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Chapter 1. Introduction and general information about Ukraine

1.1. *Geographic situation, state administration system*

Ukraine, located in south-eastern Europe, is the second largest European country after Russia. Its territory is 603,700 square km and its population 47.5 million (2004).

The country is bordered by Belarus on the North, Russia on the East, the Black Sea on the South, and Hungary, Slovakia, Poland, Moldova and Romania on the West. The capital is Kyiv (also known as Kiev) with a population of 2.5 million. Other cities with a population over 1 million are: Kharkiv, Odesa, Donetsk, Dnipropetrovsk.

The official language is Ukrainian, Russian is at least as commonly spoken.

Ukraine is a parliamentary-presidential republic with a one-chamber Parliament (Verkhovna Rada). Viktor Yushchenko, elected in December 2004, is Ukraine's third President, after Leonid Kravchuk (1991-1994) and Leonid Kuchma (two terms, 1994-2004).

Administratively, Ukraine consists of 27 regions (24 Oblasts, the Autonomous Republic of Crimea, and two cities with regional status, Kyiv and Sevastopol).

The autonomous Crimea has a Parliament and a Council of Ministers of its own, responsible for its internal policies.

(For further reference, see also <http://www.britannica.com/ebc/art?id=65294&type=A>)

1.2. *Economy*

In the past, Ukraine was known as Europe's (or the Soviet Union's) breadbasket, but today its major industries are metallurgy, chemistry and machine construction. Steel and other metal products made up nearly 40% of its export in 2004, machinery made another 15.5%, mineral products (enriched ore, oil and gas) made 13%, chemical products 8.5%, while agricultural products and food made only 7%. The services sector and copyrighted industries are relatively underdeveloped in Ukraine, which means it still remains, to a certain extent, an old-fashioned industrial economy in the post-industrial world. On the other hand, the services sector (telecommunications, banking, computer software production etc) has been the most swiftly growing since 2000.

With its modest official GNP of less than \$1500 per capita in 2005, Ukraine remains one of Europe's poorest nations. On the other hand, since 2000 Ukraine has been recovering after very deep economic crisis of 1990-2000: its per capita GNP was only \$800 in 2001, \$890 in 2002, \$1055 in 2003, and nearly \$1400 in 2004.

Market-oriented transformation of the previous decade made the Ukrainian economy export-oriented and energy-dependent; its exports make up around 50% of the GNP, which in fact makes the country rather vulnerable to changes in the international markets of steel, pipework, chemicals, oil and gas, etc.

Ukraine's biggest trade partners are the EU countries (36% of exports and 34% of imports in 2004), followed by Russia (19% of exports and 42% of imports, mostly oil and gas).

The Ukrainian currency, the *Hryvnia* (UAH), has been rather stable for the previous 3-4 years at the level of \$1 = 5.1-5.3 UAH. At the same time the purchasing power of the Hryvnia inside Ukraine is in fact much higher (estimated as approx. 1\$ = 2-2.5 UAH).

1.3. *History*

The Ukrainian territory was populated by different peoples (Scythians, Sarmatians, Ostgoths, Huns, Avars etc) before Eastern Slavs settled here approximately in the 4th century AD. By

the 9th century, Kyiv became their major city and the capital of the feudal state of Rus, which flourished in the 10-12th centuries and was destroyed by the Mongol invasion of 1240s. The Ukrainian lands became part of Great Duchy of Lithuania in the 14th century, and were incorporated into Polish-Lithuanian Commonwealth in the 16th century.

The ancestors of modern Ukrainians remained predominantly Orthodox Christians in the Catholic-dominated Polish-Lithuanian Commonwealth. Religious differences, however, did not bring much trouble until the Church Union of Brest (1596) which divided Ukrainians into 'proper' Orthodox Christians and 'Uniate' Greek Catholics, marked the beginning of long and sometimes violent conflicts. In the 1620s, Petro Mohyla, the Orthodox Metropolitan of Kyiv, started a mega-project of religious and cultural reform in Ukraine which included publications of 'improved' religious books, introduction of elements of reformed Catholic theology into orthodox Christianity, educational reform etc. However, his death slowed the reforms down.

In 1648, Ukrainian Cossacks started a pro-independence rebellion led by Bohdan Khmelnytskyj, hetman of Zaporozhian Cossack Host. The rebellion transformed into a long bloody war and resulted not in much-desired national and religious independence but in the frustrating division of Ukrainian lands between Poland and Russia (Muscovy) in 1667. However, the eastern part of Ukraine became an autonomous state (the Hetmanate of Little Russia) within the Russian Empire.

The autonomy of the Hetmanate, however, was abolished in 1783. The separate Orthodox Church hierarchy that existed in Ukraine before its merger with Russia was completely integrated into the Russian Church, the Ruthenian literary language (also known as the Old Ukrainian language) was banished from churches and schools and stripped of any official status and the publication of books in this language was prohibited. Even the number of grammar schools in Ukraine was steadily decreasing through the 18th century.

In the meantime, the western part of Ukraine was divided again between the Russian Empire and the Habsburg Empire by the end of the 18th century. The 'Austrian' part of Ukraine was the luckier one, in terms of national and cultural development. The Empress Maria Theresa introduced universal schooling in native languages of the peoples of the Empire (including Ruthenians), abolished personal serfdom for peasants (1782) and sponsored the establishment of the Greek Catholic Metropolitan Seat in Lviv (1808).

The national renaissance of Ukraine had started in the early 19th century and was limited mostly to culture and language because of the harsh political climate of the Russian Empire. Territorially, this process began in the former Hetmanate (Left Bank Ukraine), and slowly expanded to Kyiv and other cultural centres of the 'Russian part' of Ukraine.

Literature in vernacular Ukrainian language began to blossom in the 1st half of the 19th century, some of its talented authors (most prominently, the poet and artist Taras Shevchenko) became popular all over the Russian Empire. The development and popularity of the 'Ukrainophilism' alarmed the Russian monarchy with the perspective of Ukrainian separatism, and the persecutions began: the most important Ukrainian cultural group, the Brotherhood of SS. Cyril and Methodius, was crushed in 1847; and the Ehms Ukase of 1876 banned the publication of any books in Ukrainian language other than original belles lettres. This ban remained valid until the revolution of 1905. Until then, only Ukrainian theatre companies would exist and perform legally.

To cope with these hardships and persecutions, the young and immature Ukrainian nation and its young culture needed a national leader, or rather a prophetic figure.

No one suited this role better than the poetic genius and victim of tsarist repressions, Taras Shevchenko.

On the one hand, it is good for a young nation to have a literary genius of its own that one can be proud of; on the other hand, Shevchenko's popular icon as a 'peasant genius' and a 'revolutionary democratic poet' has been a mixed blessing to Ukrainian literary development.

In the Austrian part of Ukraine (known as Galizia), the political and cultural climate was more liberal. Ukrainians of Galizia had schools, newspapers, books and church services in their

language, and, after the reforms of 1870s, also their political organisations and even a representation in the Vienna parliament. Galizia became the territorial base ('the Piedmont') for the national development: many Ukrainian authors and scholars, both western and eastern, published their works or conducted their studies there.

An event of great importance was the establishment of Taras Shevchenko Academic Society in Lviv in 1890. In 1890, the young talented scholar Mykhailo Hrushevsky was invited from Kyiv to lead the department of East European history at the Lviv University (and to become the president of the Taras Shevchenko Academic Society very soon). A decade later, the first volume of his 10-volume opus magnum, *History of Ukraine-Rus*, was issued in Lviv. Hrushevsky also initiated the publication of the *Literary and Academic Herald (Literaturno-Naukovyj Vistnyk)*, the first Ukrainian scholarly periodical that was published in Lviv until the World War II. Many prominent Ukrainian writers, both eastern and western, started their literary career with publications in *the Herald*.

Pondering over the difficult process of the development of Ukrainian national culture, Hrushevsky remarked in one of his articles in the *Herald*:

"The issue of our national culture is, generally speaking, an issue of minor cultures of small nations, of their cultural and spiritual independence, of ways and means of preservation of this independence".

He then tried to formulate priority tasks for Ukrainian *Kulturtraegern* of those days by proposing the 'minor culture' of Czechs as an example:

"Czech culture is so far an ideal that our Galizian society can only dream about. Much time and efforts is needed to elevate our Ukrainian life to the level that Czech society stands on today".

The 'first Russian revolution' of 1905 improved the conditions for Ukrainian cultural development remarkably. The restrictions imposed on Ukrainian language by the Ehms Ukase were removed, a limited freedom of speech and the press was granted, political organisations also became possible. Very soon, it became obvious that despite the decades of intensive Russification, Ukrainian identity was strong and widespread enough, and Ukrainian culture had a remarkable audience. Dozens of Ukrainian newspapers, journals, book publishers emerged and the Galizia-born network of culture clubs *Prosvita (Enlightenment)* spread over hundreds of eastern Ukrainian towns and even villages in a couple of years.

However, new restrictions and persecutions followed after 1908. For instance, the Russian government banned the commemorations of the 50th anniversary of Taras Shevchenko's death in 1911, despite mass protests.

The slow and painful process of Ukrainian nation-building dramatically accelerated after the Russian revolution in February 1917.

The Ukrainian People's Republic, established in autumn 1917, declared its independence from Russia in January 1918. Professor Hrushevsky was elected the first head of the independent Ukrainian state.

In March 1918, most of Ukraine was occupied by Germans (according to the peace treaty of Brest). They disliked the liberal democratic government of Hrushevsky and supported the conservative coup led by general Petro Skoropadsky, who turned the republic into a restored Hetmanate. Hetman Skoropadsky established the Ukrainian University in Kyiv, the Academy of Science and the National Library.

The Ukrainian People's Republic was restored after an armed uprising in December 1918 but not for good: the Russian Red Army re-occupied most of Ukraine in February 1919 and established a puppet Ukrainian Soviet Socialist Republic, which merged with Russia into the USSR in 1922. However, it was only in 1921 that Soviet rule consolidated in Ukraine. The capital of Soviet Ukraine was not the historic Kyiv, but the culturally featureless Kharkiv, a Russified industrial city in the East.

The Western regions of Galizia and Volhynia also lost their struggle for independence after the collapse of the Hapsburg Empire and became parts of independent Poland in 1921 (the

autonomy promised by the League of Nations never came true).

There was much talk about building a new, modern, socialist Ukrainian nation with its progressive socialist national culture in the 1920s. Formally, the Ukrainian Soviet Republic was a sovereign state confederated with Soviet Russia and other republics into the Soviet Union. Ukrainians were a 'titular nation' of this state, their national language was the official language (since 1925). The everyday reality, however, was different: 'conscious' Ukrainians were a minority in the ruling elite, their emancipationist aspirations and nation-building projects were usually met with much watchfulness in Moscow. Still, the period of 1923-1929 is usually called the Ukrainianisation period and associated with the names of the writer Mykola Khvylovy and the People's Commissar for Education Mykola Skrypnyk, the creator of the Ukrainianisation concept and the most consistent implementer of this project.

The state-sponsored 'cultural revolution' in the USSR meant the creation of thousands of Party-controlled public cultural institutions in every town and village (museums, theatres, newspapers, radio stations, libraries, houses of culture, workers' clubs, collective farmers' clubs with amateur artistic collectives etc), accompanied by the destruction of the previously existing infrastructure of society's spiritual and cultural life (churches, independent artistic and cultural organisations and, in Ukraine, the *Prosvitas* – as the bearers of *petty bourgeois nationalist ideology*).

Ukrainianisation, however, was a local specificity. Most of the schools in Ukraine switched to Ukrainian language of instruction, so did many theatres, newspapers, academic institutions and so on. Local government was Ukrainianized as well, but the Communist Party, the Army, nationalized industrial enterprises and other economic institutions remained Russified.

The favourable cultural climate of the Ukrainianisation brought about the unprecedented flourishing of modern national culture. The poems of Pavlo Tychyna, Maksym Rylsky, Evhen Pluzhnyk and Mike Iohansen, the stories and novels of Mykola Khvylovy, Yuri Yanovsky, Valerian Pidmohylny and Viktor Domontovych, the theatre plays of Mykola Kulish, the films of Oleksander Dovzhenko and Dzyga Vertov are regarded today as the classics of Ukrainian culture of the 20th century.

Perhaps it was precisely the success of the Ukrainianisation, however limited, that alarmed Moscow and Stalin personally. Skrypnyk was lightly criticized at first, while the 'anti-Russian nationalist' Khvylovy and his followers were bashed about and harassed. Their literary group VAPLITE was dissolved in 1928, their literary magazines closed, many of their works banned, and finally Khvylovy committed suicide in 1933. A couple of months later Skrypnyk followed his example, accused of Ukrainian nationalism and contacts with 'enemies of the people'.

Soviet Ukraine suffered from violent collectivisation of 1930-31 and the ill-famous Great Famine of 1933 when over five million Ukrainians died of starvation organized by Stalin's regime. Ukrainian national intelligentsia was decimated during Stalinist purges of 1933-34 and 1937-38. Both national cultural heritage and modern artistic schools were also subject to prosecution. Hundreds of old cathedrals and churches were destroyed, whole collections of contemporary Ukrainian art works of those authors that were labelled 'reactionary' or 'formalistic' were removed from galleries and destroyed. Millions of copies of books written by those declared 'enemies of the people' were either destroyed or moved to so-called 'special stocks' (closed for the public). To make things worse, Stalin occupied Western Ukraine in 1939 according to the Molotov-Ribbentrop secret pact, hereby destroying the only remaining ground for relatively free development of Ukrainian national culture.

