

# The Value of a Call

## Assessing the Autonomous Culture Call of Summa Artium, Budapest<sup>1</sup>

### The call

In the autumn of 2019, the Budapest based [Summa Artium Culture Supporting Private Fund](#) awarded 360 million forints (about one million euro) to 94 cultural operations in the frame of the Autonomous Culture Call. The objective was to compensate for the marginalised position in which the independent cultural organisations increasingly find themselves vis-à-vis the financing opportunities of the Hungarian state. The Call was made possible by a grant from the [Open Society Foundations](#), now based in Berlin.

Altogether 424 proposals arrived at the Call in the following categories:

- Theatre and dance
- Strengthening authentic places
- Contemporary visual arts closer to people
- Supporting projects of autonomous cultural organisations
- Open air contemporary arts

The 103 winning projects of the 94 organisations were selected by the Board of Summa Artium, upon the advice of two expert teams on performing arts and visual arts respectively. (Further details about the Call are presented in an *Annex* to this paper.)

How does the Autonomous Culture Call relate to the subsidies paid from public sources in the country in the same year? At first, and indeed even second or third look, the mere question appears as nonsense. The Hungarian state is acknowledged to be the European champion in terms of spending on culture. According to Eurostat, in 2017, the latest year with available data, with 1.2% of the GDP, Hungary excelled in the percentage of culture within the total general government expenditure (followed by Latvia with 1.1%). This high proportion has apparently remained the same also in the subsequent two years. In the year of 2019, we have identified 390 billion forints spent on culture from central government coffers. 360 million versus 390 billion, one against more than a thousand: does the matching make any sense? – the question emerges again.

For the answer, we shall examine the nature, structure and details of public cultural expenditure in Hungary.

### Politicised culture without policies

Unique among countries in Europe, Hungary is a state without explicit cultural policies. Certainly, the main government priorities can be put together from politicians' speeches and interviews. These are largely confirmed by the actual measures taken, including financial decisions which are the most objective signals about priorities. Yet, apart from the examination of occasional communication pieces on the one hand, and of the composition of public expenditure on the other, the observer cannot draw on any cohesive strategy, plan or programme. No cultural policy paper, worthy of the term, exists in Hungary. In fact, this is in line with the general attitude of the administration: the ruling party, Fidesz has won three parliamentary elections without producing a proper election programme and Viktor Orbán has not indulged into a face-to-face political debate for fifteen years,

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<sup>1</sup> *Nem pártatlan, parttalan* in the weekly *Magyar Narancs* (6 February, 2020) was based on this paper.

not even at election times. At entering office, ministers and state secretaries for culture rarely go beyond generalities and refrain from delivering a detailed programme or plan.

The concordance between declarations and facts, mentioned above, is, however, in part a merit. Thanks to the lack of pressure for exposing full-fledged policies, decision makers are relieved from facing the promises and deadlines contained therein. They are also saved from the solemn bullshit that abound in most high-level policy documents. This makes life easier for politicians in a pragmatic quasi-democracy.

Attempts to identify actual cultural policy priorities in Hungary meet with various hurdles. One of these is the extremely confusing arrangement of cultural items in the annual national budget. The respective lines are spread under several chapters, where the state secretariat for culture in the Ministry of Human Capacities stands for only about a third of the cultural provision. Next to tiny items like 30 million forints to the Budapest Gypsy Orchestra or 3.7 million to civil society heritage protection organisations, there are enigmatic large blocks like 20.9 billion “to public collection institutions”<sup>2</sup>.

### **Rapid reaction administration**

The absence of a stable general frame of reference is conducive to improvisation, and indeed it is its basic rationale. In 2019, as much as 33% of the cultural expenditure of the government took the form of ad hoc decrees, a phenomenon probably not matched by any other European government. On top of the relevant 100 lines in the national budget, these decisions constitute 67 separate allocations. Most observers suspect that most if not all them are the product of the unpredictable improvisation of a single person – the prime minister himself.

The same phenomenon appears one level below. A quarter of the resources of the National Cultural Fund is fully at the personal discretion of the minister, without any limitation or plan, an issue certainly without parallel in European democracies. In 2019 the minister in charge of culture (the Minister of Human Capacities) distributed 1.75 billion forints to 344 projects – we shall later visit that list.

