

Catalunya and its Cultural Industries:
Policy Pitfalls and Policy Opportunities

by J. Mark Schuster
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A Submission for the *White Book on Cultural Industries*,
Institut Català de les Indústries Culturals

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The creation of a new governmental agency, even one that will be afforded some degree of independence from government, raises a wide variety of public policy questions. What policies will that agency pursue? How will they differ from the policies pursued by other agents of government? How will they complement one another? How will the ecology of government action change? But most important is the question: What will be accomplished?

The Institut Català de les Indústries Culturals has a rather unique mandate. It is to concern itself, first and foremost, with the *production* of cultural goods and services. Thus, it will focus its attention on organizational and industry activities in the profit-making sector, the nonprofit sector, and perhaps even the governmental sector. (Yet its mandate appears to stop short of considering production in the unorganized and non-institutionalized amateur sector.) This mandate goes well beyond what is normally suggested by the phrase “cultural industries” as it is used in the cultural policy literature; typically, this phrase has been used to describe those fields whose focus is on large scale *reproduction* of cultural *products*, a field firmly rooted in the for-profit sector of the economy. Thus, ICIC is being asked to undertake a set of tasks that are not normally packaged together in the design of government cultural policy agencies. ICIC’s task is made no easier by the fact that it will operate in the context of a number of pre-existing agencies of the Generalitat, each of which already contributes in one way or another to the cultural policy portfolio of the government of Catalunya.

Although this White Book has not been commissioned to address policy directly —its expressed purpose is to map the situation of the cultural industries of Catalunya, focusing on description rather than prescription—it would be a mistake to conduct this work independent of the question of cultural policy, that is to say the question of intentional action on the part of the state. The fact that this report was mandated as part of the legislation that created ICIC suggests that there was an intent to pursue new (or at least reorganized) forms of state action through ICIC and an interest that that action be well informed. So the task of the authors of the chapters presented here is twofold: to describe and to push (ever so gently) in policy directions that are likely to prove productive

Of course, “public policy” is often little more than local politics dressed up in policy garb in order to be seen in public. It may not be deliberate or even well informed. This may be the case in Catalunya—or it may not—this is not for me to say. But even if politics plays more than a minor role in the formulation and implementation of policy, it is still

worthwhile to focus on the theory of public policy intervention in order to think about just what ICIC might be able to accomplish from its new vantage point—or, if one prefers to frame its influence in a more provocative way, from its new bully pulpit.

Other contributors to this volume have concentrated on the specifics of the situation of the Catalan cultural industries. I prefer to use my contribution to consider a number of questions concerning cultural policy more generally, with an eye toward the eventual role to be played by ICIC. This will be the focus of my contribution.

A Conceptual Introduction to Public Policy

Before addressing the questions, dilemmas, and paradoxes that might arise out of a reorganized policy initiative with respect to the cultural industries, it will be of use to have a common set of concepts and a common vocabulary. Whether my conceptual map will be the one to be adopted by ICIC is less important than whether or not ICIC will develop a clear, consistent, and transparent way of thinking about, explaining, and developing its work.

Policy

Let us use the word *policy* to mean the *intentionality* behind the collection of programs that are designed to achieve a particular set of outcomes. Then, *public policy* is the intentionality embodied in the actions of government.

Policies may be *explicit*—in which case we should be able to observe them through the published documents of the agency that is promulgating them—or *implicit*—in which case they will have to be inferred from the statements and actions of agencies of government. All things being equal, explicit policies better serve the public interest in that they are visible, transparent, and easily subjected to debate, assessment, and revision.

Along a slightly different dimension, policies may be both *espoused* and *de facto*. In other words, the actions that are actually chosen—and the policy that is revealed through those actions—may be in agreement with the announced policy or they may be at odds with that policy. They should be judged accordingly.

Policy Influences

There are a number of *influences* at work in any policy system. These influences include mandates (either funded or unfunded) from a higher level of government; legislation and/or funding, which proceed from the legislature; directives from the executive branch; political influence exerted within the elected political system; political influence exerted through lobbying from outside the elected political system; and the like.