Occupied by the Nazis in 1941, Ukraine was further devastated before being retaken by the Soviets in 1944. According to the agreement reached in Yalta in 1944, Stalin made Western Ukraine an internationally recognized part of the Ukrainian SSR. This is how all ethnically Ukrainian territories were united within a single state.

This 'state', however, was not really Ukrainian. More persecutions of Ukrainian national intelligentsia followed in 1947, 1951, and later in 1969-1972. The 'Ukrainian Soviet culture', formally possessing an impressive network of cultural institutions and organisations, and

enjoying a mighty financial support from the state, in fact underwent so many blows and suffered so many losses through the 1930s and 1940s that its structure and essence changed beyond recognition. It was strongly formalized and officialized, lacking initiative, independence and even originality.

The Khrushchev 'thaw' of 1956-65, however, was favourable for Ukrainian culture. The relatively liberal and favourable climate of the early 1960s gave rise to what can be called the second renaissance of Ukrainian culture after the 1920s. The generation of the 'sixtiers' regarded themselves as 'true heirs' of the now-rehabilitated cultural heroes of the 20's; they also rediscovered the national tradition, preaching at the same time artistic innovation and openness to new international trends and ideas.

The informal leader of the sixtiers' movement, the talented young scholar and literary critic Ivan Dziuba did not intend to limit itself to purely literary issues. His scholarly interest in the literary and cultural process of the 1920s brought him to a more profound analysis of the Soviet cultural policy of the Ukrainianisation period and, consequently, to an analysis of the Soviet 'nationality policy' as a whole.

The result of this study was his now-famous book *Internationalism or Russification?*, a convincing and very critical analysis of the Soviet policy of the Stalinist and post-Stalinist period, completed in 1965 and sent by the author to the leaders of the Ukrainian Communist party and the Government of Ukraine as an open letter.

Dziuba was fired from work but not arrested, and even managed to smuggle the script of his book to the West, where it was soon published. This made *Internationalism or Russification?* a manifesto of Ukrainian dissidents, and brought about the arrest of the unrepentant Ivan Dziuba in 1972. Several 'sixtiers' were arrested in the 1970s as well, still more were persecuted in a milder way.

Gorbachev's perestroika gave yet another chance to Ukraine. In 1989, a number of Ukrainian pro-democracy organisations demanding political change formed a loose coalition called the Popular Movement (or *Rukh* in Ukrainian), patterned after the Popular Fronts of the Baltic countries.

The Ukrainian parliament declared national independence on August 24, 1991, after the failed anti-Gorbachev coup in Moscow. Ukrainians voted overwhelmingly for independence from the rapidly disintegrating Soviet Union at the national referendum of December 1, 1991. Ukraine became member of the Council of Europe in 1995.

The post-communist transformation, however, turned out to be extremely painful. The collapse of Soviet planned economy caused poverty and a 11000 % hyperinflation in 1993. The economic decline was stopped only as late as in 2000. The privatisation has been basically unfair and made a handful of so-called "oligarchs" owners of Ukraine's big industrial enterprises. Corruption in state institutions became widespread.

On the other hand, unlike many other former Soviet republics, democracy, political opposition and freedom of speech have never been completely stamped out in Ukraine. In the year 2005 began a second (after 1991, and hopefully more successful) attempt of Ukraine's transformation into a 'normal' democratic European country with firm civil liberties and efficient market economy.

1.4. *Ethno-linguistic characteristics of contemporary Ukraine*

The Constitution of Ukraine defines the Ukrainian nation as consisting of "citizens of Ukraine of all nationalities", and with regard to language rights, Article 10 of Ukrainian Constitution declares:

"The state language of Ukraine is the Ukrainian language. The State ensures the comprehensive development and functioning of the Ukrainian language in all spheres of social life throughout the territory of Ukraine. Free development, use and protection of Russian, and other languages of national minorities is guaranteed in Ukraine".

Article 53 of the Constitution stipulates that:

“Citizens which are members of national minorities are guaranteed, in accordance with the law, the right to receive education in their native language, **or** to study their native language in public educational institutions **or** through national cultural societies”.

Still, Ukraine looks like an untypical multiethnic country. On the one hand, several regions of Ukraine apparently have multiethnic and multicultural population. On the other hand, many regions can be characterized as virtually monoethnic with bilingual (Ukrainian and Russian) culture, while others as biethnic with monolingual (Russophone) culture (for instance the Donbas). The official statistics of the ‘nationalities’ of Ukraine are presented in Table 1.1.

Table 1.1. National Census (2001) data on nationalities in Ukraine¹

| Nationality | Total number (thousand) | as % of Ukraine's population | | 2001 as a % of 1989 |
|----------------|----------------------------|---------------------------------|------|------------------------|
| | | 2001 | 1989 | |
| Ukrainians | 37542,7 | 77,8 | 72,7 | 100,3 |
| Russians | 8334,1 | 17,3 | 22,1 | 73,4 |
| Belarussians | 275,8 | 0,6 | 0,9 | 62,7 |
| Moldavians | 258,6 | 0,5 | 0,6 | 79,7 |
| Crimean tatars | 248,2 | 0,5 | 0,0 | 530 |
| Bulgarians | 204,6 | 0,4 | 0,5 | 87,5 |
| Magyars | 156,6 | 0,3 | 0,4 | 96,0 |
| Romanians | 151,0 | 0,3 | 0,3 | 112,0 |
| Poles | 144,1 | 0,3 | 0,4 | 68,5 |
| Jews | 103,6 | 0,2 | 0,9 | 21,3 |
| Armenians | 99,9 | 0,2 | 0,1 | 180 |
| Greeks | 91,5 | 0,2 | 0,2 | 93 |
| Tatars | 73,3 | 0,2 | 0,2 | 84,3 |
| Roma | 47,6 | 0,1 | 0,1 | 99,3 |
| Azeri | 45,2 | 0,1 | 0 | 122,2 |
| Georgians | 34,2 | 0,1 | 0 | 145,3 |
| Germans | 33,3 | 0,1 | 0,1 | 88 |
| Gagauz | 32 | 0,1 | 0,1 | 100 |
| Other | 177 | 0,4 | 0,4 | 84 |

We can see that there has been a sharp decrease in the size of some ethnic groups, for instance Russians (down to 73,4% of the 1989 level) or Jews (down to 21% of the 1989 level). The total immigration to Ukraine in 1991-2000 was more than 2 million people, including 0.7 million ethnic Ukrainians and over 0.2 million Crimean Tatars, while total emigration was only 1.7 million

On the other hand, there has been a dramatic increase in the South Caucasian ethnic communities in 1990-2001 (Armenians - 180%, Azeris - 122%, Georgians - 145%)². Yet another change was brought about by Crimean Tatars whose numbers grew more that fivefold.

Some ethnic groups are concentrated in particular regions where they constitute a remarkable part of local population. Russians make up almost 40% of the population of the Donbass, and are a majority in Crimea with 58,3%, while in Western Ukraine they constitute only 2-3% of the population, in central Ukraine 4-8%. Over 90% of Ukraine's Magyars live in Transcarpathian region (12% of the population), three quarters of Bulgarians (150 thousand) live in Odesa Oblast (6,1% of the population); 80% of Romanians live in Bukovyna (12,5% of local population) etc. Ethnic Ukrainians make up more than 80% of the population in 18 regions out of 27 (mostly western and central). This brings us to the conclusion that several regions of Ukraine (Transcarpathia, Bukovyna, Odesa, Crimea, the Donbass, Kharkiv and

¹ Source: www.ukrstat.gov.ua

² On Caucasian minorities in Ukraine, see: А.Момрик. Кавказские диаспоры в Украине. - *Центральная Азия и Кавказ*. 2004, № 3(33), p. 139-147.

Dnipropetrovsk) have a multiethnic character, while regions of Rivne, Lutsk, Khmelnytsky, Vinnytsia, Ternopil are practically monoethnic today.

Another important change has been the arrival of so-called 'new minorities', mostly from South Asian countries (Afghanistan, India, Pakistan, Sri Lanka, Vietnam) but also from Middle East and Africa.

The biggest among these communities (Afghani, Indian, Vietnamese) have several thousand members each and therefore don't look as numerous (and established) as major 'old' minorities, yet these newcomers are concentrated mostly in the biggest cities of Ukraine (Kyiv, Kharkiv, Odesa) and, being culturally and racially quite different from the mainstream society, they make an important change to the ethno-cultural situation.

A comprehensive description of the ethnocultural situation requires information on the native language (mother tongue) of Ukraine's citizens. The 2001 census data on languages in Ukraine are presented in Table 1.2.

We can see from it that 67,5% of Ukraine's population indicated Ukrainian as their native language (2,8% increase since 1989), while 29,6% indicated Russian (3,2% decline since 1989). Total share of all other languages is 2,9% (less than in 1989).

Table 1.2. Language composition of the population of Ukraine

| | Language indicated as their native (%) | | | |
|----------------|---|--------------------|------------------|----------------|
| | language of their nationality | Ukrainian language | Russian language | Other language |
| Ukrainians | 85,2 | X | 14,8 | 0,0 |
| Russians | 95,9 | 3,9 | x | 0,2 |
| Belarussians | 19,8 | 17,5 | 62,5 | 0,2 |
| Moldavians | 70,0 | 10,7 | 17,6 | 1,7 |
| Crimean Tatars | 92,0 | 0,1 | 6,1 | 1,8 |
| Bulgarians | 64,2 | 5,0 | 30,3 | 0,5 |
| Magyars | 95,4 | 3,4 | 1,0 | 0,2 |
| Romanians | 91,7 | 6,2 | 1,5 | 0,6 |
| Poles | 12,9 | 71,0 | 15,6 | 0,5 |
| Jews | 3,1 | 13,4 | 83,0 | 0,5 |
| Armenians | 50,4 | 5,8 | 43,2 | 0,6 |
| Greeks | 6,4 | 4,8 | 88,5 | 0,3 |
| [Volga] Tatars | 35,2 | 4,5 | 58,7 | 1,6 |
| Roma | 44,7 | 21,1 | 13,4 | 20,8 |
| Azeris | 53,0 | 7,1 | 37,6 | 2,3 |
| Georgians | 36,7 | 8,2 | 54,4 | 0,7 |
| Germans | 12,2 | 22,1 | 64,7 | 1,0 |
| Gagauz | 71,5 | 3,5 | 22,7 | 2,3 |
| Other | 32,6 | 12,5 | 49,7 | 5,2 |

Some scholars³ argue that the population of Ukraine basically consists of three large lingua-ethnic groups: Ukrainian speaking (Ukrainophone) Ukrainians (40-45%), Russophone Ukrainians (33-34%) and Russians proper (nearly 20%).

Ukrainian officials are proud of the existence of the vast network of public schools with instruction in minorities' languages as well as other cultural minority institutions (see Table 1.3). Indeed, there are over 200 such schools.

³ D.Arel and V.Khmelko, 'The Russian Factor and Territorial Polarisation in Ukraine' //The Harriman Review, vol 9, no 1-2 (1996).

Table 1.3. Minority schools in Ukraine

| Minority | Total number (thousand) | Schools in minority languages | Pupils, including those learning minority language (thousand) |
|----------------|-------------------------|-------------------------------|---|
| Russians | 8334 | 1732+ | 800+1.700 |
| Belarussians | 276 | - | - |
| Moldavians | 259 | 9+ | 3.7+2.3 |
| Crimean Tatars | 248 | 13+ | 3.7+32.5 |
| Bulgarians | 205 | - | 0+13.4 |
| Magyars | 156 | 69+ | 16.5+1.3 |
| Romanians | 151 | 94+ | 25+0.25 |
| Poles | 144 | 4+ | 1+4.1 |

Source: Ministry of education and science of Ukraine, 2004

We can see that Hungarian and Romanian minorities indeed benefit from the developed school network, while Crimean Tatars seem to be underprivileged. There are several other problems, social and cultural, faced by Ukraine's minorities, but on the whole inter-ethnic relations are mostly tolerant, and violent conflicts are virtually non-existent so far.

1.5. Religious situation in Ukraine

The religious portrait of Ukraine is rather complicated, too. The overwhelming majority are Orthodox Christians, although Greek Catholics dominate in some Western Ukrainian regions, and Crimean Tatars are predominantly Moslems.

However, there are three rivaling Orthodox Christian churches: Ukrainian Orthodox Church under the Patriarch of Muscovy (regarding itself as the only legitimate Orthodox Church in Ukraine, the ancestor of the "Old Rus tradition"), Ukrainian Orthodox Church under the Patriarch of Kyiv (claiming itself to be the only real national Church), and the Autocephalous Ukrainian Orthodox Church, the smallest among the three.

The Ukrainian Greek Catholic Church established by the Union of Brest in 1596, is nowadays dominant in three Western Ukrainian Oblasts but also present elsewhere. Its headquarters were transferred from Lviv to Kyiv.

The Roman Catholic Church has traditionally been the church of ethnic Poles in Ukraine. As for other minorities, Bulgarians, Greeks, Romanians (and Moldavians, if regarded as a separate ethnic community) are all Orthodox, while Hungarians of Transcarpathian region are mostly Calvinists.

Several Protestant denominations (Baptists, Evangelists, Methodists etc) exist in Ukraine since the 19th century.

1.6. Brief review of historical development of Ukrainian culture and cultural policy in Ukraine

With the loss of its short-lived independence of 1918-1920, Ukraine never had a chance to set its own public cultural policy. The moderate Ukrainianisation policies of the 20s, the cultural pogroms of the 30s, the creeping Russification of the 70s and the implementation of Gorbachev's *glasnost* in Ukraine in the 80s were merely local interpretations of policies designed by the Communist leadership in Moscow.