A blatant example of the out-of-the-blue kind of measure is the case “after TAO”. The mystical acronym stands for corporate tax: between 2009 and 2018, theatres and other performing art organisations could get donations at the expense of corporate tax paid by enterprises up to 80% of the amount of their ticket sales. The total amount of this foregone fiscal revenue grew year by year; the tricks swelling the sums were open secret across town. Instead of repairing the scheme, the government abruptly called for an end. After months of nerve-racking silence, on the last days of 2018, a government decree established a fund of 37.4 billion to compensate the sector for the income that organisations had calculated in their budgets based on the deleted law. With one stroke, the government created a previously inexistent huge fund – about four times bigger than the National Cultural Fund for the entire cultural domain – for the performing arts. While distributing grants from the fund, the government violates its own promises contained in the regulation and has shamelessly endowed institutions and projects with dubious value yet definite affiliations.

### **Methodology of observation**

Before diving further into the composition of the impressive bulk of 390 billion, the total of government expenditure on culture in 2019, we shall dwell on some methodology issues. First about statistics. With the Cofog system<sup>3</sup>, Eurostat has an instrument to compare the public expenditure

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<sup>2</sup> One must admit that this reader-unfriendly character of the budget is for the most part an older Hungarian legacy, dating back before the Fidesz administration.

<sup>3</sup> Cofog, the Classification of the Functions of Government, has been applied and developed by the United Nations from the 1970s.

between countries. Cofog class 08.2 comprises *cultural services*. In principle, all cultural allocations must be put under this heading. Unfortunately, the harmonisation of cultural spending lags behind that occurring in other fields (which are often ridiculed, remember bent banana and curved cucumber). Also, many of the items do not easily lend themselves to categorisation. How to split the costs of the opening ceremony of a sport event between entertainment, sport or culture? Do subsidies to a music school qualify as culture or education? What about costs of a local religious festival: social, cultural or religious spending, and/or economic if it generates tourism revenue? Neither Eurostat nor the national authorities are capable to monitor each case and to make precise decisions. This state of affairs warns one from citing too many digits and encourages the use of rounded figures.

In fact, Hungary's eminent position in the comparison of spending on culture in European comparison has nothing to do with classification manoeuvres or errors. We are confident that fine tuning statistics will not alter the general picture. The country is among the highest spenders in the adjacent categories in class 08 *Recreation, culture and religion*, that is in *Recreational and sporting services, Broadcasting and publishing services, and Religious and other community services* as well<sup>4</sup>.

Another important feature of the Cofog system is that it distinguishes between central and local expenditure. The latter includes the public spending of the local governments: in Hungary of the three thousand plus municipalities, the counties and the districts of Budapest. There are European countries, where total local cultural spending is much superior to that of the centre: Poland is one noteworthy case, where nearly three times more is spent on culture locally than by the government in Warsaw. Hungary has been inching in the opposite direction in the past few years: today a little more than a third is spent locally. In our actual investigation, however, this dimension has no role, because all figures mentioned so far and in the rest of the paper refer to central government expenditure.

### Key Features of the governmental finances

The primary yardstick at taking a closer look at the 390-billion-forint cultural expenditure of the Hungarian state is relevance to the objectives of the Autonomous Culture call. The great majority of the state cultural expenditure, however, altogether about 70%, goes to infrastructure. Besides running institutions and organisations, construction and reconstruction dominates the list. This is especially true of the ad hoc government decrees, about two thirds of which finance buildings. We can safely establish therefore that about 70% of the 390 billion total does not relate to live cultural creation, the broader scope of the Autonomous Culture call, or only indirectly at best.

Concerning the division of the subsidies by sector, literature and the visual arts are almost absent or hidden in the central budget. On the 2019 map of cultural finances, the budget line of 30 million to the Hungarian Writers' Union is the only miniscule explicit appearance of **literature**. We nevertheless know that a considerable share of the allocation to the National Cultural Fund (maybe 10%) benefits writers and their readers and that a few more items indirectly affect this cultural domain. Among the ad hoc measures, however, 375.3 million is earmarked to the Petőfi Literary Museum, the latest power base of the regime, to finance the launching of *Országút*, a new literary journal.