Of course, these influences are not entirely unidirectional. Policy agencies may lobby and provide information on their own behalf, actions both of which are intended to shape the influences that they are experiencing and, ultimately, the policies that they will implement. In most cases, policy agencies are the most direct representative of the policy needs and desires of the field that they serve, though having recognized this one also needs to be aware of the danger of regulatory capture, through which policy agencies are “captured” by the field that they are intended to influence, thereby turning their policies away from the public interest and toward the private interest of those who have managed to capture the policy agency and its agenda.

Programs

Policies are translated into action through *programs*. Programs are composed of four primary elements:

- Programs are designed keeping in mind a variety of possible *institutional arrangements*: direct operation of the program by a state agency; the use of an external organization as a policy surrogate (through contracting or grant making); or the establishment of a QUANGO, a government authority, or some other type of arm’s length agency. In other words, there is a choice as to the appropriate institutional structure through which a program will be expected to operate. (In this regard, ICIC will need to develop a clear understanding of the role it is afforded by being an institute rather than a department as well as a clear understanding of the sorts of organizational structures through which it might choose to pursue its goals.)
- Programs draw on a set of the generic *tools* of action that are available. The set of available tools differs depending on whether the policy is being implemented within government, in which case the list is broader, or through a non-governmental or quasi-governmental organizational form. The set of available tools also differs according to the level of government that is designing the program. Such tools include, but are not limited to, direct government ownership and operation, the provision of incentives, regulation, the provision of information, and the definition and enforcement of property rights. Thus, there is a choice among tools. (This is a particularly key point for ICIC, which will find itself being drawn into questions of intellectual property rights as much as toward the making of grants, and into questions of appropriate incentives as much as toward restrictive legislation.)
- Programs draw upon available *resources*: cash, personnel, capital, information, in-kind contributions, and the like. Thus, the use of resources entails a third set of choices in program design. (For ICIC, the question will be whether its action will be structured simply around financial resources, or whether it will act by providing services in kind through, for example, technical assistance or information.)
- Programs focus on a particular *point of leverage* in the set of societal behaviors they wish to affect. In the case of the cultural industries we would expect them to focus

on one stage or another in the production process for cultural goods and services — training, creation, innovation, production, reproduction, diffusion, etc.—yet another program design choice. (ICIC may choose to intervene at any or all of these stages in the production process, but that choice needs to be made with a sense of where the most important points of leverage for particular firms and particular industries might lie.)

Thus, a program is a package of elements explicitly chosen because that specific package is expected to be particularly effective in pursuing policy.

Targets and Outcomes

The intent of any public policy is to affect behavior in a way that would not be possible in the absence of that policy intervention. If policy is synonymous with intentionality, then each program will have *intended targets*—individuals or organizations whose behavior is intended to change as a result of the policy intervention—and *intended outcomes*—e.g., increased participation, improved financial stability, increased competitiveness, higher levels of innovation, and the like. *Actual outcomes* are often different from *intended outcomes*, and an appropriately self-reflective policy agency will design its policies and programs to facilitate the evaluation of those interventions in order to assure that the actual outcomes are the intended outcomes.