Under Soviet rule Ukrainian culture could not develop in a free, natural, and independent way. The *ancient regime* tried not only to put Ukrainian culture wholly on its service (as it did with Russian culture) but also to reduce it to the level of a provincial, inferior culture and, in the long run, to assimilate it within the broader framework of the so-called multinational Soviet culture.

Yet, the situation also had another, relatively brighter side. The Soviet regime was not really interested in 'killing culture' – on the contrary, it regarded 'the cultural revolution' (allegedly

aimed at 'creating the New Socialist Man') to be one of its greatest achievements. A dense cultural infrastructure and broad and very cheap access to many basic cultural facilities and practices were a part of 'the Soviet way of life'.

Table 1.4. Public cultural institutions and cultural participation, 1980-2000

| | 1980 | 1990 | 1996 | 2000 | 2004 | 2005 |
|---|------|-------|-------|------|------|------|
| Public libraries, thousand | 26.2 | 25.6 | 23,6 | 20,7 | 20.0 | 19.8 |
| Total library deposits, million vol. | 371 | 418.9 | 356,3 | 350 | 333 | 329 |
| Clubs. houses of culture, thou. | 26.1 | 25.1 | 22,7 | 19 | 19.4 | 19.1 |
| Public theatres | 84 | 125 | 130 | 131 | 133 | 135 |
| Theatre attendance per year (million) | 19.3 | 17.6 | 6,8 | 5,7 | 6.0 | 6.2 |
| Cinemas (including film-screening units in community clubs), thous. | 28.0 | 26.8 | 20,2 | 6,9 | 3.6 | 3.3 |
| Cinema attendance: total, million | 810 | 552 | 122 | 6 | 10 | 10.5 |
| per capita | 16 | 11 | 2 | 0.12 | 0.2 | 0.25 |
| Concert attendance, million | 20.9 | 15 | 10 | 4 | 4.9 | 4.4 |
| per capita | 0.4 | 0,3 | 0,2 | 0.1 | 0.1 | 0.9 |
| Public museums | 167 | 214 | 328 | 378 | 422 | 437 |
| Museum visitors, total (million) | 27.3 | 31,8 | 16,5 | 16.0 | 18.5 | 18.9 |

Source: State Committee for Statistics, 2006

As a result of Soviet 'civilizing' cultural policy, a massive public cultural infrastructure was created in Ukraine, fully administered and funded by the Soviet party-state. This not-so-dense public cultural infrastructure (or, more correctly, its pre-electronic sectors – performing arts organisations, museums, libraries, heritage institutions, book publishing, the press, etc.) reached its peak in the '70s, and then stagnated. There was practically no growth in Ukrainian book publishing until *perestroika*, while Soviet Ukrainian-language press was in fact shrinking in the '70s and early '80s.

In the *perestroika* period, the issue of a real national cultural policy for Ukraine was raised. In 1988, the prominent ex-dissident writer and scholar Ivan Dziuba published a seminal essay '*Do we consider the national culture as an entity?*'⁴, causing a vibrant discussion in Ukrainian intellectual circles. Ivan Dziuba wrote:

"What, after all, should be understood as the Ukrainian national culture, which set of cultural phenomena constitutes it? We often (...) treat a mechanical summation of cultural facts present in Ukrainian territory as Ukrainian culture. (...) This tendency to dissolve Ukrainian national culture in the broad stream of productions made in our territory ... leads us to dismissing the question of national quality of culture, that is, to dismissing the question of culture itself⁵".

Dziuba concluded rather sceptically that,

"...everywhere in contemporary Ukraine the Ukrainian national culture exists alongside Russian culture, surrounded by Russian culture, which includes Russian culture produced in Ukraine by both Russians and Ukrainians. In big cities it is Russian culture, not Ukrainian, that dominates cultural life".

So Dziuba pointed at the necessity of 'new cultural Ukrainianisation' understood at that moment in terms of 'aesthetic concretisation' and 'artistic mission'.

When the national independence of Ukraine was achieved in 1991, the task of 'cultural Ukrainianisation' took a more practical shape. Dziuba's demand of 'feeling of the mission' of the Ukrainian artist has been supplemented by the demand of clear and effective cultural policy of the independent Ukrainian state. Unfortunately, as many critics believe, the State is to blame for its inadequate and inert cultural policy during this period (or even absence of a comprehensive and articulated cultural policy at all).

⁴ Dziuba I. Chy usvidomiuyemo my natsional'nu kul'turu yak tsilisnist'? - *Ukraina: Nauka i kul'tura*, vol. 22, 1988.

⁵ Dziuba, p. 344.

Summarizing, we can point at a number of important challenges that Ukrainian culture has been facing since 1991:

The first has been the challenge of *the change of political and economic order*. The collapse of the Soviet Union with its centrally planned economy (which used to be the only environment that Ukrainian culture had known for decades) demonstrated this culture's virtual (albeit temporary) inability to exist independently, without public support/control, both financial and institutional. Ukrainian culture of the early 1990s was unprepared for the struggle for audiences, their attention and money.

An effective response to this challenge would mean a double task of creating a new, market-oriented cultural infrastructure and a new cultural policy, as well as preserving the existing network of public cultural institutions (with some inevitable losses, of course). Indeed, the majority of public cultural institutions inherited from Soviet period still exist today, but the ways and means of public cultural policy have changed not much.

The second major challenge has been that of *openness and globalisation*. Ukrainian national culture existed in a sort of ghetto until the 1990s (consisting of two loosely connected parts, high culture for Ukrainian intelligentsia and traditional, folklore-centred culture for peasants and ex-peasants). This is why it was caught unprepared by the fall of the Iron Curtain and unprecedented confrontation/competition with Western mass culture (and with the rapidly commercializing Russian post-communist popular culture as well). This made the issue of protection of immature national cultural industries one of the top priorities of Ukrainian cultural policy.

Finally, *the challenge of nation-building*. The already mentioned incompleteness of the Ukrainian political nation meant that Ukrainian culture still has to achieve the goals that other European cultures have dealt with decades ago. The 'national culture' of the Soviet era was supposed to meet cultural demands of one socio-cultural group, namely, the 'nationally conscious' Ukrainian-speaking Ukrainians. Hence such a culture has been hardly able to satisfy the demands and tastes of other social and cultural groups and strata in contemporary Ukrainian society.

To suit each other, the rapidly changing Ukrainian society and the Ukrainian culture as they are today still have to undergo a long and painful transformation process: the heterogeneous society has to become a modern political nation, and the Ukrainophone culture of ethnic Ukrainians has to transform into a shared culture of this ethnically diverse nation.

Statements about the "crisis of Ukrainian culture" or, at least, about its unexpected underperformance during the first decade of Ukraine's independence, have been a common place in public discussions during the 1990s. Despite obvious positive changes such as the undeniable freedom of artistic expression, the end of the State monopoly on financing and administering of cultural organisations, and the unprecedented openness to the world, it is also a fact that during the 1990s, financial conditions of the majority of Ukrainian cultural institutions have deteriorated dramatically, while the social status and the incomes of Ukrainian artists (and other professionals in the cultural sector as well) became remarkably lower than, for instance, during Gorbachev's "perestroika" period.

Several hundreds or even thousands of public cultural institutions (cinemas, local cultural centres, libraries etc) went out of business, Ukrainian book publishing was plummeting till 2001, and domestic film production has been almost absent. Participation in culture has been shrinking, too. Ukrainians buy much less books and newspapers, less often visit cinemas, theatres and museums than twenty or even ten years ago (although a slight increase has been noticed since 2000).

Some optimistic observers compared this situation to similar transitional developments elsewhere in Eastern Europe (see for instance Table 1.5) and concluded that this has been a result of changing cultural practices and the introduction of new communication technologies (the rise of video, personal computers, the Internet etc). But in a poor post-communist country like Ukraine, many argued, not the Internet and globalisation should be blamed for the decay of public cultural sector, but deep economic crisis and bad governance.

On the other hand, vibrant non-public cultural industries evolved during the '90s which resulted in radical change of the ratio between public and private sectors in culture, especially in popular and mass culture industries. It is especially visible in the electronic media. There are hundreds of private local TV and radio stations all over Ukraine, which manage to get along with virtually no support from the state.

A similar situation can be seen in book publishing. There are several hundred independent publishing houses in Ukraine which publish more new book titles than state publishers do since early '90s, and, since 1999, they also print more copies of books than public publishing houses.

There are other major factors being blamed for the sorry plight of the Ukrainian cultural sector: for instance, the rapidly increasing flow of mass-cultural imports from the West and from Russia.

Russian culture industries have been making substantial progress since the times of *perestroika*, and their products have been widely consumed in Ukraine both before and after independence, by both Russophone and Ukrainophone audiences. As a result, Ukrainian cultural markets and electronic media are dominated by Russian books, American films, Russian and Western pop-music. Some critics argue that this poses a threat to Ukrainian cultural development and, in the long run, to Ukrainian national identity.

Some scholars express the opinion that there is not a crisis of Ukrainian culture but rather a crisis of *public* cultural institutions inherited from the Soviet past, while the national culture as a whole undergoes a difficult transformation process in which positive and negative trends intertwine. Difficulties faced by independent cultural organisations, both non-profit and commercial, are mostly caused by general economic hardships and by the low purchasing power of Ukrainian public.

There are also "growing pains" of the still very young Ukrainian cultural industries, with their inexperienced managers and lack of investments. Weak support to independent cultural organisations in Ukraine is not so unique in post-communist Eastern Europe and, having an NGO-friendly fiscal environment, can be compensated by earning and skilful fundraising.

In other words, despite a remarkable amount of achievements in Ukrainian culture in recent years, the process of comprehensive reform of public cultural policy is far from being completed. In particular, the structures of stable partnership between the state and the third sector are at early phase of formation; so are new competitive impact-oriented forms of financial support to cultural initiatives.

Table 1.5. Comparative dynamics of cultural infrastructure in Ukraine, Russia, Poland

| | Ukraine* | | | Russia** | | | Poland*** | | | |
|-----------------------------|----------|------|------|----------|------|------|-----------|------|------|------|
| | 1990 | 1993 | 2000 | 1990 | 1996 | 2000 | 1990 | 1995 | 1999 | 2000 |
| <i>Theatres#</i> | 125 | 131 | 131 | 382 | 530 | 547 | | 144 | 149 | 146 |
| total attendance (million) | 17,6 | 12,5 | 5,7 | 53,9 | 29 | 30,8 | | 6.66 | 6.95 | 6.96 |
| attend. per 100 inhab. | 34 | 24 | 12 | 48,0 | 19 | 20 | | 17.5 | 18.3 | 18.4 |
| <i>Cinemas: (thous)</i> | 26,8 | 20,2 | 6,9 | 77 | 21,4 | - | 1.43 | 0.72 | 0.69 | 0.68 |
| total attendance (million) | 552 | 122 | 6,0 | 2220 | 37 | - | 5 | 1 | 5 | 7 |
| attend. per 100 inhab. | 1100 | 200 | 12 | 1500 | 25 | 30 | 32.8 | 22.6 | 27.5 | 20.9 |
| | | | | | | | 90 | 59.5 | 72.4 | 55 |
| <i>Concerts: attendance</i> | 15 | 10 | 4 | 66,8 | 55 | 18,9 | | 4.68 | 5.14 | 5.62 |
| (million) | 29 | - | 8 | 61 | 36 | - | | | 13.5 | 14.8 |
| Attend. per 100 inhab. | | | | | | | | | | |
| <i>Museums:</i> | 214 | 295 | 378 | 1315 | 1750 | - | 563 | 589 | 623 | 632 |
| total attendance (million) | 31,8 | 18,0 | 16 | 144 | 69 | 73,7 | 19.3 | 17.0 | 16.0 | 16.6 |
| attend. per 100 inhab. | 29 | 19 | 32 | 97 | 46 | - | | 6 | 2 | 43.7 |
| | | | | | | | | 45 | 42 | |
| <i>Libraries: (thous)</i> | 22,1 | 21,8 | 20,7 | 62 | 54,4 | 51,2 | 10.3 | 9.5 | 9.0 | 8.9 |
| total attendance (million) | no | no | no | 62,7 | 59,5 | 59,6 | 7.4 | 7 | 7.3 | 7.4 |
| attend. per 100 inhab. | data | data | data | 42 | 40 | 40 | - | | 19.2 | 19.5 |
| Total book deposits | - | - | - | | | | 136. | | 135. | 135. |
| (million) | 419 | 380 | 350 | | | | 6 | | 4 | 8 |

*) Source: Ministry of Culture of Ukraine

**) National Report, www.cultura.org

***) www.stat.gov.pl/serwis/polska/2001

#) including musical and operatic theatres

Chapter 2. Aspects of cultural policy

2.1. Goals, principles, priority tasks of public cultural policy

In a young democracy undergoing a deep manifold transformation, the role of culture is supposed to be especially important, which means a crucial role for public cultural policy. Such a policy, if well designed, is supposed to provide legal, institutional and financial foundations for the development of modern Ukrainian culture as an important factor in the shaping of a mature democratic society and stable modern national identity, capable of serving as a precondition of Ukraine's success as a respected member of the international democratic community.

There have been several attempts to formulate a set of principles, goals and priorities of Ukraine's public cultural policy in legal documents.

Chronologically, the first document of this kind was *The Basic Law of Ukraine on Culture (Osnovy Zakonodavstva pro Kul'turu)* adopted by the Supreme Rada (Ukrainian parliament) in February 1992.

