Culture in Cofog

Update – Diagrams Only

Each March Eurostat updates its Cofog (Classification of the Functions of Government) data and the Budapest Observatory extracts cultural statistics with a focus on post-communist countries in the EU. Clicking here, you can read about methodology and will find more detailed commentaries to the previous versions of these diagrams that display one year shorter time lines.

Diagram 1

In 2018, momentarily (?) the west-east gap about combined spending on culture, sport, media etc. stopped growing. A year ago, it seemed that the cumulative western figure would drop below 1% of the GDP.

The proper procedure would require adding up the absolute values spent on Cofog 08 in the eleven “eastern” and seventeen “western” (old) member states and both aggregates should relate to their respective cumulated GDPs. In our quest for approximate indicators of trends the unholy path of taking the average of national averages was chosen. The case is clear: eastern countries spend proportionally much more on these soft sectors than the old member states. Those latter, in spite of the slight upward curve in 2018, keep steadily reducing their contribution to the expense of “recreation” since the last global financial convulsion.
Diagram 2

The 2018 extension of the lines to the right shows no change in the trend: culture is the most important component in the Cofog 08 cluster and the EU-wide spending on religion is below 0.05% of the combined GDP (rounded down to 0.0%).

Diagram 3

Until a year earlier the lines of the averages spending on the media and religion seemed to be converging. However, as we shall see later, in 2018, the ascent of expenditure on religious services halted in the majority of the eleven eastern countries.
A frenzy of spending on recreation, sport, culture, media and religion characterised the Hungarian state during the last three years with reported statistics (which has not eased as next March will surely prove). The lowest percentages may be explained by tradition (Cyprus, Portugal), economic hardships (Italy, Greece), and probably by variations in statistical definition (UK, Ireland).

Spending on recreation and sport do not seem to be distinguishing the groups of countries with different historical background.
No comment – is the remark that best fits to the Hungarian column. As the previous diagram shows, countries usually remain below the half percent notch in this regard. It is surprising that in these years France (its government, regions and municipalities) proportionally spent twice more on sports than what Germany or the UK did.

Similarly to sport, public expenditure on media is little different between east and west, although the eastern averages have each year been slightly higher since 2010.
Diagram 8

In the past few years public authorities in most countries spent on media about half of what they paid on sport and recreation. The miniscule percentage in Poland is the real surprise in this diagram: public broadcasting must be carried out along a peculiar scheme in that country.

Diagram 9

This double line on public spending on religion in Europe tells little more than about the very small percentages. For more, we should take a look at the individual countries.
Iceland and Norway, countries whose data Eurostat handles jointly with EU members, have been added to this graph, so that it looked less empty. After the preceding diagrams the soaring Hungarian figure is little surprise. Public expenditure on religion is “statistical zero” in most countries, that is a smaller number than what could be visualised. This applies to the EU average, too.

With this diagram we arrive at the real focus of this survey. Probably also at the main message. From the outset, the new member states have been spending a higher share from their national resources on “cultural services” than the EU veteran countries. By 2018 the distance came close to two to one.
When related to year zero, the accelerating diversion becomes even more apparent, especially in the latest couple of years. The diagram also reveals that due to the restraint in western countries, on EU level spending on culture has lagged behind total public expenditure after the 2008 financial crisis.

Owing to the important weight of culture within the Cofog 08 cluster, this graph closely resembles Diagram 4. Two countries only, Hungary and Latvia went above the 1% threshold on a three-year average. Some of the larger countries (Germany, Spain, Romania, Netherlands) keep strict pace with the EU mean of spending 0.4% of the GDP on cultural expenses.
It is time to turn to absolute values. The column of 3620 million euros that the eleven states spent on culture in 2004, which remained below both Italy’s and Spain’s respective statistics, reveals about the adversities that the transition from the communist era had meant to east-central Europe. And the right side of the graph tells about the lasting effect of the 2008 crisis on the Mediterranean euro zone, and about the years of grace the new member states have enjoyed in the past period.

It is important to remember that Diagrams 1 through 14 have included all public spending, i.e. both administered by the central government and the local levels: regions, cities and villages. This graph displays the wide array along which central governments keep cultural expenditure within their remit. The degree of federalism is decisive, which especially explains the Italian, Spanish and Belgian data, not to speak of Austria and Germany which cannot fit their figures into the Eurostat logic of division between central and local.
Despite the high degree of centralisation, Hungarian municipalities also spend the most on culture in European comparison. The last position of British municipalities once again raises the suspicion about issues of definition. If the UK remains in the Eurostat remit (like e.g. Norway) a stricter harmonisation of concepts is in place.

What Diagram 12 showed about cultural spending growing slower than total public expenditure in Europe is underscored here even more in case of central government budgets. Although general spending of governments went on increasing, after 2018, a relative decrease in cultural expenditure began and continued until 2013. (Austria and Germany are not included.)
The eastern governments went along with their western colleagues in cutting back after a short-lived bonanza following the accession year. Since 2013, however, an accelerating growth began. In 2018, the eleven post-communist governments spent 2.3 times more euros on cultural services (Cofog 08/2) than they did in 2004. Meanwhile, in the west the growth was a mere 7%.

On local level the eastern countries have produced an even more impressive advance than on the central scene: 2.5 times more was spent than in 2004, against a 16% growth in western cities and regions.
Going behind the “western” aggregate, national specifics are shown in selected years. This, and the next three graphs demonstrate that in France, and especially in Spain, local governments have taken greater charge from financing culture, which is not the case in Britain.

Values in million euro in all three graphs.
The downward curve of cultural spending by Dutch local governments is a perplexing phenomenon displayed in this graph.

Values in million euro in all three graphs.
The 3.2-fold increase of central cultural expenditure between 2004 and 2018 is matched by no other figure in these charts. The 270% increase of Polish local culture spending is a strong second.

Values in million euro in all three graphs.
No conclusion

It is no task of this collection to conclude. Apart from a few remarks in the captions to the diagrams we would not like to assess or explain them more. We will be delighted, however, if the data presented in these diagrams help others in assessing and explaining what they find and think about public cultural expenditure in the EU countries.

We finish off by reiterating the final comments to the more substantial analysis of the subject. The numerical amounts of finance invested into culture clearly matter, otherwise we would not have taken pains to process these diagrams. To comprehend what and how much really benefit culture nevertheless requires more knowledge about the content of public interventions. Beyond watching the amounts of funding (should especially stop mystifying percentages of GDP) we should focus more on quality, on the soundness and effectiveness of financing.

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