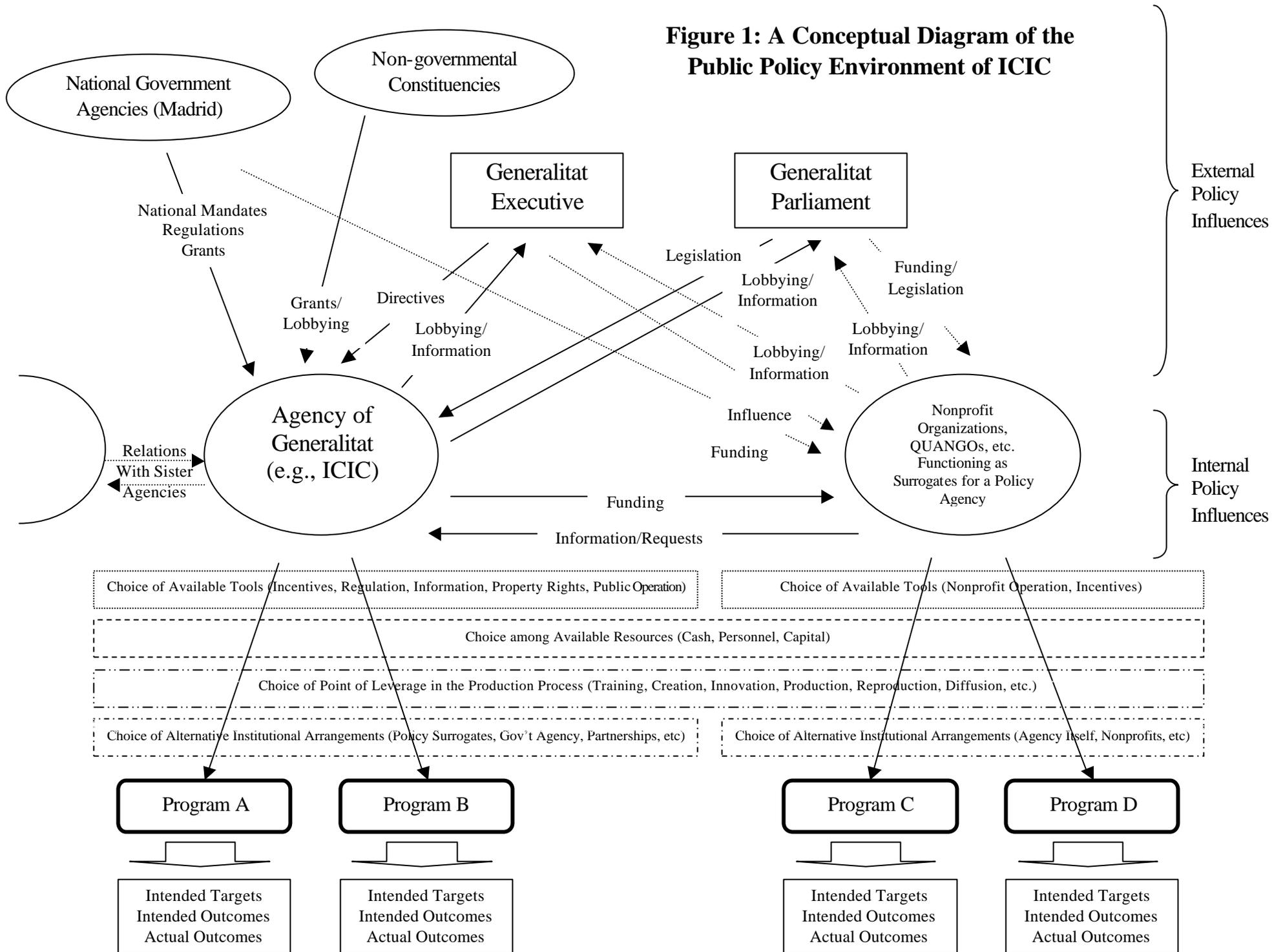
Because targets and outcomes are more intimately linked to programs, though they are certainly informed by policies, the success of the work of any policy agency will be judged first by the success of individual programs and only later by the sum total of the program successes in pursuing policy. Thus, when it comes to evaluation and assessment, attention will inexorably be drawn to the program level. It is one thing to assert that a policy has been a success, it is quite another to demonstrate that empirically at the program level.

Figure 1 summarizes the relationships that are embodied in this way of conceptualizing the realm of public policy. But more importantly, Figure 1 offers a roadmap that can be used by ICIC to reflect upon and make explicit its policy choices and program decisions.

Questions to Ask of Current Public Policy

ICIC is not moving into a virgin terrain devoid of policy. Any number of pre-existing agencies and programs of the Generalitat already conduct public policy vis-à-vis the cultural industries. Thus, another contribution of this White Book is to help in the mapping and understanding of these current policy initiatives.

Figure 1: A Conceptual Diagram of the Public Policy Environment of ICIC



Such a map ought to be based on four very simple, practical questions:

- *What* are the various agencies and programs that are promulgating cultural policy vis-à-vis the cultural industries actually doing?
- *Why* are they doing it?
- *How* are they doing it?
- *How well* are they doing it? (What difference does it make?)