Among the 'Main principles of cultural policy in Ukraine' (Article 2), one finds at top positions:

- “Recognition of culture as a key factor of the originality of the Ukrainian nation and national minorities living in Ukraine;
- Consolidation of humanistic ideas and high morality in the society's life, orientation toward national and universal humanistic values which are recognized as prior to political and class interests;
- Protection and accumulation of cultural heritage;
- Promotion of cultural contacts with Ukrainians abroad so as to preserve the integrity of Ukrainian national culture...”;
- Next to this go “...Guaranties of artistic freedom, non-interference of the state and political parties in creative processes;
- Equal rights and obligations of all citizens, regardless of social condition and national origin, in artistic creativity, in consumption and dissemination of cultural goods;
- Free access to cultural goods, to all kinds of cultural services and activities for all citizens;
- Provision of necessary conditions for the development of creativity for every individual, for aesthetic education of the citizens;
- Promotion of charitable activities of enterprises, organisations, civic and religious associations, and individuals in cultural sphere;
- Diverse international cultural co-operation;
- Recognition of the priority of culture-related international legal acts;
- Combination of State and civil principles in promoting cultural development”.

Article 3 deals with “Priorities in cultural development”, declaring that

- “The State provides favourable conditions for:
 - development of culture of the Ukrainian nation and of cultures of the national minorities;
 - preservation and protection of cultural and historical heritage,
 - aesthetic education of children and young people;
 - fundamental academic studies in history and theory of culture of Ukraine;
 - development of cultural infrastructure in rural areas;
 - provision of material and financial resources for cultural institutions, enterprises, organisations...”

The next attempt to reinvent goals and principles of cultural policy of Ukrainian state took place in June 1997 when the Cabinet of Ministers of Ukraine adopted the Decree 'On Conceptual Guidelines for the Activity of the Executive Government Concerning the Development of Culture' (Decree No 675, 23/06/1997). This document declares that:

- “The development of Ukrainian culture is based on the following universally respected principles:
 - recognition of the value and independence of culture and the arts;
 - formation of an integral national cultural space as a key factor of national consolidation and nation-building;

- provision of necessary conditions for active presence of Ukrainian language in all key fields of cultural life;
- guarantees of freedom of creativity, free access to cultural wealth and to artistic creativity for all citizens, especially the young;
- support to high professional artistic creation which assures proper level of national culture, regardless of political or commercial conditions;
- protection of national cultural heritage, movable and immovable, [including] museums, heritage reserves etc, as the foundation of national culture; proper care about traditional cultures of peoples and ethnic groups of Ukraine;
- support of the basic network of public cultural institutions by means of public funding and public administration;
- backing from public government bodies to all kinds of cultural and artistic organisations and individual artists, regardless of legal status and ownership;
- ensuring legal and economic incentives for non-public funding of culture.”

The Conceptual Guidelines also declared the need for a comprehensive reform in the cultural sphere. It would be an exaggeration to say that the Conceptual Guidelines really made a strong impact on public cultural policy (one of the reasons they didn't was that a legal status of such a document as 'conceptual guidelines' is unclear – it is neither a law nor a government decree).

The Concept of Cultural Policy of the State for 2005-2007 adopted by the Supreme Rada (Parliament) of Ukraine in March 2005, provided yet another version of the goals, principles and priorities of public cultural policy of Ukraine:

- “1) making the cultural development of Ukraine as a whole and of its regions a priority sector of action for both central and regional government;
- 2) drafting and adopting a long-term programme of cultural development of Ukraine, promoting the working out of regional programmes of cultural development;
- 3) reforming the ways and means of cultural administration, specifically, re-directing the activities of central and local [cultural] administration bodies from the performing of certain ascribed functions to the setting and achieving concrete goals; drawing representatives of the broader public to the process of cultural policy-making;
- 4) designing an effective model of financing the cultural development;
- 5) designing and adopting a set of state-guaranteed social standards of provision of cultural services to the population (including an inventory of such services, modes of provision, indicators of performance and quality); as well as methods of calculation of the amounts of public budget subsidies per capita for the providers of state-guaranteed cultural services for the population.
- 6) introduction of correction factors for the standards of public budget subsidies for culture and the arts, so as to take account of the number of heritage objects and the size of public museum stocks in particular regions;
- 7) implementing a set of educational, cultural, artistic programmes and projects for children and young people;
- 8) supporting the cultural development of rural areas;
- 9) forming a complete informational and cultural space of Ukraine by means of, in particular, mapping its cultural resources, creating sectoral analytic databases, publishing and disseminating informational leaflets [about Ukrainian culture], developing the Culture TV channel;
- 10) assuring Ukrainian participation in international cultural projects, implementing a set of informational and cultural actions aimed at raising the awareness of the world public about Ukraine's cultural wealth.”

The latest culture-related legal act so far, dealing with the goals and priorities of public cultural policy, has been the President's Decree '*On primary tasks for enrichment and development of culture and spiritual values of Ukrainian society*' (Decree No 1647, issued 24.11.2005).

The decree recommends to the Cabinet of Ministers of Ukraine to draft a *National action plan for enrichment and development of culture and spiritual values of Ukrainian society* which should include 'concrete actions aimed, in particular, at:

- improvement of culture-related legislation;
- development of national cinematography, book publishing, archives;

- assuring the efficient functioning of historical and cultural centres related to the lives and activities of prominent personalities of Ukrainian culture, arts, science, prominent events of the national liberation struggle, other great events of Ukrainian history, livening up the academic research in these fields;
- publication of encyclopedias, reference books, academic works, popular science books etc;
- construction of new museum buildings and exhibition halls in Kyiv and other cultural centres;
- erection of new monuments to national liberation fighters;
- livening up international cultural co-operation, with UNESCO in particular.”

The *ad hoc* approach typical for many cultural policy decisions is also evident here: among the priority tasks listed in the Decree, many are dictated by the acuteness of the existing problems rather than by a vision of future Ukrainian culture.

The draft *National action plan (Road Map) for enrichment and development of culture and spiritual values of Ukrainian society* was prepared in Spring 2006 and discussed at the session of the National Council for Culture and Spiritual Development under the President of Ukraine. It is presented in the Appendix to this report.

2.2. Cultural administration and public cultural infrastructure

In contemporary Ukraine, the cultural sector in broader meaning is administered on the national level by several government agencies (Ministry of culture and tourism, State Committee for publishing, TV and radio; National Council for TV and radio broadcasting e.a.). They are coordinated by the Vice Prime Minister of Ukraine for Humanitarian Affairs. This institutional diversity has also been reflected in public funding of culture. As Table 2.1 suggests, several government departments have public cultural organisations to control and maintain with state budget money.

Table 2.1. Expenses for culture, arts and mass media in the State budget of Ukraine

| Government agency | Comments | Amount of expenses | | | |
|---|---|--------------------|--------|--------|---------|
| | | 2000 | 2001 | 2002 | 2005 |
| Ministry of Culture and Arts | Expenses for education and academic research not included | 131137 | 170807 | 196040 | 532500 |
| State Committee for information policy, publishing, TV and radio broadcasting | Funding of State TV and Radio-channels | 121618 | 117283 | 134601 | no data |
| Administrative Department of the Parliament ⁶ | Funding of media coverage of Parliament's work, subsidies to 'Holos Ukrainy' daily; to 'Ukraina' Concert Hall | 8066 | 10764 | 11069 | no data |
| Administrative Department of the President of Ukraine | Subsidies to the 'Kyiv Camerata', the Ukrainian House cultural centre, National Exhibition Centre* | 1381 | 1868 | 2204 | no data |
| Ministry of Foreign Affairs | Promotion of Ukrainian culture in the world | 75 | 95 | 153 | no data |
| Ministry of Education and Sciences | Pedagogical Museum, Museum of Aviation, subsidies to educational periodicals | 89 | 120 | 589 | no data |
| Ministry of Health | National Medical Library, National Museum of Medicine | 1250 | 1984 | 2175 | no data |
| Ministry of Agriculture | Promotion of culture in the countryside | 1729 | 2160 | 2333 | no data |
| Ministry of Finance | Museum of Treasures | 951 | 1123 | 1215 | no data |
| State Committee for Nationalities and Migration | Support to cultures of national minorities | - | 400 | 1000 | no data |

⁶ In 2002, this and the following Departments merged.

Source: Committee for Culture and Spiritual Development of the Supreme Rada of Ukraine

The Ministry of Culture and Tourism is formally the main government agency for cultural policy, but in reality it is rather in charge of the public cultural sector in the narrower meaning (music and performing arts, plastic arts, film, libraries, cultural heritage, artistic education etc). The Ministry administers nearly 130 state-owned cultural organisations and has certain (or, as some people say, uncertain) recommendative power over all other public cultural organisations. These organisations (over 45 thousand of theatres, museums, libraries, cinemas, artistic schools, community cultural centres, or 'houses of culture') are supported by local government bodies (Oblast administrations, Raion administrations, city councils, town and village councils).

Regional government agencies and local Councils have directorates for culture or departments for culture (and tourism, since 2005) in their structure to take care of local public cultural organisations and cultural activities. The system of public administration in Ukraine has its peculiarity: Oblast and Raion Administrations are subordinate not to the Cabinet of Ministers of Ukraine, but to the Secretariat of the President of Ukraine. This is why the influence of the Ministry of Culture on local cultural administration has been rather weak.

Table 2.2. Public cultural organisations in Ukraine, 2004

| | Owned and subsidized by the state | Owned and subsidized by local authorities |
|-------------------------------|--------------------------------------|--|
| Theatres | 5 | 128 |
| Performing arts organisations | 17 | 71 |
| Circuses | 15 | - |
| Libraries | 9 | 19960 |
| Museums | 13 | 422 |
| Cultural heritage reserves | 15 | 23 |
| Houses of culture and clubs | 548 | 18854 |
| Artistic schools and colleges | 12 | 1487 |
| Film studios | 5 | - |
| Archives | 12 | 10 |
| Other | 4 | 971 |
| Total | 655 | 45803 |

As mentioned earlier, since the late 1980s, several thousands independent cultural organisations have been developing in Ukraine. However, public agencies in charge of the cultural sector don't feel obliged to help them, financially in particular.

Traditionally, so-called National creative unions (founded back in the 1930s) have been major legitimate representatives of the artistic community in Ukraine. Nowadays, many artists either don't join the traditional artistic unions or create artistic associations of their own. However, the Ukrainian government still treats the 11 'traditional' artistic unions (they have adopted the title of *the National Creative Unions* now) as legitimate representatives of the whole artistic community and provides same financial support to them (which is also reflected in the Budget Code), while the recently founded independent artistic associations usually get none.

Cultural Administration reform

On April 20, 2005 President Yushchenko issued a Decree No 680 '*On the Ministry of Culture and Tourism of Ukraine*' whereby the Ministry of Culture and Arts would merge with the State Tourist Administration, previously a separate government body.

The inclusion of tourism sector in the sphere of responsibility of the [former] Ministry of Culture signifies the understanding of the fact that the tourism/recreation sector, especially heritage-based cultural tourism, has become a major incentive and a source of support to cultural development nowadays; on the other hand, the nation's cultural heritage and cultural industries form a natural foundation for the development of tourism. According to the

President's decree, there should be three major administrative bodies within the structure of the new ministry, alongside the traditional directorates and departments:

- the State service of national cultural heritage,
- the State service for tourism and resorts,
- the State service for cinematography.

The completion of the administrative reform, however, took much more time than originally expected; by the end of 2006, a new Statute of the Ministry and all three State services were enacted, their staff completed, and corresponding changes were underway in the regions of Ukraine.

2.3. *Culture-related legislation*

Taking into account the transitional character of the 1991-2004 period in modern Ukrainian history, one should not wonder that Ukrainian lawmakers have been intensively producing new legislation, including culture-related, during this period.

The process began with the adoption of *the Basic Law on Culture* in February 1992 followed by the following laws:

- On Printed Media (the Press) (1992),
- On Television and Radio Broadcasting (1992),
- On National Archive Fund and Archive Institutions (1992),
- On Authors' Rights and Adjacent Rights (1993, amended in 2000),
- On Museums (1995),
- On Libraries (1997),
- On Publishing Industry (1997),
- On Charities and Charitable Activities (1997),
- On Cinematography (1998),
- On the Protection of Cultural Heritage (1999),
- On Architectural Activity (1999),
- On Professional Artists and Artistic Unions (1997),
- On Artistic Folk Crafts (2001),
- On State Support to National Book Publishing Industry (2003),
- On the National Programme of the Development of National Film Industry for 2003-2007 (2002),
- On Artistic Touring in Ukraine (2003),
- On the Protection of Archaeological Heritage (2004);
- On Theatres and Theatrical Sector (2005),
- On the Concept of National Cultural Policy for 2005-2007 (2005).

However, some experts still argue that Ukrainian culture-related legislation should be assessed as incomplete and lacking conceptual integrity; for many aspects of daily activities of public cultural institutions (especially funding) still have been regulated by old-legal acts inherited from Soviet times. Also, many new developments of post-communist cultural life (for instance, the activities of private artistic organisations and cultural NGOs) are still not supported by an appropriate legal base.

Low ineffectiveness of some culture-related legal acts can be understood as a result of a confusing mix of different ideologies and values underlying them: modern democracy and market liberalism coexist with 19th-century-style nation-building; state paternalism coexists with a *laissez-faire* approach to cultural industries, not to mention some elements of multiculturalism coexisting with a rather ethnocentric notion of the Ukrainian nation.

For instance, *The Basic Law of Ukraine on Culture (Osnovy Zakonodavstva pro Kul'turu)* that has been the main official cultural policy document of the initial period of independence, is far from consistent in its provisions. In fact, it mirrors both a Post-Soviet bias and romantic post-independence expectations of its authors and [implied] readers/subjects.

