis, the indicators on public expenditures on culture – the expenditure on Ministry of Culture, public spending on culture per GDP and the annual budget of the Audiovisual fund are the base for the argument, that the financial crisis did not create larger collapse of funding in cultural policy, rather, it was the gradually decrease of the percentage of GDP that indicates the austerity in culture during post 1989 development.

The interviews with experts, and the study of documents, mainly the governmental program declarations suggest that the lack of political strategy disabled stronger continuity in planning of cultural policy and enabled changes in connection to political preference, mainly in the sphere of media policy. External motivations of the European Union to support the creative industries are followed without complex preparations. In this case, it is not clear if the creative industry narrative is a result of austerity measures (declaration of government program in 2010) or a late-coming Blairian influence of the European Union general cultural policy, that only gets to the discussion in the 2010-2012 government, but hardly reaches systematic implementation because of the government fall.

This article presents the austerity approach on cultural policy in the context of the global financial crisis, but also in the context of transition economy. The post-financial crisis austerity measures had symbolic meaning, but did not have great impact, because of the overall austerity measures in culture that were caused by post-socialist transition

and the reaction of marketization and de-politization of culture. The goal of the paper was to present the complexity of cultural policy institutions in historical development of almost thirty years. It was reduced to key components of the political transition – the cuts in cultural expenditures and its ratio to GDP of Slovakia, the position of strategic planning, the decentralization and political influence with relation to austerity measures. Because of the creation of the Audiovisual Fund and the Slovak Art's Council, we can talk about the resurgence of cultural policy in the era of overall austerity, meaning the strategic budgetary cuts in other EU countries. Parallel to the report of Denel (2003), it is visible that the dark times are over and that the cultural policy actually resurged after the crisis – and independent on the external consequences of the crisis (Denel 2003).

In the analysis, it was demonstrated that the austerity measures in the sense of historical period in the European Union, as observed in social policy, pensions, labor market and culture in most of the European countries, most notably in Greece, did not have such great impact on the cultural policy. It was narrated as a policy intention by Radičová government, however, the implementation did not differ from the overall cultural policy strategy in Slovakia after 1989. Rather, it can be concluded, that the austerity in broader sense, the cultural politics (Bramall 2013), impacted largely on understanding of culture in the country and resulted in the collapse of film production, decrease in participation and lack of management in cultural heritage. It was demonstrated by the financial allocation to culture, as well as the lack of strategy to put culture to the center of political decision-making. The systematic approach of putting the culture back to the center of social life in a political sense has been gradually declared in the recent years. However, this is a question for further investigation.

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