ICIC’s legitimacy will depend upon the quality of its diagnoses of the current situation as well as upon its ability to add value to the policy initiatives already in place. Careful research and transparent action seem to be called for.

But even here the policy analytic terrain is a bit more complicated than might first appear. Any agency that is an agent of public policy has to concern itself with a number of the effects of public policy, both primary and secondary. Figure 2 helps to make this point.

Figure 2: Policy Goals v. Policy Impacts:
 ICIC’s Interest in the Impact of Cultural Policy and the Cultural Impact of Other Policy

Policy Effects \ Policy Intents	Policy of ICIC with respect to cultural industries	Policy of other agencies with respect to cultural industries	Policy of other agencies with respect to other sectors
Impact on cultural industries	v v v	v v	v
Impact on other areas	v	—	—

ICIC’s primary mandate is to promulgate public policy with respect to the cultural industries. Accordingly, its primary concern will be on the impact of that policy on the cultural industries themselves. But other agencies will promulgate policy that will be directed at (or affect) the cultural industries, and ICIC will need to be concerned with the cultural impacts of those policies as well, both because of coordination issues with its own policies and because of its overall concern with the welfare of the Catalan cultural industries. Policies of other agencies with respect to targets other than the cultural industries may have secondary impacts on the cultural industries, and careful policy design will attempt to map and take account of those effects, as well. Finally, ICIC’s policies will have secondary effects on areas of interest outside of the cultural industries, and a self-reflective agency will be sure to track and understand those secondary impacts.

While both the cultural industry policies and the non-cultural industry policies of other agencies may also have impacts outside of the cultural industries (in the first case, secondary effects and in the second case, primary effects), ICIC should not be expected to monitor these impacts. Thus, ICIC should design its administrative procedures to pay focused attention to the two upper-left-hand cells in Figure 2 as well as to pay identifiable though perhaps somewhat less attention to the upper-right-hand and lower-left-hand cells.

The Relationship between Mapping and Policy

The compilation of the White Book is a mapping project. But the innocuous word “mapping” encompasses considerable complexity. When one constructs a map, decisions are being made as to what to map and what not to map; decisions are also being made as to how to map those things that one has decided to map. The map, to a large extent, determines what one sees and what one does not see. For example, it is much easier to detect and map direct interventions such as operating subsidies and grants than it is to detect and map indirect interventions such as tax concessions. Thus, one needs to be careful about each and every one of the chapters in this volume (including the current one!). What sort of map does each chapter present?

Here we can take a lesson from what is understood about the process of mapping. The path of least resistance would be to let the map reflect widely accepted categories and current organizational structures. The documents that have surrounded the creation of ICIC have consistently listed a set of disciplinary subsectors with which it will be concerned: books, cinema, video, the recording industry (records, compact disks, cassettes, DVDs), the performing arts, the visual arts, and the media (television, radio, and the press). Indeed, these subsectors virtually define the work of the agency. For the most part these subsectors are unsurprising as a mode of classification; indeed each of the separately identified subsectors would expect itself to be separately identified within the work of ICIC. Each undoubtedly feels that it is entitled to its share of the policy intervention of the new agency, at least, that is, when it comes to the distribution of resources.

But simply mapping the cultural industries according to these subsectors reifies this categorization well beyond its ability to sustain informed public policy. Once one lists each subsector, the implication is that each one then needs its own policy. Each subsector somehow comes to deserve a policy intervention that it can call its own. This logic, of course, reproduces itself within each subsector. If you operate within one of these subsectors then surely you are entitled to the benefits of the policy that is being doled out to that subsector. As far as financial support is concerned, you are just as entitled as the next possible recipient in the class, but when other tools of government action are employed, in particular tools that make distinctions and tools that constrain, that is a different matter.

There is another serious implication, though one that is a bit less clear, that derives from conceptualizing the field by subsector. Once the policy terrain is arranged in this manner

it because rather tempting to conclude that each subsector's situation is unique. Attention is focused within the sector and possible policy prescription is seriously attenuated—we can only do what has been done before with only slight modifications. Learning *across* sectors becomes much less likely because of the way in which the field has been conceptualized and its policy agencies have been organized. Yet, much of the change in the cultural industries is being driven by dramatic advances in information technology, a change that is transversal rather than subsector-specific. ICIC needs to be careful that it creates detection mechanisms that are sensitive enough to detect more than subsectoral concerns and opportunities.