The general mood of *The Basic Law* is an enlightening and moralistic one, reminding Raymond Williams' 'paternalistic model of cultural communication'. Cultural rights of ethnic

non-Ukrainians (national minorities) are guaranteed, but these groups are not explicitly recognized as a part of the Ukrainian political nation.

Article 4 (*Language in cultural sphere*) states that:

“The State shall care about the development of Ukrainophone cultural practices, and guarantee equal rights and possibilities concerning uses in the cultural sphere of the languages of all national minorities living in Ukraine”.

Article 5 of the Basic Law on Culture deals with *cultural rights* of Ukrainian citizens and mentions: freedom of artistic creativity, free choice of any kind of artistic activity, amateur or professional; the right of the author to determine the use of one’s creative work; the right to establish cultural organisations, foundations, associations; the right to take part in artistic unions and cultural associations, the right of minority members to preserve their cultural and ethnic originality/identity; the right to get artistic education; free access to all cultural heritage of the society, etc.

A more profound analysis of the Basic law on Culture would also produce a convincing explanation of why it didn’t work. One of the main reasons is that the *Basic Law* is unfit for a market economy, for it does not envisage financing mechanisms other than direct funding of public cultural institutions by state and local budgets. Neither it envisages public support for private cultural institutions and cultural NGOs (although does not ban it, either).

The loopholes and shortcomings of the Basic Law will be hopefully eliminated with the introduction of the new *Law of Ukraine on Culture* drafted by the Ministry of Culture and Tourism and presented to the parliament in February 2007.

2.3.1. Legal foundations for budget subsidies to culture

Article 23 (Financing of culture) of the Basic law regulates that:

“The financing of culture is based upon official funding norms and shall be provided by the [State] budget and local budgets, by financial means of enterprises, organisations, civil associations, and from other sources as well.

The State guarantees subsidies necessary for cultural development of an amount no lower than 8% of Ukraine’s national income ...”

Apparently, no contemporary state ever spent as much as 8 % of its national income on culture. Nor did Ukraine’s budget ever conform to this requirement since 1992. This, of course, undermined the Basic Law as a whole.

The Budget Code was adopted in 2001. According to it, State budget and local budgets have to be drafted in accordance with the principles of programme budgeting which means that on the national level, sectoral ministries and departments should design “budget programmes” for the development of corresponding sectors of the national economy as the basis for calculation of budget expenditure.

The very wording of corresponding articles of the Budget Code apparently signifies a controversial compromise between the explicitly stated principle of programme budgeting and the still valid principle of permanent financial support to the existing network of public cultural organisations.

Article 87 of the Budget Code deals with cultural expenses to be covered by the State Budget of Ukraine. Specifically, it mentions:

- a) State programmes of cultural enlightenment (state libraries, museums, exhibitions, historic reserves of national importance, international cultural contacts, major cultural actions of the state);
- b) State programmes of development of theatrical and performing arts (national theatres, national philharmonic institutions, state organisations of music and dance, other public cultural organisations and actions, according to the Inventory approved by Cabinet of Ministers of Ukraine);
- c) State support to civic artistic and cultural associations which have the status of National Unions;
- d) State programmes of development of cinematography;

e) State archives.

Articles 88 and 89 of the Code regulate expenses from local budgets (those of towns, cities, villages) in the similar way.

Although the Budget Code speaks about cultural/artistic “programmes” as the objects of funding, it in fact obliges the State and local authorities to fund the already existing public cultural organisations. On the other hand, it effectively prohibits to finance from State budget those independent cultural organisations which are not included in the “Inventory” approved by the Government. This results in a situation where an independent cultural organisation can get some funds from the state only if it takes part in a major state-sponsored cultural event.

In other words, the programme budgeting procedure envisaged by the Budget Code for public cultural sector needs serious improvement; specifically, the programme budgeting principle may be kept for artistic organisations (theatres, music or dance ensembles, film studios. On the other hand, non-artistic institutions (libraries, museums, archives) need a more adequate budgeting procedure, based on funding norms of respective types of organisations.

As a matter of fact, there is a legal reason for this. Namely, Article 21 of the Law on Social Welfare Standards regulates norms of financial provision assuring State social standards and guarantees in practice. It mentions three kinds of such norms:

- Norms of per capita financing of particular services from State budget or from local budget;
- Norms of financial provision for particular types of public institutions and organisations (educational, cultural, medical etc.);
- Norms of the State’s capital investments in the development of public cultural organisations.

The Article also rules that the mentioned financial norms should be specified in the Law on State Budget of Ukraine for each particular year. Unfortunately, the reality is different: the Ministry of Finance uses only one kind of norms: those of per capita cultural expenses for each region (Oblast) of Ukraine.

2.3.2. Regulations on earned income and state-guaranteed cultural services

The Law on Social Welfare Standards and Social Guarantees of the State gives a detailed definition of “State social standards in cultural services” (Article 13). These standards include:

- “the inventory of free-of-charge services provided by cultural institutions, organisations and enterprises;
- quality requirements with regards of services provided by cultural institutions, organisations, enterprises;
- [quantitative] norms of provision of population with cultural organisations, institutions, enterprises”.

The Law of Ukraine on Social Services (2005) introduced the concept of social services including several cultural services, once meant for ‘persons in difficult living conditions’ (orphans, pensioners, disabled people, low-income families and individuals etc). These services should be provided according to the *Law on Social Services* by both public and private cultural organisations, either free of charge or chargeable (the law does not specify which services shall be free).

The pricing of all remaining social services should be done according to *The rules of regulation of tariffs for social services* (approved by Decree of the Cabinet of Ministers of Ukraine No 268, on 9.04.2005): these tariffs should include only production/provision costs, administrative costs and taxes. In other words, providers of social services (including cultural) shall not earn profits from them.

2.3.3. Taxation in cultural sector

Article 26 (Taxes in the cultural sector) of the Basic Law on Culture states that:

“The State carries out the policy of tax benefits in the cultural sector. It exempts Creative Unions, [ethnic] cultural associations and foundations, other cultural civil associations from taxes. Exempt from taxes are also cultural organisations which are subsidized by the [State] budget, by [public] enterprises or by trade unions.
[The State] establishes tax exemptions for those incomes of enterprises, organisations and individuals which are donated for cultural needs...”

However, as of today, most of these issues are regulated in a different way by the *Taxation Code* and the *Budget Code* of Ukraine (as a matter of fact, there are no tax relieves or exemptions for cultural organisations unless they are registered as non-profit organisations - NPO)- or are book publishers), but the *Basic Law on Culture* has not been properly amended after these codes were adopted.

If a cultural organisation is registered as an non-profit organisation, tax officials tend to fully tax most of its incomes except for charitable donations (referring to the ambiguous formulation in Article 7.11 of *The Law on a Taxation of Profits of Enterprises* which will be discussed later here). This in fact forces many cultural organisations to choose between disguising their earnings as donations and abandoning their NPO status.

2.3.4. Legal framework for artists

Article 54 of the *Constitution of Ukraine* guarantees to citizens of Ukraine:

“...freedom of literary, artistic, academic, scientific creation, protection of their intellectual property and author's rights, moral and material interests deriving from various kinds of intellectual activity”

These constitutional guarantees form the base for national copyright and legislation for artistic work.

The *Law on Professional Artists and Artistic Unions* (1997) defines the legal status of professional artistic workers and lays legal foundations for artistic associations (also known as ‘creative unions’). The condition for a person to enjoy the status of ‘*professional creative worker*’ is that earnings from artistic activity should be his/her main source of income. Under current circumstances in Ukraine, not many artists meet these requirements (and those who do, usually work in commercial cultural industries and don't seem to need much protection from the state).

On the other hand, the law *On Professional Artists and Artistic Unions* does not offer much protection for artists, either. There is no income tax relief, no special pension scheme. On the other hand, members of artistic unions have the right for social pension even if they didn't have a full-time job (being a member of an artistic union is regarded as having a ‘creative job’, which makes the person eligible for social pension).

According to the *Law on Professional Artists and Artistic Unions*, artists also may pay a special, reduced rent when they lease a studio, but this right is not supported by corresponding regulations in the legislation on property lease.

Also, the *Law On Professional Artists and Artistic Unions* acknowledged that so-called National artistic unions (the successors of the All-Union creative unions that existed in the USSR) possess property rights for the assets used by the former All-Union creative unions (legally, these assets were state property in Soviet times). On the other hand, several new artistic unions that emerged in the 1990s were in fact stripped of the right for a share in this property, which caused some protest from them.

2.3.5. Legislation for cultural industries

There is a number of laws regulating the activities of cultural industries: *Law on Printed Media (the Press)*, *Law on Television and Radio Broadcasting*, *Law on Authors' Rights and*

Adjacent Rights, Law on Publishing Industry, Law on Cinematography etc.

Basically, these legal acts define how enterprises in particular industries shall be established, registered or licensed (the latter concerns media outlets), in which language they may operate (as a rule, Ukrainian language applies for media outlets, unless they serve cultural needs of minorities) and how public enterprises in these industries can be privatized. They also define the rights of journalists and other workers, etc.

Some of these acts contain regulations concerning state support to domestic cultural industries. For instance, the *Law on Publishing Industry* (Article 6) rules that “The State supports those publishing enterprises, printing houses, bookshops that produce or disseminate no less than 50% of their products in the state [Ukrainian] language... by means of exempting them from taxation”.

Unfortunately, tax exemptions offered by this law have not been supported by proper amendments in other legal acts that directly regulate taxation, and tax relieves promised by the *Law on Publishing Industry* or by the *Law on Cinematography* remain wishful thinking.

The *Law on Cinematography* also introduced a minimum screening quota for national film productions at the 30% level, but in practice this quota is not adhered to, in part because of lack of proper control, in part because there are way too few Ukrainian film productions on the market.

There are also two rather special legal acts, adopted after a long struggle between Ukrainian publishers and the liberally-minded state financiers and legislators: the *Law on State Support to the National Book Publishing Industry* (2003), and *Law on Some Amendments to Legal Acts Concerned with State Support to Book Publishing* (2003), whose purpose is the introduction of a set of tax exemptions and other incentives for the development of the Ukrainian book publishing and printing industry. Many believe that it is thanks to these tax incentives that the Ukrainian book industry seems to overcome its prolonged crisis (see Chapter 5.1 for more on this matter).

National film industry has been less lucky, however. In 2003, the *Law on Cinematography* was amended so as to harmonize it with the new version of the Law on Copyrights. *The Law on the National Programme of the Development of National Film Industry for 2003-2007*, similar to the above-mentioned publishing-related laws, was adopted in December 2002. The introduction of tax exemptions and other protectionist measures were anticipated by this National Programme (see detailed analysis of the Programme in chapter 5).

However, the draft law ‘*On the duty of support of national film production*’ (to be raised from the income from foreign films, as suggested by the National programme of the development of national film industry) was rejected by the Parliament.

2.3.6. Copyright regulations

Ukraine, as a legal successor of the USSR, is a member of the Geneva Copyright Convention of 1952. It also joined the Bern Convention on the protection of literary and artistic works in 1995, the Rome Convention on protection of the interests of phonographic producers and broadcasters (1961) in 2001, and the Phonographic convention of 1971 in June 1999.

Ukraine also joined the International Intellectual Property Association and ratified its two major treaties, *On Authors’ rights* and *On Rights for Artistic Performances and Phonographic Recordings* (both in 2001).

The initial version of the *Law of Ukraine on Author’s Rights and Adjacent Rights* was adopted in 1993 and its thoroughly revised new version was adopted in July 2001, as a part of the general harmonisation of Ukrainian legislation with international legal standards on copyrights and anti-piracy regulations. Other elements in this harmonisation process have been the *Law on Dissemination of Audiovisual Works and Phonographic Recordings* (March 2000) and the *Law on the Peculiarities of State Control Over the Entrepreneurial Activities*

Related to Production, Export and Import of Discs With Laser Reading Systems (also known as the *Laser Disc Act*, January 2002), intended to fight the then-flourishing copyrighted piracy in Ukraine and adopted by the Parliament of Ukraine under serious pressure from international copyrights organisations. This act, however, left Western copyright owners unsatisfied, and the sanctions against Ukraine were lifted only in 2005 after a new, more restrictive law on laser discs was adopted.

The situation with copyrighted piracy in Ukraine, however, improved remarkably even before that. The reason for this, according to some experts, was the closing down of some controversial CD producing factories and the development of a network of 'civilized' music shops with legal music recordings of good quality and affordable prices.

2.3.7. Non-Governmental Organisations (NGOs) and charities in culture

There is no special law on non-profit organisations in Ukraine, despite prolonged efforts to approve one.

On the other hand, NGOs do exist, and there are specific legal regulations for them.

In 1997, an important amendment to Article 7 of the *Law on Taxing of Profits for Enterprises* was made. It provided some tax exemptions for non-profit organisations (for which certain types of cultural organisations are also eligible).

Unfortunately, no clear legal definition of the non-profit organisation accompanied the amendment, which resulted in common interpretation of the NPO by tax officials as a legal entity that carries out no entrepreneurial activity at all.

The amended Article 7 of the *Law on Taxing of Profits of Enterprises* (specifically, its subparagraph 7.11.1) lists six groups of NPOs eligible for tax relief. For instance, group 'a' includes some types of budget-funded public organisations regarded as NPOs; group 'b' includes:

"charitable foundations and civic associations established with the goal to carry out environmentalist, athletic, amateur artistic, cultural, educational, academic activities; Artistic Unions" - all these are free of tax on their incomes derived from "core activities".