No less hidden are the **visual arts**. The state can contribute to their flourishing by subsidising museums, something the Hungarian government does generously. Yet our data do not reveal which part of those subsidies benefits contemporary creation: next to historical and other collections probably a small percentage only, and the great majority is absorbed by the infrastructure anyway. We therefore refrained from considering the amounts spent on museums as a point of reference for assessing the relative impact of the Autonomous Culture call. The only single measure explicitly

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<sup>4</sup> You can read more about this in [Public Funding of Culture in Europe, 2004-2017](#).

targeting the visual arts is 53 million dedicated to memorial by Miklós Melocco to Wesselényi, a 19<sup>th</sup> century personality, via a government decree.

Support given to certain **community initiatives and common causes** was also a dedicated target of the Autonomous Culture call. Twelve of the winners can be identified as such, ranging from the Aurora Civic Centre through the upgrading of the studios of the *Tilos* (“forbidden”) Radio to the activities of the 1956 Institute or the ARC public exhibition. Owing to their amorphous nature, we are disregarding this group from spotting eventual relevant items when mapping public cultural financing.

Within the arts, similarly to most parts of the world, the **performing arts** receive the bulk of government subsidies. That was the case with the Autonomous Culture call, too, with a focus on contemporary artistic creation. Bearing in mind that contemporary creation may also prosper upon classical or conventional material, at watching public money spent on the arts, we consider all kinds of performing arts as relevant to the Summa Artium call. The 37.4-strong new fund beats everything. Without this unprecedented addition, only 1.4 billion connected to the Performing Art Act and less than a billion more from the National Cultural Fund would serve the sector.

### **A word on quality and efficiency**

Earlier in this text we used the term “dubious value”. It is not sensible – if not outright counter-productive – to apply value judgments in cultural matters. In the arts, more than in any other field, quality is a sensitive issue, especially aesthetic quality. Even if the judgment is justified by “experts” or with the number of those sharing the opinion.

Different is the case with the rationale of cultural policy decisions, the worth of which can and should be put to measure. Public support to culture is investment. Investment is done for dividend. The yields after public cultural finances can be sought in a scale that includes the economy, tourism, regional and urban policies, diplomacy, education, even health and so on. The success of cultural investment can be measured also in political terms like buying loyalty or strengthening cohesion through shared identity.

Investing into any sector is to a great degree self-referential. Its success is measured by the sustainability of the respective sphere of societal action. In this connection, key is the affinity for renewal, innovation. Assuring the availability of unbound, mobile funds available for upcoming, new players, novel approaches and experiments; the promotion of divergent thinking is a must for any sector. (This is one of the fundamental lessons of the history of western civilisation.)

Culture is no exception. Public cultural investment benefits the sustainability of the sector. Besides the status quo, the permanent regeneration of culture in the respective community is a basic duty. Supporting unorthodox initiatives is one important criterion to set against any cultural policy.

It is easy to see the high degree of overlap between autonomy and the ability for renewal. Acknowledging the autonomy of individuals and organisations, and promoting their operations is therefore a signal of the affinity for renewal of any policies.

Autonomy is an issue with special significance in closed societies. Providing assistance to autonomous cultural initiatives in Belarus or Morocco, Iran or Cambodia has a double mission: it helps culture flourish and critical thinking to prevail. (Remembering the lessons of western civilisation.) By the same logic, promoting autonomous cultural initiatives has a twofold value in Hungary today.

Unfortunately, we are lacking the techniques, indicators or even terms of assessing the soundness of cultural policies. The large body of literature on cultural policies has not produced practical instruments to tell the worth of a measure, whether in absolute terms (in the mirror of the expected

return), or in relative spectre (how else could the expected result be reached). Most of the literature on cultural policies is advocacy driven, the more for the better is the base line.

Ironically, the high proportion of ad hoc policy measures suggests a highly responsive cultural administration in Hungary. With the birth of the 37.4 billion post-TAO compensation fund the Hungarian government gained an instrument to support unorthodox cultural initiatives. Browsing the list of approved grants does not fully satisfy this hope.