Structuring policy by subsector may dictate policy response in another way. If ICIC is conceptualized around the *producing* subsectors of the cultural industries, then it will almost automatically choose a set of supply side strategies for its interventions. That is to say, it will be inexorably drawn to support those who supply cultural goods and services, hoping to assure in one way or another that the supply is increased. Surely this would be seen as a good thing; *ceteris paribus*, most in the cultural field would assert that more cultural production is certainly better than less.

Support for a supply side strategy comes forth quite naturally; those whose work will be financed or supported are easily identifiable and well-connected—they form a ready and capable lobby. Moreover, a supply side strategy has the additional attribute that it is rather easy to know what one would count and what one would observe to document the program (e.g., “We gave fourteen grants totaling 100,000 € to ten different companies.”). But one hastens to add that such documentation is most assuredly neither assessment nor evaluation.

But, even more critically, this way of proceeding would be taken at the risk of ignoring one of the most important concepts brought to public policy analysis by economists, the concept of *opportunity cost*. Simply put, the notion of opportunity costs ask us to consider what we are giving up each time we make a decision as to what we will do. What are the alternative uses to which we might have put the resources in question? Might we have been more effective in achieving our goals if we had made a different choice? A set of structural decisions that leads to a supply side approach would lead policy away from the conceptually different issues that might be confronted on the demand side. What could one accomplish (and what could one accomplish better) if one were to focus policy on the consumption of cultural goods and services rather than on the supply?

Internationally, cultural policy has traditionally focused on the supply side. Arts institutions need to be supported, heritage sites need to be protected, unfamiliar or unpopular art forms need to be propped up, or so we believe. But recently a rather stunning change has begun to occur. Cultural funding agencies have begun to move away from supply side strategies, particularly away from ongoing operating support of large-scale organizations, and to move toward demand side strategies. The most striking of these has arguably been in the Netherlands where the Secretary of State for Culture is on record as saying that it is his plan to move Dutch cultural policy quite explicitly in this

direction.¹ If one focuses on demand, the boundaries of the subsectors become much less critical for policy design. If one focuses on supply, on the other hand—and there will be powerful political lobbying forces on ICIC to choose this standard and well-understood route—they will drive the discussion. It seems to me that ICIC needs to be particularly aware of the supply side trap. Structures reify and dictate certain ways of proceeding.

When money is at stake, as presumably it will be, there is tremendous pressure to increase the number and scope of recipients of that largesse of the state. Here, too, the nature of the mapping—and the nature of the thinking—that one does is critical. Does existence necessitate support? Does one have to support all who might qualify for that support by virtue of the fact that they operate in an identified cultural industry? Or will support be directed only toward those who can bring particular strengths to the table or who are encountering particularly problems that hinder their ability to pursue the public interest (as articulated in public cultural policy) effectively?

To be effective and efficient any policy agency has to figure out how and when to say “no” to those who seek its support. And it goes almost without saying that it should make such determinations in an authoritative, transparent, justifiable, and accountable manner. There has been considerable debate in the cultural policy literature on appropriate performance indicators for cultural policy agencies and their clients—ICIC itself will undoubtedly encounter pressure to develop performance indicators at some point, to judge both its own operations and the operations of its clients.² But these indicators will only be as good as the policy is clear (and clearly followed).

Other Policy Considerations

As I have reviewed the domain in which ICIC will work and the drafts of the various chapters that have been included in this volume, a number of other observations and questions have emerged. I now turn to a number of these considerations. They are presented here more as an unordered list than as part of a tightly development argument. Think of them as collected thoughts on cultural industry policy issues in Catalunya.

Let me begin with the question of scale. What does it mean to have a cultural industries policy in a place the size of Catalunya? In a nation with approximately 6 million inhabitants, what might be the distinguishing features of such a cultural policy? How might the policy of Catalunya differ from the policy of the other autonomous

¹ Dr. Frederik van der Ploeg, *Principles on Cultural Policy in 2001-2004: Culture as Confrontation* (Zoetermeer, The Netherlands: Ministry of Education, Culture and Science, 18 November 1999).