Group "c" includes "legal entities other than those mentioned in groups "a" and "b", whose activities do not result in obtaining profits according to the acting law".

To be eligible for tax relief, an NPO should be registered at local Taxation Administration. The latter may either include an NPO in its Register or refuse (if, for instance, it finds something "untypical" for non-profit activities in the NPO's Statutes) and the applicant has no right to appeal to the court.

The *Law on Charity and Charitable Organisations* regulates how such organisations shall be established, registered, managed, taxed etc. It also contains a list of activities that may be regarded as charitable (and therefore eligible for tax relief).

The Law defines that administrative expenses of a Charity shall not exceed 20% of its budget.

As for tax relief for charitable donations, the *Law on Taxing of Profits of Enterprises* (article 5.2.13) rules that a charitable donation is excluded from taxed income if it is no less than 2% and no more than 5% of the total income of the donor subject to profit tax. Some experts believe that this relief is too insufficient to encourage charitable activities of Ukrainian business people.

This legal structure, incomplete and complicated at the same time, as well as the insufficient tax relief, result in small and weak "third sector" in Ukraine.

Summarizing this brief review of culture-related legislation we can conclude that Ukrainian law is perhaps the most advanced in the sheer number of culture-related legal acts. National

legislation on heritage protection, on copyright, on the media is quite extensive; there are special laws regulating the activities of several types of cultural institutions (libraries, publishing houses, theatres, museums, archives etc). The effectiveness of these laws is, however, another matter. There are several regulation problems not addressed at all (or regulated in a wrong way) by existing laws.

Ukrainian law also provides very little tax relief for earnings by cultural organisations and very weak incentives for private donations to culture and the arts. Ukraine lacks a specific law on non-profit organisations, while in most European countries such laws have been working for quite a while. Legal protectionism for cultural industries in Ukraine also needs to be strengthened.

Considering this, the issue of comprehensive reform of culture-related legislation should remain among the priorities of Ukrainian cultural policy, and the introduction of the new Law of Ukraine on Culture can be a major step towards implementation of this task.

2.4. *Financing of Culture*

2.4.1. Direct Public Funding of Culture

Budget subsidies to public cultural organisations remain the major source of their funding in Ukraine, which makes the public cultural sector very vulnerable in times of budget difficulties.

As financial statistics show, public funding of culture in Ukraine plummeted in 1993-1998, and although the nominal amount increased remarkably in 1999-2006, it has been declining both as a share of Ukraine's GNP and as a share of State budget.

Ukraine's cultural expenditure has been slightly above 1% of the consolidated public budget expenditure. When we turn to neighbouring Poland and Russia for comparison, we see that Ukrainian public cultural expenditure has been substantially lower.

Table 2.4. State support to culture in some post-communist countries

| | Ukraine | | Poland | Russia |
|--|---------|-------|--------|--------|
| | 2000 | 2005 | 2000 | 2000 |
| Share of cultural expenses in national and federal budgets | 0,53 % | 0,55% | 0,8 % | |
| Share of national budgets in public expenses for culture | 15 % | 27,6% | 15,4 % | 16 % |
| Per capita public cultural expenses | \$1,8 | \$8.3 | \$17 | \$5 |
| Share of cultural expenses in regional and local budgets | 3% | 3,6% | 3,12% | 2% |

Table 2.5. Expenses for culture in the consolidated Budget of Ukraine, 2001-2006, million UAH

| Expenses for culture and the arts: | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---------------------------------------|--------|-------|--------|--------|--------|--------|
| In the consolidated budget of Ukraine | 830,2 | 804,7 | 1162,9 | 1471,0 | 1992,1 | 2192,6 |
| In the national budget of Ukraine | 150,43 | 170,1 | 278,6 | 360,55 | 549,2 | 593,5 |

Per capita cultural expenses in Ukraine reached UAH 28 in 2004 (\$5.5) – in other words, increased by 3 times in 4 years, 2000-2004. In 2005, it increased for another 30%. Ukraine, however, still lags behind Russia and Poland.

Table 2.6. National budget funding for public cultural organisations and activities (according to budget spending programmes), 2000-2006

| | 2000 | | | 2001 | | | 2002 | | as % of the planned |
|--|----------------------|--------------------------|---------------------|----------------------|--------------------------|---------------------|----------------------|--------------------------|---------------------|
| | Planned, UAH million | Performance, UAH million | as % of the planned | Planned, UAH million | Performance, UAH million | as % of the planned | Planned, UAH million | Performance, UAH million | |
| Ministry of Culture - total | 160.67 | 143.7 | 89,4 | 215.844 | 150.428 | 69.7 | 251.036 | 170.085 | 67.8 |
| Education | 25.188 | 25.085 | 99,6 | 39.923 | 38.026 | 95,2 | 47.598 | 43.91 | 92,2 |
| Research | 3.187 | 3.184 | 99,9 | 2.525 | 1.966 | 77,9 | 4.507 | 4.332 | 96,1 |
| Culture | 29.069 | 25.722 | 88,5 | 65.531 | 27.377 | 41,8 | 61.287 | 26.126 | 42,6 |
| Arts | 81.580 | 68.802 | 84,3 | 74.830 | 60.470 | 80,8 | 102.681 | 78.555 | 76,5 |
| Film | 16.500 | 15.762 | 95,5 | 20.000 | 13.195 | 66,0 | 22.568 | 7.824 | 34,7 |
| Artistic Unions | 2.486 | 2.486 | 100,0 | 2.486 | 2.486 | 100 | 5.209 | 5.173 | 99,3 |
| Publishing | 0.266 | 0.266 | 100,0 | 0.678 | 0.561 | 82,0 | 0.727 | 0.491 | 67,5 |
| Administration | 1.16 | 1.16 | 100,0 | 2.578 | 2.485 | 96,4 | 2.580 | 2.211 | 85,7 |
| Other (targeted programmes, actions etc) | 1.234 | 1.233 | 99,9 | 7.293 | 3.862 | 53 | 3.88 | 1.464 | 37,7 |

| | 2003 | | | 2004 | | | 2005 | | 2006 | |
|------------------------------------|----------------------|--------------------------|---------------------|----------------------|--------------------------|---------------------|--------------------------|--------------------------|--------------------------|---------------------|
| | Planned, UAH million | Performance, UAH million | as % of the planned | Planned, UAH million | Performance, UAH million | as % of the planned | Performance, UAH million | Performance, UAH million | Performance, UAH million | as % of the planned |
| Ministry of Culture - total | 288.352 | 278.625 | 96.6 | 390.993 | 360.548 | 92.2 | 531.3 | | 659.6 | |
| Education | 61.840 | 61.781 | 99,9 | 83.610 | 80.282 | 96,0 | 143.7 | | 178 | |
| research | 1.011 | 1.010 | 99,9 | 1.811 | 1.775 | 98,0 | 2.56 | | 3.27 | |
| Culture | 72.962 | 70.093 | 96,1 | 78.474 | 71.311 | 90,8 | 95.5 | | 62.4 | |
| Arts | 105.903 | 102.231 | 96,5 | 141.528 | 138.709 | 98,0 | 241 | | 287 | |
| Film | 18.807 | 18.130 | 96,4 | 19.500 | 11.641 | 59,7 | 26.5 | | 49.2 | |
| Artistic Unions | 4.341 | 4.341 | 100 | 4.541 | 4.541 | 100 | 5.8 | | 6.8 | |
| Publishing | 0.606 | 0.606 | 100 | 0.706 | 0.706 | 99,9 | 1.7 | | 12 | |
| Administration | 3.109 | 3.099 | 99,7 | 5.783 | 4.535 | 78,4 | 7.7 | | 13.04 | |
| Other (targeted prog., actions) | 19.773 | 17.333 | 87,7 | 55.04 | 47.05 | 85,5 | 7.33 | | 47.66 | |

Looking at the distribution of public funding of the cultural sector between the national level and the local level in Ukraine, Russia and Poland (see Table 2.4), we find the figures for the share of the national budget in all three nations almost identical (15-16%). In Poland, on the other hand, the share of local administration in cultural expenditure has been continuously increasing through the 1990s, as a result of the decentralisation.

The statistics from the period of 1995-2004 illustrate how the implicit priorities of the previous government influenced the funding of culture. Table 2.7 shows that while Poland spent 14% of its cultural budget on museums in 2000 and Russia spent 34%, Ukraine spent only 5,6% ! As for performing arts, our neighbours spent several times less on them than Ukraine.

Table 2.7. Breakdown of cultural expenditure in the budgets of some post-communist countries

| | Ukraine | | Poland, | Russia, |
|-----------------------|---------|------|---------|-----------|
| | 2000 | 2005 | 2000 | 2000 |
| Museums, galleries | 5,6 % | 18% | 14 % | 34,0 % |
| Heritage | 8,5 % | | 13 % | 6-9 % *** |
| Libraries | 8,04 % | | 4,6 % | 8,3 % |
| Artistic associations | 2,6 % | 1.2% | 2,4 % | No data |
| Theatres | 11,1 % | 45% | 8,1 % | 11,7%** |
| Performing arts | 38,6 %* | | 2,1 % | |
| Film | 10,2 % | 5,1% | 0,5 % | 8,8 % |
| Artistic education | 15,6 % | 27% | 47% | 9,7 % |

*) "National importance mass cultural actions" included.

**) All performing arts.

***) Estimated as 1/2 of total costs of the Federal Programme of Development of Culture in RF.

Financial priorities of the Ministry of Culture and of local cultural administration are of a different character. The Ministry's care focuses on National cultural organisations (theatres, opera houses, museums etc), artistic colleges and circuses. It also used to spend over 1/3 of its expenses on performing arts, festivals, exhibitions of national importance. On the other hand, local authorities fund the majority of Ukraine's public libraries, theatres and museums.

Let's look at the breakdown of cultural expenses at national level by types of institutions (Table 2.6). We can see that the shares of funding for particular types of organisations has been rather unstable (for instance, "museums and exhibitions": 1993 - 9,7%; 1996 - 6%; 1999 - 7,5%; 2001 - 14,5%; 2002 - 6,8%).

For libraries, the amount of funding oscillated between 10,5% (1993) and 4,3% (1998); for film productions between 1,3% (1998) and 10,2% (2000).

Unlike budget subsidies to public cultural organisations, funding of major cultural events (festivals, big holiday celebrations, exhibitions, etc.) is formally based on competitive tendering. This form of funding is also known as "targeted funding" because the money must be spent on achieving particular "targets". The share of "targeted funding" (mass actions) can be as high as 25-30% in some years.

Recapitulating the problems of direct budget funding, we must note that it is not the instability of the structure of cultural expenditure in the National budget, or its arguable disproportion, or the marginal role of project-oriented funding schemes that account for the crucial shortcoming of Ukrainian state's cultural budgeting in the 1990s. Perhaps the most depressing effects have been caused by periodical budget underperformance, which was almost a rule.

For instance actual budget subsidies given through the Ministry of Culture in 2001 were only 150 million UAH (planned amount 215 million). Artistic colleges and schools got almost 100% of the planned 38,9 million, while theatres and other performing arts organisations got 41 million (instead of 49,7 million UAH). "Non-artistic" organisations (libraries, museums, heritage) got less than half of the planned (27,37 million instead of 62,5 million). Culture

funding at national level has been constantly growing in 2004-2006, from UAH 278.6 million in 2003 up to UAH 659.6 million earmarked for 2006 (see table 2.6).

In 2005, total funding of culture from the national budget grew substantially (360 million to 532 million UAH). Salaries of the employees of public cultural institutions grew by 25%, a number of bonuses were introduced, which resulted in the total growth of the incomes of culture workers by 57%. On the other hand, this means that most of the increase in public funding was spent of salaries, and very little went into programmes.

Almost UAH 144 million was spent on cultural/artistic education (79% increase). Another 137.7 million went to the performing arts, 5.8 million were spent on donations to artistic unions, 2.5 million on academic research, 30 million were spent on supporting Ukrainian language (donations for Ukrainophone cultural/artistic activities).

Own incomes of public performing arts institutions grew by 40% and reached UAH 50.3 million (of these, 40.5 million from core activities).

Subsidies to national heritage institutions reached 42 million (comparing to 28 million in 2004). Expenses for subscription of periodicals for public libraries increased manifold and reached UAH 2 million. Another UAH 9 million was spent on the purchase of new Ukrainian books for public libraries.

However, budget performance in 2005 and in 2006 has shown that a mere increase in public funds is not enough, its effects can be quite low if not accompanied by improvement of some obsolete funding schemes. For instance, the original planned amount of public expenses for film production was UAH 49.5 million, but the inability of public film studios to consume this money effectively became obvious, so the actual expenditure on film industry was only UAH 26.5 million.

2.4.2. Funding cultural development through targeted programmes

The *Law On State Targeted Programmes* (2004) defines that a state targeted programme is:

“...a set of interrelated goals and tasks directed at solving certain most important problems of the development of the state, of certain industries or sectors, of certain regions, to be implemented by means of state budget funds, and provided with deadlines, compositions of performing institutions, and resources.”

The law rules that first, a particular government body (i.e. a ministry) shall draft and present to the Cabinet of Ministers a concept of a targeted programme it believes is needed. After the concept is approved, the targeted programme itself can be drafted and presented for the Government's (or, in the case of so-called *All-State programme*, the parliament's) approval.

A state targeted programme must contain:

- main phases and deadlines for their implementation;
- amounts of funds necessary for each programme (total funding and funding for each particular year), and sources of the funding;
- concrete results of each targeted programme;
- amount of funds needed by each targeted programme in the planned year; including the amounts needed from the national budget;
- state administration bodies which commission each particular targeted programme.