### Matching lists to lists

We take it for granted that the invited jurors kept to the agenda of the Autonomous Culture (AC) call. Without the opportunity of going through the detailed applications, and without anticipating the realization of the promises in them, we consider that the 103 projects of the 94 winners serve autonomy and fresh art. By matching their list can we establish the added value of the AC call: what were the potential chances for the same operations to receive support from state funds in 2019 to realise their agenda.

We shall first see the eventual openings for the 94 AC winning operations to receive financial support from the state. For the largest group, performing art organisations, in the former years the stipulations of the **Performing Art Act** (Emtv) were the natural link. In 2019, this budget line featured 1.4 billion forints, to be distributed through a cumbersome procedure. After all, 14 organisations out of the 94 AC winners received more than 10 million forints from the various Emtv funds, and 35 more got less than that. Thus 49 winners of the call officially qualified for performing art organisations.

The sudden appearance of the **post-TAO cornucopia** has changed the scene – although this, by definition, followed the disappearance of the revenues planned to arrive through the TAO scheme. In principle, this 37.4 billion was supposed to be distributed along normative lines. Unfortunately, by the end of the year the post-TAO fund became one more basket for a wild array of debatable projects. Somewhat fewer AC winners took this hurdle than the previous one: 41 of them received from this source. Three got hefty amounts over 100,000, and 19 got between 10 and 100 thousand.

The third redistribution instrument is the **National Cultural Fund** (NKA). Next to the performing arts the operations in the visual arts and literature can also apply from this source. Although a few representatives of the independent sector take part in the decisions as members of the selection boards, the level of concordance with the AC call is even lower: 30 of them received NKA grants. This is due to the meagre amounts at the disposal of the NKA boards. Symptomatically, from the 30 AC winners only seven could get over 2 million forints.

The **Minister's Fund** from which any cultural project can be subsidised without open tender or ex post justification was introduced before. This public cultural financing nonsense is not located in the budget of the ministry – it devours a considerable chunk from the funds of the various disciplines at the NKA. Between January and December of 2019, the minister decided on 344 grants, an average of 5.1 million forints. The analysis of this list reveals the most honest portrait about the cultural priorities of the system. An equestrian project tops the list with 60 million, followed by the *Small Virtuosos* with 50 million forints. Two AC winners appear among the minister's grantees, the unbeatable *Ördögkatlan* festival and the publisher *Pesti Kalligram*.<sup>5</sup>

Redistributing public funds is not the primary function of the **Hungarian Art Foundation** (MMA). In 2019, their open call generated 689 applications, every second of which received a small average of half a million forints. Although in principle almost all were eligible, very few participants at the AC call answered the MMA invitation. Once again, *Ördögkatlan* was the only one to succeed. Two more AC winners tried and failed (*Három Holló Kávéház* and *Szegedi Egyetemi Színházért*).

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<sup>5</sup> A newly created board on „Gesamtkunst” is in fact an addition to the Minister's Fund, seen by the nature of their 20 grants. The average is 12 million, topped by 50 million to the *Small Virtuosos*, the greatest favourite of the leadership.

There exists a central sum in the national budget for non-governmental organisations to finance their projects and operation. The very name suggests its orientation: The **National Cooperation Fund** (rhyming at the official denomination of the Fidesz regime as System of National Cooperation), which does not promise success for AC winners in non-governmental status. The lists of beneficiaries from the 5.9 billion forints fund are not available. We cannot thus confront our prejudice with the realities.

### Recognition by the public

With laborious efforts, browsing the records of the 94 winners we could specify the exact nature of their values against the criteria in the AC call. We could seek benchmarks to prove their excellence, comparing them with organisations more favoured by the System of National Cooperation. (International recognition would be among these measures.) One relatively reliable test is the degree of acceptance and support that these organisations receive from the broader communities. In Hungary, the scheme of 1% channelled from citizens' personal income tax lends itself to such an inquiry. The analysis of the 27.432 lines in the spreadsheet of the 2019 choices (done after the 2018 income) shows that 5534 citizens benefitted 48 AC winners, which produced 37 million forints to them: more than half went to *Tilos Radio*. (Each taxpayer could nominate one beneficiary only.)