² For one introduction to the deployment of performance indicators in the arts and culture, see J. Mark Schuster, “The Performance of Performance Indicators (in the Arts),” *Nonprofit Management & Leadership*, Vol. 7, No. 3, Spring 1997.

communities of Spain? How might it differ from the policy of other geographic entities of roughly the same size, an American state, for example?

It may well be that the driving factor here is language. The rejuvenation of the Catalan language and its spread in the years since democracy have been remarkable, and the concern about developing a market for cultural products presented in the Catalan language is real. It may be that cultural industry policy is really language policy, though in a slightly different guise. This is a question that ICIC needs to consider. Is ICIC intended to promote *Catalan content* in cultural production or is it intended to promote *cultural production* in Catalunya? If the former, does Catalan content mean something more than the Catalan language? If so, what? If the latter, is ICIC really in the business of economic policy rather than cultural policy? If not, in what ways is it not?³

There is substantial opportunity for policy confusion here, especially since other governmental agencies exist to deal with the regularization and promotion of the Catalan language, with economic development in Catalunya, and with the arts and culture and heritage of Catalunya. How are the policy envelopes to be defined and parceled out?

There are other important factors to consider in promulgating policy at this scale. In a place such as Catalunya it is likely that all of the major players in a particular subsector know and interact with one another. Moreover, their links to government are likely to be close and personal. How is it possible, then, to develop a policy that will be built on hard choices, on saying yes to some and no to others? Will the network of interpersonal relationships be so strong as to undo the effect of any policy initiative, moving the system toward indiscriminate support for all?

The nature of Catalan politics, as I understand it, will magnify this problem. Despite clear differences among the various political parties, when it comes to actually running the government there is a high value placed on consensus. The process of consensus building can easily lead to policies that are designed to result in consensus rather than in effectiveness. And that may be a desired outcome, but if it is a desired outcome, policy will ultimately be judged by a different calculus than the rational choice calculus I have employed in the earlier sections of this paper. The process of democratization in Catalunya, and in Spain more generally, has led to the adoption of a set of values that emphasize everyone having a voice and everyone having a piece of the action.⁴ Policy in its purest form—determining public objectives and making decisions within limited

³ Of course, the supply v. demand question arises here once again. Is it enough to increase the supply of cultural products that make use of the Catalan language? Or should one be thinking about policies that would lead to a change in demand (perhaps by a vigorous translation policy, translating Catalan cultural products into other languages)? But maybe that would be seen as undoing a truly Catalan policy. The choice is not easy, and limited resources constrain ones ability to do both. The danger is to attempt both without distinguishing clearly between the two.

⁴ To take a concrete example, the policy of electing university provosts through a process of universal (albeit weighted) suffrage of the faculty, administration, staff, and students, strikes the American eye as unlikely to advance the public interest in higher education. We would be much more likely to argue that the decision made by a board of trustees more reliably advances the public interest.

resources to pursue those objectives—in some fundamental way cuts against that firmly held value.

The temptation to include everyone in a subsector within the policy envelope is also a temptation that leads away from the collection of hard evidence on program success. The criterion of inclusion—which focuses on process—replaces the criterion of effectiveness—which focuses on outcomes. If one wishes to focus on the latter, which I would argue a policy agency ought to do, very careful thought will have to be given as to where the policy-relevant data, information and evidence are to come from. ICIC may well have a role to play here, a role that has been launched, in some sense, by the compilation of this White Book. But the authors of the other chapters have had to contend with a chaotic and sporadic data environment. In some cases, no data were available (at least publicly); in other cases, the data are affected by the biases of the organization that collected them (and the purposes for which they were collected); in yet other cases, there is a considerable volume of data available but it is difficult to know exactly what the data mean in policy terms.

There is a compelling case to be made for the development of an information and research infrastructure that can be used to inform policy.⁵ This, of course, would not only be of relevance to ICIC; it could be of considerable use to any government agency that might find itself interacting with the cultural sector in the course of its policy activities.

