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# Governing arts through valuation: The role of the state as network actor in the European Capital of Culture 2010

Lukas Crepaz<sup>a</sup>, Christian Huber<sup>b,\*</sup>, Tobias Scheytt<sup>b</sup>

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#### ABSTRACT

In modern societies, the state plays a crucial role in the management of the arts through funding and more or less direct political intervention. Among these processes practices of valuation supported by specific accounting techniques play an important role. We propose that in order to understand the decision-making processes of the state, their effects on the arts and their management, and how the state and the arts become intertwined in arts management, can be studied through focusing on practices of valuation. This also enables researchers to understand the role of accounting in this intertwinement better. Drawing on David Stark's concept of heterarchies, we explore the complex practices of valuation in a qualitative case study of the European Capital of Culture (ECC) 2010, 'Essen for the Ruhr Area'. We show how the state was constructed through multiple actors who acted on behalf of 'the state' by using diverging principles of valuation in their interaction with the ECC project organization and its around 300 projects. Our paper contributes to the literature on arts management by casting light on the heterarchical structure of the state, the multiple practices of valuation entailed in its construction and their intertwinement with the arts in arts management. We illustrate the potential of Stark's work on heterarchies for studying the state and the eminent role of valuation practices for studying accounting.

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Irgendwo giebt es noch Völker und Heerden, doch nicht bei uns, meine Brüder: da giebt es Staaten.

Staat? Was ist das? Wohlan! Jetzt thut mir die Ohren auf, den jetzt sage ich euch mein Wort vom Tode der Völker.

Staat heisst das kälteste aller kalten Ungeheuer. Kalt lügt es auch; und diese Lüge kriecht aus seinem Munde: Ich, der Staat, bin das Volk."

(Nietzsche, 1885/1999, p. 61)

E-mail addresses: lukas@crepaz.org (L. Crepaz), huber@hsu-hh.de (C. Huber), scheytt@hsu-hh.de (T. Scheytt).

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a RUHR.2010 GmbH & Kultur Ruhr GmbH Leithestrasse 35, 45886 Gelsenkirchen, Germany

<sup>&</sup>lt;sup>b</sup> Helmut-Schmidt-University – University of the Federal Armed Forces Hamburg, Department of Management Accounting & Control, Holstenhofweg 85, 22043 Hamburg, Germany

<sup>\*</sup> Corresponding author.

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Somewhere still there are peoples and herds, but not where we live, my brothers:

here there are states.

State? What is that? Well then, lend me your ears now, for I shall say my words
about the death of peoples.

State is the name of the coldest of all cold monsters. It even lies coldly, and this
lie crawls out of its mouth: "I, the state, am the people."

(trans. A. Del Caro; Nietzsche, 1885/2006, p. 34)

#### 1. Introduction

Whenever we encounter art, we start to value. It is in the very nature of works of art to provoke valuations. Particularly in social contexts we are accustomed to discuss – to advocate and to attack – art, with respect to their valuing of our own existence and of our social life. As art is a social process and a necessity for societies, we commonly accept that art is funded by the state. And indeed, societies have, since the very beginning of modern history, accepted that the state's decisions on financing artistic production more or less directly and quite considerably influence the arts. Yet decisions on funding arts are inevitably bound to processes of valuation, on a societal or state level just as on the level of an individual.

But how does the state value art? We argue that this question is both important and misleading. Clearly, the arts and their management are dependent on state funding and state support more generally. Clearly, through its funding mechanisms, accounts and political decisions, the state values some forms of arts higher than others, fostering some initiatives while not funding, and thereby explicitly or implicitly devaluing, others. New public management (NPM) has increased the pressure for states to justify their funding and regulate practices through accounting technologies, such as 'value for money' frameworks. Much less clear is the manner in which the state and the arts are intertwined. Politicians who brand themselves as patrons of the arts, public audit committees which demand accountable use of funds and interfere with artistic directorates, art managers who act like – or even become – politicians, and so on, all make it much more difficult to understand how the state is connected to the arts and their management.

The following example might shed light on what we mean. When the RUHR.2010, the project organization responsible for the European Capital of Culture campaign in 2010, planned to publish the first program brochure in 2006, they decided to use a rough, uncoated paper for the booklet. The idea behind this was that a region being shaped for more than a century by its heavy industries, with the consequence of high unemployment rates and ecological problems today – and now ready for becoming a region focused more on culture and arts – should show its open wounds to the European public. The ministry of culture of the state of North Rhine-Westphalia, however, one of the financiers of the campaign, interfered and was adamant that a high-quality, silky coated paper should be used, whatever the cost. This should support the image that the region has the potential to deliver art and culture on quite a high level, similar to other metropolitan regions across Europe, like Paris, London or Berlin. It took numerous meetings and interventions by many actors from inside and outside the project organization to support and finally gain acceptance for the original plan.

In this paper we argue that practices of valuation are crucial to the connection between the state and the arts and their management. In order to advance our understanding of the role of the state in arts management it proves useful to look at theories of the state more broadly. Contemporary political theory has shown that 'the state' is increasingly engaged with valuation through accounting techniques (Cassese & Casini, 2012; Fischer, 2012). We follow this argument and investigate how the role of the state in arts management is influenced by accounting as a practice of valuation. In addition to accounting, we argue, arts management constitutes a prime example for a field in which many different forms of valuation, from artistic to political, co-exist or compete. In order to grasp the many practices of valuation emerging at the border between the state and the arts, we draw on Stark's work on heterarchies (2009). We ask how we can understand the connection of the state to arts management, if the state is conceptualized as heterogeneous, multi-faceted and full of actors practicing different forms of valuation.

An organization which we argue to be especially apposite for studying the intertwinement of the state with the management of arts is the RUHR.2010 mentioned above. The RUHR.2010 is the organization that selected, coordinated and managed the 300 projects realized when this region was the European Capital of Culture (ECC) in 2010. The ECC is an EU initiative aimed at representing European cultural richness, enhancing mutual understanding through culture and fostering urban cultural development. It is held every year in two European cities. The case shows that the RUHR.2010 was the locus in which several modes of valuing collided. The evaluative principles are based on, most notably, political values (unifying the Ruhr Area which is comprised of 53 cities to a single entity), artistic and aesthetic values (from mainstream pop to history to avant-garde) and economic values (selecting those projects out of 2200 applications which are economically feasible). All these competing values are played out in a complex funding and governance structure in which different public and private actors and interests concur. In this paper, we provide an in-depth case study of the RUHR.2010. In order to grasp the complex nature of valuation practices in the case organization, we mostly draw on participant observation—one of the authors was member of the organization in an executive role during its entire lifespan. The case at hand is especially fruitful for studying practices of intertwinement through valuation, as the state in the ECC's case is not a unified, singular actor but itself a network-like structure of multiple actors and interests. This makes the practices of valuation overt and accessible for study. Our empirical narrative traces competing evaluative principles across the lifetime of the RUHR.2010 and, thereby, reconstructs the connection of the state with arts management as a heterarchical network.

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