There are four main reasons for the use of targeted programmes as cultural policy tool:

- first, targeted programmes serve as a means of making the Government's work more effect-oriented and evaluable;
- second, with the routine one year budgeting spin, only targeted programmes (for a period of 3,5 or more years) can serve as a means of planning and accomplishing something which can not be achieved in one year period;
- third, national (federal) targeted programmes usually combine national, regional, local funding with non-public resources, which cannot be provided by the routine budget funding process;
- fourth, specific targeted programmes seem to be indispensable if there is a large-

scale problem which cannot be solved in a routine way, that is, if much more than usual amount of public resources is needed to cope with it.

It should be noted, however, that targeted programming as a method of planning and investment was also used in the former Soviet Union (but not in cultural sector). This explains why so many elements in the targeted programming practice in Ukraine remind us of old Soviet times. However, culture-related programmes have been making only a minuscule part of the broader context of target programming in Ukraine (Table 2.8.). We see that despite the remarkable number of culture-related programmes, their share is almost negligible.

Table 2.8. State targeted programmes included in the National budget for 2003

| | Number | Total funding, million | From National budget, million |
|---|--------|------------------------|-------------------------------|
| All targeted programmes | 182 | 23 434,8 | 11 102,3 |
| Culture-related programmes | 18 | 88, 54 | 29,7 |
| Share of culture-related programmes (%) | 9,9% | 0,4% | 0,27% |

Source: Ministry of Economy, 2004

To be enacted and funded, programmes approved by the Cabinet need inclusion into the National budget; otherwise their character is only of recommendation nature. For instance, there have been 206 approved state targeted programmes covering the year 2003; but only 182 of them were included in the budget for 2003. Usually the Cabinet of Minister Decrees (whereby targeted programmes are approved), contain a phrase concerning the funding: “the funding of the Programme shall be within the limits of allocations provided by National [local] budgets for corresponding years”.

The majority of culture-related targeted programmes are strictly sectoral and deal with the [under] development of certain sectors within culture (libraries, museums, local lore studies, institutions of extracurricular education) and are rather limited in their scope and goals. For instance, the *Programme of the development of local lore studies* consist mostly of educational and research activities in which several government and academic institutions are engaged (Ministry of Education and Science, Ministry of Culture and Arts, National Academy of Science, etc.).

The *Programme of replenishment of the stocks of public libraries* is also rather narrow in its means and goals; it consists of the tasks which seem to belong to libraries routine activities, while any new general approach to the mechanisms of replenishment of library stocks is absent.

The *Programme of development of museums* also consists mostly of museums’ core (or even routine) activities (repair, renovation of the displays, acquisition of new exhibits). However, there are some non-routine tasks in it, for instance:

- creation of ten new public museums in different cities of Ukraine (funded from local budgets, not from the national budget);
- development of the State Register of Objects of National Cultural Heritage;
- “comprehensive investigation of the situation of the museums’ stocks”.

It seems that the main reason for these programmes was insufficient budget funding of museums and libraries: year after year they have had no funds to buy new books or to renovate museum displays.

Another type of targeted programmes is presented by the *Programme for “Hetman’s Capital” historical reserve in the town of Baturyn* (which includes a set of tasks aimed at the renovation and development of both the historical site and the town itself) and by the *Programme of technical modernisation of National Dovzhenko Film Studio*. Both programmes are of rather limited character, and the reason for state intervention is perhaps

the lack of necessary resources both in Baturyn and in the film studio.

On the other hand, there is an example of a more elaborated, strategic and comprehensive approach to targeted programming: the *All-State programme for development of National film industry* which will be analyzed later in more detail.

2.4.3. Funding from regional and local budgets

As was previously noted, Ukrainian local administration's financial priorities in the public cultural sector are libraries (19-20%), museums (8-10%), theatres (10-12%) and local cultural centres known as "clubs" and "houses of culture" (23-24%). Performing arts (other than theatres) get only 3-5 % of public subsidies of the local level.

Table 2.9. Breakdown of average public budget expenditure for culture in Ukraine on local level, 2000-2001, in UAH million

| | 2000 | | | 2001 | | |
|--|---------|-------------|---------------------------|---------|-------------|---------------------------|
| | Planned | Performance | Share of total expense, % | Planned | Performance | Share of total expense, % |
| Total expenses for culture, million UAH | 398,3 | 441,37 | 100 | 497,23 | 597,55 | 100 |
| Theatres | 41,52 | 49,16 | 11,14 | 51,88 | 60,05 | 10,04 |
| Performing arts | 38,40 | 42,44 | 9,6 | 46,18 | 68,65 | 11,5 |
| Libraries | 80,9 | 89,1 | 20,2 | 103,43 | 116,8 | 19,5 |
| Museums, exhibitions | 41,9 | 43,5 | 9,8 | 48,15 | 48,19 | 8,07 |
| Film, cinemas | 10,4 | 10,2 | 2,3 | 9,97 | 10,5 | 1,75 |
| Arts colleges, arts schools and education programmes | 67 | 74,8 | 16,9 | 81,45 | 109,85 | 18,4 |
| Local cultural centres ('clubs') | 90,54 | 104,5 | 23,7 | 116,09 | 142,55 | 23,8 |
| Heritage protection | 6,23 | 5,71 | 1,3 | 12,4 | 10,1 | 1,7 |
| Other | 18,98 | 20,18 | 4,6 | 23,5 | 28 | 4,7 |

The average share of cultural expenses in local budgets in Ukraine is similar to that in neighbouring countries (Poland, Russia): 2-3%. However, the absolute per capita amount of local funds for culture in Poland in 2000 was approximately 5 times higher (45,5 PLN) than in Ukraine (12,1 UAH). On the other hand, budget expenses on culture per capita grew by 9 times in the past 6 years, reaching 39 UAH (see Table 2.10). The data on per capita cultural spending in Ukraine's regions in Table 2.10 illustrate both the dynamic growth of budget support to culture in the regions and the limited relevance and effectiveness of the government's policy in this sphere.

Here, actual per capita spending in each region is compared to budget spending norms recommended by the Ministry of Finance of Ukraine for each year. As it can be easily seen, actual figures are usually remarkably higher (for Kyiv, for instance, almost 5 times higher) than recommended ones. Nevertheless, for the next year the Ministry of Finance changes their "recommended funding norms" only slightly. The "funding norms" are used in calculation of general amount of transfer subsidies from the national budget to regional budgets (for health care, education, culture, pensions, etc.).

Why was the average level of actual funding in Ukraine's regions 1,5-2 times higher than the level recommended by the National government? On the local level, deficits of budget revenues are often remarkably higher than in the national budget, yet (recommended) cultural expenditure is usually so insufficient that cultural organisations simply can't survive with the recommended amounts of subsidies. Thus local administrations must increase these amounts.

Table 2. 10. Per capita cultural spending in local budgets, 2000 – 2006

| Regions | 2000 | | 2001 | | 2003 | 2005 | 2006 |
|-------------------------|--|--|--|--|--|--|--|
| | Per capita funding norms by Ministry of Finance, UAH | Actual per capita spending on culture, UAH | Per capita funding norms by Ministry of Finance, UAH | Actual per capita spending on culture, UAH | Per capita funding norms by Ministry of Finance, UAH | Actual per capita spending on culture, UAH | Actual per capita spending on culture, UAH |
| Ukraine, average | 4,2 | 8,9 | 5,8 | 12,1 | 9,5 | 33,3 | 39,2* |
| Crimea | 5,9 | 11,2 | 5,7 | 15,0 | 9,5 | 40,7 | 53,7 |
| Vinnys'a | 3,6 | 6,1 | 6,0 | 8,5 | 9,8 | 34,6 | 49,1 |
| Volyn' | 3,5 | 8,1 | 5,9 | 10,7 | 9,6 | 32,5 | No data |
| Dnipropetrovsk | 3,7 | 6,1 | 5,4 | 9,4 | 9,2 | 28,3 | 31,9 |
| Donetsk | 5,6 | 8,0 | 5,3 | 10,6 | 9,0 | 5,9 | No data |
| Zhytomyr | 4,8 | 7,0 | 5,9 | 9,4 | 9,7 | 32,9 | 42,4 |
| Transkarpatian | 3,3 | 8,7 | 6,3 | 11,3 | 10,3 | 21,8 | 29,9 |
| Zaporizhia | 5,8 | 7,6 | 5,6 | 9,8 | 9,4 | 25,6 | 36,7 |
| Iv.Frankivsk | 3,6 | 12,1 | 6,2 | 12,7 | 10,4 | 57,1 | No data |
| Kyiv (region) | 3,7 | 10,4 | 6,0 | 15,1 | 9,7 | 39,4 | No data |
| Kirovohrad | 3,9 | 7,3 | 5,9 | 11,0 | 9,6 | 35,8 | 47,1 |
| Luhansk | 3,9 | 6,7 | 5,5 | 10,1 | 9,2 | 32,6 | 41,9 |
| Lviv | 3,6 | 8,1 | 5,9 | 11,1 | 9,8 | 38,3 | 48,6 |
| Mykolaiv | 3,6 | 6,9 | 5,7 | 12,7 | 9,4 | 33,3 | No data |
| Odessa | 3,7 | 9,8 | 5,7 | 13,1 | 9,4 | 13,0 | No data |
| Poltava | 3,7 | 7,2 | 5,9 | 9,8 | 9,6 | 35,3 | No data |
| Rivne | 3,5 | 6,6 | 6,0 | 9,8 | 9,8 | 36,2 | 49,0 |
| Summy | 3,7 | 6,4 | 5,8 | 8,7 | 9,5 | 29,3 | 40,7 |
| Temopil | 3,6 | 9,4 | 6,1 | 11,7 | 9,9 | 43,1 | No data |
| Kharkiv | 3,9 | 7,6 | 5,6 | 10,1 | 9,3 | 31,4 | 41,6 |
| Kherson | 3,6 | 6,7 | 5,9 | 10,5 | 9,7 | 33,3 | 44,8 |
| Khmelnytsky | 3,6 | 8,2 | 5,9 | 11,1 | 9,7 | 35,0 | 49,7 |
| Cherkasy | 5,7 | 8,6 | 5,9 | 10,3 | 9,7 | 36,3 | No data |
| Chernivtsi | 3,5 | 7,4 | 6,1 | 11,5 | 9,9 | 33,2 | No data |
| Chernihiv | 3,8 | 10,0 | 6,0 | 12,6 | 9,7 | 39,6 | 53,1 |
| Kyiv (city) | 4,9 | 23,0 | 5,8 | 31,2 | 9,2 | 76,0 | No data |
| Sevastopol | 5,4 | 15,4 | 6,1 | 18,6 | 9,2 | 53,8 | 91,5 |

*Average for those regions that provided the data on financing of culture.

Table 2.11. Total expenses for culture in regional and local budgets, 2005-2006

| 2005 | | 2006 p. | | 2006 compared to 2005 | |
|--------------------------|------------------------------|--------------------------|------------------------------|-----------------------|-----------------------|
| Planned, thousand UAH | Performance, thousand UAH | Planned, thousand UAH | Performance, thousand UAH | Planned expenses | Budget performance |
| 1 284 498,9 | 1 234 296,6 | 1 656 486,4 | 1 599 116,3 | 128.96 % | 129.56 % |

2.4.4. Earned income and donations

Although budget funding remains the main source of income for public cultural organisations, *earned income* has also been traditionally crucial for many of them. Table 2.12 illustrates how vital earned income is for state-owned *performing arts* organisations. Let's take public theatres. Although it was planned for 2001 that they would get 83% of their revenues from state budget and earn only 16%, in fact they earned almost 38%, while state subsidies were lower than planned and covered only 71% of their expenses. In 2003-2006, however, the growth of budget subsidies, even though it was accompanied by growing earnings, reduced the share of earnings in the budgets of national theatres down to 10-12%.

Table 2.12. Incomes of state-owned cultural organisations, 2001 (thousand UAH)

| | 2001 | | | | | |
|---|------------------|-----------------|-----------------|---------------|------------------|-----------------|
| | Budget subsidies | | | Earned income | | |
| | plan | perform ance | as % of plan | plan | perfor- mance | as % of plan |
| State owned performing arts organisations, total | 48710.6 | 40185.5 | 82.5 | 15483.0 | 25438.6 | 164.3 |
| <i>Theatres</i> | 24398.9 | 22955.3 | 94.1 | 4694.4 | 9137.9 | 194.7 |
| <i>Musical, dance and other performing arts organisations</i> | 10424.7 | 8608.1 | 82.6 | 1701.0 | 3339.1 | 196.3 |
| <i>Circuses</i> | 13917.0 | 8622.0 | 62.0 | 9087.6 | 12961.6 | 142.6 |
| Libraries | 17265.9 | 10047 | 58,2 | | 520,6 | 55 |
| Museums | 34787 | 9691,3 | 27,9 | | 1941,8 | 17% |
| Historical cultural reserves | 10534,7 | 7115,7 | 67,5 | | 755,8 | 10% |

The share of earned income in total revenues of heritage institutions (libraries, museums, historical reserves) reached as high as 30% in 2002 (mostly due to insufficient budget funding).

Table 2.13 gives detailed data on subsidies and earnings of National performing arts organisations – theatres, choirs, orchestras, dance ensembles, etc. These data only confirm the general conclusion: the state tended to give less than promised, so the organisations had to earn as much as they possibly could.