As the authors of the papers included in this volume met to discuss their emerging analyses, a number of questions arose about the role and direction of policy. I now turn to a number of those questions, not to provide answers but, rather, to commend these questions for explicit consideration by ICIC.

Policy formulation often includes multiple goals and objects, and these goals and objectives often find themselves in conflict with one another. What are some of the more vexing dilemmas that ICIC might face?

One dilemma is that democratization and decentralization can find themselves in conflict with concentration. ICIC might interpret its role as aiding and developing new enterprises wishing to enter the cultural industries. They might focus on incubation and innovation. This might be particularly attractive if it can be combined with a geographic policy targeted at developing firms and industries throughout Catalunya. But such a policy might find itself at odds with a policy whose main impetus is the strengthening of the Catalan cultural industries. Such a policy might find concentration an attractive way to solidify and strengthen selected elements of these industries. Should policy strive to make one or two firms as strong as possible with the possibility that others will be weakened? Should policy select winners? Or will ICIC end up trying to do a bit of both

⁵ For a discussion of emerging models of the research and information infrastructure for cultural policy elsewhere in Europe, Canada, and the United States, see J. Mark Schuster, *Informing Cultural Policy: The Research and Information Infrastructure* (New Brunswick, NJ: Center for Urban Policy Research, forthcoming).

(which may mean not doing a particularly good job at either)? It depends on how the ultimate goals of the agency are actually interpreted.

The phrase “cultural policy” masks another dilemma that is hiding just under the surface. Is cultural policy fundamentally a culture policy—a policy that is targeted at changing, strengthening, improving the culture of Catalunya—or is it fundamentally a geographic distribution policy, or a language policy, or an economic development policy, or a national identity policy, all of which may be pursued in a manner that is sensitive to cultural elements, thus leading to a cultural [fill in the blank] policy rather than a culture policy per se? ICIC will reveal its answer to this question through its actions.

Perhaps the central concern of ICIC is the more effective marketing of cultural products, whether they are goods or services. Even so, which marketing strategies to pursue is a function of one’s objectives. If marketing is the solution, what is the central problem?

- How to sell Catalan cultural products (products with identifiable Catalan cultural content) outside Catalunya?
- How to sell cultural products produced in Catalunya outside Catalunya?
- How to sell Catalan cultural products inside Catalunya?
- How to sell cultural products produced in Catalunya inside Catalunya?
- How to change the image of Catalan culture?
- How to make Catalan content a mark of quality?
- Or is it something else entirely?

To make these questions concrete, if the recording industry was owned locally and was economically very successful but was selling mainly music with Castilian content, would that be considered a success? If the recording industry was primarily located in Madrid but was having considerable success in selling music by Catalan composers and singers sung in Catalan, would that be considered a success? The answers depend entirely on one’s objectives, and the objectives would have to be clarified in order to make an evaluative statement about the performance of any program designed to pursue one or the other of the objectives suggested by these questions.

Another dilemma in Catalan cultural policy is embedded in the idea of a *national* cultural policy. Even though cultural policy in Catalunya can, in an important sense, be thought of as national, particularly if one focuses on the nation-defining capabilities of a common language, Catalunya does not have at its disposal all of the tools that one would normally have if one were designing and promulgating national cultural policy. Most significant in this regard with respect to the cultural industries is the fact that tax incentives are, more or less, off of the table because the tax structure is established through central legislation

in Madrid. This may be a serious handicap, particularly if one considers the degree to which tax incentives of various sorts have become a favored instrument for cultural industry policy in any number of countries. Thus, the choice of tools made by ICIC and the Generalitat may be constrained by the fact that they are not entirely free to choose among the full set of tools.⁶

It has often been said that “an old tax is a good tax.” What is meant by this aphorism is that once a tax has been in place for a long time the economic system has had sufficient time to adapt to it and its effects. The result is that it becomes completely internalized and in some sense disappears from conscious decision making. ICIC might find itself addressing a related question: Is an old subsidy a good subsidy?