In addition to the top ten AC winners on the 1% list we added a few more cases with the numbers of supporting persons to underscore the value of the citizens' recognition, a tangible proof of the worth of these organisations in the eyes of their communities.

- 2723 – *Tilos Radio*
- 882 – *Menhely*, an independent theatre group
- 447 – *Pintér Béla és Társulata*, a key player in the alternative scene
- 264 – *Veres 1 Színház*, an independent theatre
- 123 – *Apolló Egyesület*, a cultural ngo
- 32 – *Magyar Állami Operaház*, the national opera theatre
- 7 – *Magyar Nemzeti Múzeum*, the national museum
- 3 – *Nemzeti Színház*: three taxpayers chose to channel their donation to the national theatre

The only full list with which to compare the AC winners' scores is that of the MMA application that was briefly mentioned above. 38 organisations received the top 1 million forint MMA grant. From them eight appear on the 27.432-line spreadsheet of the 1% donations thanks to altogether 95 citizens. This roughly equals the 92 taxpayers who chose *Ördögkatlan* festival on the AC list.



We can conclude that although not excluded or administratively discriminated, the 94 operations that the juries of the AC call recognised as defenders and promoters of progressive artistic and other causes were marginalised during the distribution of public finances for culture in 2019. It is no exaggeration if we consider them orphans of the regime who, on the other hand, have been readily adopted by the citizens, when opportunity allowed. The 2019 Autonomous Culture call was at the same time a symbolic act and an effective contribution to the sustainability of independent cultural creation in the country.

Most of the supported projects could not be realized without the support of the Summa Artium Culture Supporting Private Fund, and with a high probability, several organizations would have ceased their operations by now. By early 2020 the Fund is empty, having paid the contracted sums to the supported organizations. The question of continuity is raised at every instant, and Summa Artium is working on filling up the Fund for a new call to be made in the middle of 2020.

## **Annex: Further details on the Autonomous Culture call**

Altogether 424 proposals arrived at the call in the following categories:

1. Theatre and dance
2. Strengthening authentic places
3. Open air contemporary arts
4. Contemporary visual arts closer to people
5. Supporting projects of autonomous cultural organisations

The 103 winning projects of the 94 organisations were selected by the Board of Summa Artium, upon the advice of two expert teams (performing arts and visual arts). The main features of the respective categories are summarised on the basis of the winning applications.

### **1. Theatre and dance**

Within this section, the grants cover three areas.

#### **1.1 Classroom theatre.**

20 million forints have been divided between three applicants to realise regional showcase events in three regions of the country. The grant contributes to 34 theatre and dance productions to be performed in front of a high school audience at 118 occasions.

#### **1.2 Continued performance**

63.6 million forints serve the continued performance of 94 pieces at no less than 506 occasions by 21 autonomous theatre groups.

#### **1.3 National showcase**

The fifth edition of the *DunaPart* national festival receives 6.8 million forints. Independent groups present 26 selected productions to critics and cultural managers from the country and abroad at this highly successful event of the autonomous theatre scene of the country.

### **2. Strengthening authentic places**

109.2 million forints (an average of 3.9 million) contribute to the subsistence of 28 autonomous cultural organisations, providing services or information for artists and the audience. Their activities most typically include providing venue and infrastructure for exhibitions, producing publications and performing art events with specific societal engagements, or publishing critical reviews and studies.

### **3. Open air contemporary arts**

In this category 10 open air events received altogether 28 million forints which enables them to include contemporary artistic creations in their programme. These projects attain tens of thousands of people, in the majority of cases reaching out to social groups that would otherwise have limited or no connection to contemporary arts.

### **4. Contemporary visual arts closer to people**

27 exhibitions and 2 projects aiming at the promotion of contemporary visual arts have been supported with 28.5 million forints. 11 organisations take charge of the execution of this activity.

### **5. Supporting projects of autonomous cultural organisations**

28 autonomous cultural organisations have received 103.6 million forints to support the realisation of a variety of nearly 400 projects that include films, theatre and literature. The greatest single subsidy of 10 million went to the association that includes many of the best known writers of the country and which is usually dispreferred by public cultural financing channels, to help them run literary clubs.