There are undoubtedly many traditional policy practices in the policy envelope that ICIC has inherited. Take, for example, the generic support grant for the publication of books in Catalan. This program provides automatic support to the publishers of Catalan books, the support is provided by an automatic and predictable formula. But what types of books does the generic support formula prefer? What types does it reward disproportionately? What types of books receive little support from the formula? Would informed public policy want to make distinctions among various types of books? Probably so, but it is also true that there is a lot of investment in keeping the generic support grant functioning in exactly the same way that it has been functioning. Is it worth the effort to try to change it? Or might we conclude that an old subsidy is a good subsidy, continue it without change, and look for other new policy initiatives to implement that might offset its effects. For a full analysis ICIC would want to look across publishers, across types of books, over time, and across any number of other dimensions that would help inform policy.⁷

When is policy called for and when is it not called for? This is another subtle and complicated question that ICIC will have to address. Any policy agency of the state will be called upon to decide when a policy intervention is appropriate. This means that it will also have to decide when a policy intervention is not appropriate. In our working sessions during the preparation of this White Book, the area in which this question seemed to arise time and time again was the area of training. The Generalitat has a commitment to providing university level training for students wishing to enter the various cultural industries, and there is a general recognition that this training is becoming more and more technical with the increasing importance of new technologies

⁶ It is important to note here that even at the highest level of government an individual agency may not have access to the full list of tools; the ensemble of the government’s agencies, however (including the executive, legislative, and judicial branches) will have full access. The result is that the use of certain types of tools will only be found in certain parts of the government bureaucracy, and this is why one needs to be vigilant and inclusive when mapping the full range of cultural policy at any particular level of government and why one may need to cross bureaucratic boundaries to implement the most effective programs.

⁷ It would also be important, of course, to look at the history of this subsidy. Why was it provided in the first place? On first glance, it seems to be somehow related to the notion of a guaranteed minimum purchase by the state of any book that the publisher is willing to publish in Catalan, but I may be wrong in this guess.

in all of these industries (and in inventing new ones). Thus, there is an assumption that the state will be the supplier of such training. Alongside this assumption is a second assumption that it would be wasteful of society's resources if the number of students being trained was not kept in balance with the expected labor demand. Thus, there is a conscious policy decision as to the number of slots to be provided in the various training programs. Yet, these assumptions are accompanied by a third assumption that cuts against the second: training opportunities must be distributed throughout Catalunya and not simply concentrated in one or two places. This third assumption results in a policy that reflects the desire of local authorities to offer a full roster of training opportunities for local residents as well as from a strongly held value in Catalan society of the importance of remaining close to your roots (which results in less mobility than one might expect).

But one might ask whether such a level of geographic distribution and duplication is really in the best public interest. Would it not be better to concentrate these resources in one or two centers of training excellence? And why should the state be the controlling factor in training, rationing spaces as it changes its assessment of the demand for particular types of skills? Would training be better served by having it respond more directly to market forces, allowing potential students to take the responsibility and risk for pursuing training of various types?

I raise this point not to challenge the Catalan (or Spanish) training structure as much as to suggest that this is one example in which one might reasonably ask whether it would be preferable to have no public policy at all, or at least no public policy beyond the provision of various sorts of scholarships and fellowships for deserving students in various fields.

Another point that seems rather important with respect to the conceptualization of the policy envelope of ICIC derives from its focus on production. As I have already suggested, policies toward the cultural industries in other places have focused on those industries in which cheap, mass reproduction is the central characteristic. These industries produce cultural goods. But ICIC's production mandate has been broadened to include the live performing arts, "industries" that are producing cultural services. One suspects that policy vis-à-vis the production of cultural goods ought to differ in some fundamental ways from policy vis-à-vis the production of cultural services. ICIC will find itself having to grapple with this difference, and it would be best to think explicitly about this question from the outset.

Finally, an important element in the debates that led to the creation of ICIC has been the recognition of increasing globalization and internationalization in the cultural industries. It is hard to imagine that one agency in a country of 6 million people will be able to turn back the tide of globalization and standardization of cultural products. Yet, it seems worth trying. Is it an exercise in futility? Maybe. In any such policy doomed to have only a minor influence at the margin? Perhaps. But there is a cultural importance in being seen as attempting to do something about it. Perhaps in the end the struggle will

turn out to be more important, at least symbolically, than any victories that might be achieved.