Table 2. 13. Breakdown of revenues of National artistic organisations in Ukraine in 2001

| National artistic Institutions | Planned 2001 | | | | Performance 2001 | | | | Real earned income as part of plan | Real subsidies as part of planned | | | | |
|--|---------------|-------------|------------------|-------------|------------------|------------------|-------------|------------------|------------------------------------|-----------------------------------|---------------|-----------------|--------------|-------------|
| | Earned income | | Budget subsidies | | Total revenue | Earned income | | Budget subsidies | | | Total revenue | | | |
| | Thous. UAH | % | Thous. UAH | % | | Basic activities | % | | | | | Thous. UAH | % | |
| National Opera | 1575.0 | 10.4 | 13529.9 | 89.6 | 15104.9 | 4508.78 | 25.8 | 2987.5 | 17.1 | 12937.1 | 74.2 | 17445.88 | 286.3 | 95.6 |
| I. Franko Theatre, Kyiv | 1215.2 | 20.0 | 4851.6 | 80.0 | 6066.8 | 1988.00 | 30.8 | 1988.0 | 30.8 | 4458.6 | 69.2 | 6446.60 | 163.6 | 91.9 |
| L. Ukrainka Theatre, Kyiv | 1439.2 | 23.5 | 4679.9 | 76.5 | 6119.1 | 2116.84 | 32.0 | 1452.1 | 21.9 | 4509.6 | 68.0 | 6626.44 | 147.1 | 96.4 |
| M.Zankovceka Theatre, Lviv | 465.0 | 26.2 | 1307.5 | 73.8 | 1772.5 | 524.30 | 33.3 | 423.5 | 26.9 | 1050.0 | 66.7 | 1574.30 | 112.8 | 80.3 |
| Total for National Theatres | 4694.4 | 16.2 | 24368.9 | 83.8 | 29063.3 | 9137.92 | 28.5 | 6851.1 | 21.3 | 22955.3 | 71.5 | 32093.22 | 194.7 | 94.2 |
| Virivka Folk Choir | 62.0 | 7.0 | 822.0 | 93.0 | 884.0 | 73.40 | 8.8 | | | 757.0 | 91.2 | 830.40 | 118.4 | 92.1 |
| Virsky Dance Ensemble | 210.0 | 20.8 | 799.0 | 79.2 | 1009.0 | 459.80 | 38.2 | | | 744.0 | 61.8 | 1203.80 | 218.0 | 93.1 |
| Capella of Bandura players | 19.5 | 3.7 | 508.0 | 96.3 | 527.5 | 48.50 | 9.1 | | | 483.0 | 90.9 | 531.50 | 248.7 | 95.1 |
| 'Dumka' Ensemble | 20.0 | 3.2 | 596.0 | 96.8 | 616.0 | 50.20 | 8.4 | | | 546.0 | 91.6 | 596.20 | 251.0 | 91.6 |
| Symphony Orchestra | 45.0 | 5.6 | 754.0 | 94.4 | 799.0 | 108.40 | 13.4 | | | 701.0 | 86.6 | 809.40 | 240.9 | 93.0 |
| Orchestra of Folk instruments | 33.0 | 7.0 | 440.0 | 93.0 | 473.0 | 60.70 | 13.0 | | | 408.0 | 87.0 | 468.70 | 183.9 | 92.7 |
| House of Organ Music | 120.0 | 7.3 | 1514.0 | 92.7 | 1634.0 | 246.69 | 19.7 | 202.07 | 16.2 | 1002.5 | 80.3 | 1249.19 | 205.6 | 66.2 |
| Philharmonic | 800.0 | 30.2 | 1845.0 | 69.8 | 2645.0 | 1689.50 | 51.2 | 1480.7 | 44.9 | 1608.4 | 48.8 | 3297.90 | 211.2 | 87.2 |
| Orchestra 'The Kyiv Camerata' | 31.0 | 5.8 | 502.0 | 94.2 | 533.0 | 32.56 | 6.7 | | | 456.7 | 93.3 | 489.26 | 105.0 | 91.0 |
| Odesa Philharmonic Orchestra | 89.0 | 12.0 | 655.0 | 88.0 | 744.0 | 131.70 | 19.1 | | | 557.5 | 80.9 | 689.20 | 148.0 | 85.1 |
| State variety and symphonic orchestra | 50.0 | 6.6 | 708.0 | 93.4 | 758.0 | 92.40 | 14.4 | | | 547.2 | 85.6 | 639.60 | 184.8 | 77.3 |
| State brass orchestra | 31.5 | 6.8 | 429.0 | 93.2 | 460.5 | 54.87 | 16.3 | | | 281.1 | 83.7 | 335.97 | 174.2 | 65.5 |
| House of state artistic collectives | 190.0 | 18.2 | 852.7 | 81.8 | 1042.7 | 290.40 | 36.0 | | | 515.7 | 64.0 | 806.10 | 152.8 | 60.5 |
| Total for concert organisations | 1701.0 | 14.0 | 10424.7 | 86.0 | 12125.7 | 3339.12 | 28.0 | 1682.8 | 14.1 | 8608.1 | 72.0 | 11947.22 | 196.3 | 82.6 |

Table 2.14. amplifies this picture over several types of Ukrainian public cultural organisations. It also shows slow growth of the total amount of earned income (by 14.4% in 2002, by 4.2% in 2003, and the estimated growth in 2004 was 6%).

Table 2.14. Earned income of state-owned cultural institutions, 2001-2004, UAH thousand

| Type of institution | 2001 | 2002 | 2003 | 2004 (Jan-June) |
|---------------------|---------|---------|---------|-----------------|
| Libraries | 177,3 | 296,7 | 211,9 | 134,9 |
| Museums | 1207,9 | 1884,9 | 2165,9 | 978,3 |
| Colleges | 19805,7 | 20308,0 | 20254,4 | 8840,2 |
| Theatres | 5392,2 | 5695,6 | 6213,0 | 3396,3 |
| Performing arts | 1727,4 | 2996,2 | 2134,3 | 1278,8 |
| Circuses | 10947,8 | 13709,2 | 15787,0 | 9633,2 |
| TOTAL | 39258,3 | 44890,9 | 46766,5 | 24861,7 |

The general picture of sources of income can be seen from Table 2.15. Statistics on charitable donations and on sponsorship are scarce and incomplete in Ukraine. Nevertheless, some data on shares of grants and donations in total revenues of public cultural organisations have been accessible. We can see that this share seldom exceeds the level of 1-2%. On the other hand, for independent cultural organisations, which get no public subsidies, grants and donations often remain the main source of income.

Table 2.15. Share of earned income, grants and charitable donations in the income of public cultural organisations

| | 1993 | | 1996 | | 2001 |
|-----------------------------------|---------------|-------------------|---------------|-------------------|---------------|
| | Earned income | Grants, donations | Earned income | Grants, donations | Earned income |
| All public cultural organisations | 3,7% | 0,1% | 11,3% | 0,6% | |
| Theatres | 6,2% | 0,7% | 16,5% | 0,5% | 28,5% |
| Performing arts organisations | 19% | 0,1% | 18,2% | 1,0% | 28,0% |
| Libraries | 0,2% | 0,0% | 0,5% | 0,05% | no data |
| Museums | 4,6% | 0,03% | 15,0% | 0,5% | no data |
| Arts colleges | 0,2% | 0,03% | 1,1% | 0,02% | no data |
| Arts schools | 2,9% | 0,04% | 17,2% | 0,1% | no data |
| Local cultural centres (clubs) | 3,7% | 0,03% | 8,8% | 0,2% | no data |

All this leads to the conclusion that, although cultural organisations try hard to earn their living, and although some of them earn much more today than they did 5-6 years ago, public subsidies remain the main source of income for virtually all public cultural organisations, while independent cultural organisations mostly rely upon grants and donations.

While public funding of the cultural sector from the national budget has been growing substantially during the last 5 years, the financial situation of the public sector in small towns and villages remains quite difficult. This is demonstrated, for instance, by the existence of approximately twenty-four thousand partially employed culture workers, predominantly in the countryside.

On the other hand, the constant growth of state budget funding for culture in 2001-2006 made the low effectiveness of some of the existing procedures of public budget funding (for instance, in filmmaking) especially graphic.

The findings can be summed up in two policy conclusions and priorities: first, further growth of public budget expenditure for culture, especially in local budgets, should be secured; second, the existing schemes and procedures of public budgeting/funding should be substantially improved and diversified, so that public money is spent more efficiently to the benefit of cultural development.

Chapter 3. Support to Artistic Creativity

As can be seen from the brief historical review in this report, Ukrainian national culture and the arts in particular, were born well before 1991 when national independence was achieved. On the other hand, the impact of the Soviet period on the infrastructure of Ukrainian arts, on methods and rationales of public support, and on the social role and position of the artist has been so deep that its effects can be felt even today.

In Soviet times, a solid network of state-subsidized theatres, orchestras, dance companies, circuses, film studios, publishing houses, etc. was created, their purpose (and, consequently, the role of the arts in Soviet society) being purely instrumental: to help the process of the formation of the *homo sovieticus*.

Alongside public artistic institutions, another pillar of the arts system of Soviet times were Creative Unions, state-sponsored and state-controlled associations of writers, composers, artists, film makers etc. Some of the Creative Unions also had special supporting funds (the Literary Fund, the Artistic Fund, the Music Fund) to provide medical care, artistic studios, vacation facilities and other useful things for unionized professional creative workers.

Soviet artists enjoyed a rather high social status and many of them were much better off than most people, provided that they were loyal to the regime and hopefully not very avant-garde. This is not true of the Stalinist period, of course, but the Soviet reality of the 1980s was much milder and more human, so to speak. Still, there was a precondition Ukrainian (and other non-Russian) artists had to meet: they couldn't be 'too explicitly *national*' (understood as *nationalist*).

After the collapse of the USSR, in independent Ukraine, harsh political control and censorship virtually disappeared, while being 'explicitly national' became not dangerous but even fashionable. Yet the system of public artistic institutions and of Creative Unions did not change much.

Table 3.1. National creative (artistic) unions subsidized by the state, 2006

| National creative associations (unions) | Established | Membership, 01.2006 |
|---|-------------|---------------------|
| National Union of Writers | 1934 | 1500 |
| National Union of Artists | 1932 | 4500 |
| National Union of Composers | 1932 | 400 |
| National Union of Journalists | 1958 | 11500 |
| National Union of Theatre Workers | 1987 | 5500 |
| All-Ukrainian Music Union | 1990 | 1 850 |
| National Union of Folk Artisans | 1989 | 1500 |
| National Union of Filmmakers | 1957 | 1100 |
| National Union of Photographers | 1990 | 700 |
| National Choreographic Union | 2004 | 400 |
| National Union of Kobza Performers | 1989 | 150 |

The All-Union Creative Unions of Soviet times effortlessly transformed into National Creative Unions, kept most of the assets and even secured permanent budget subsidy. The total budget subsidy to 11 National creative unions was UAH 2.5 million in 2000, and grew up to UAH 6.8 million in 2006. This is not that much, however, since most of the money is usually spent on the maintenance of the premises the unions occupy, including medical centres, vacation facilities for artists, etc.

There are several other artistic associations of national scale and significance established in the 1990s (for instance, the Association of Ukrainian Writers or the National League of Ukrainian Composers), but they are not eligible either for budget subsidy or for their share in the property of former Soviet creative unions.

Yet, the manifold process of socio-cultural transformation that Ukrainian society has been undergoing these years, strongly influenced Ukrainian arts, too. How have the major sectors of artistic creativity been transforming, and what have the state and the artistic community been doing to meet the challenges of transformation?

Despite market transformations which touched upon the cultural sector as well, the majority of public artistic institutions are hardly able to survive without budget subsidies. These subsidies, however, are not sufficient to buy new equipment, make major repairs, or even stage enough premiere productions in theatres.

Survival techniques acquired by the managers of public artistic institutions in difficult times include extensive earnings not related to core activities: lease of premises to shops, other commercial enterprises, even to more commercially attractive touring artists. Often these earning activities are at the expense of core artistic activities. The lowering of the social prestige (and pecuniary reward) of artistic professions causes remarkable brain drain of Ukrainian artists both abroad and to businesses.

On the other hand, the period since 1991 has been the times of unprecedented freedom, openness and diversity in the development of Ukrainian arts.

3.1. *Literature*

Almost a century ago, the leading populist literary critic and scholar Serhij Yefremov expressed his conviction that “literature is the soul of the people”, therefore the people should “respect and honor their writers as creators of the [people’s] soul”. Ukrainian national culture has been traditionally conceived and perceived as lingua-centred and literature-led. The national prophet has been the poetic genius Taras Shevchenko, Ukrainian language has been ‘the essence of Ukrainian-ness’.

No wonder that Ukrainian writers played a prominent role in the creation of Ukrainian People’s Republic in 1917-1919 (novelist and playwright Volodymyr Vynnychenko as prime minister, literary critics Simon Petlyura and Serhij Yefremov as members of the government). The totalitarian Soviet regime also recognized the importance of Ukrainian men of letters - this became clear when its repressive apparatus went for them with all its strength later in the 1920s (the harassment of the ‘petty bourgeois nationalist’ poetic group of neo-classicists, then the attack on Mykola Khvylovy and his fellow VAPLITE members, etc.).

The tamed writers, on the other hand, were treated with much kindness, decorated and awarded (as long as they showed full obedience and Communist enthusiasm). This dual policy lasted till perestroika, shaping the duality of the attitude of Ukrainian men of letters toward the State: on the one hand, the state was distrusted and even despised (especially by younger generations), on the other hand, it was from the state first and foremost, not from the general public that the writer expected recognition and support in various forms. And when the state became, at last, ‘a state of our own’, that is, the Ukrainian nation-state, it was a natural thing for Ukrainian writers, first, to play an active part in the nation-state-building, second, to expect proper rewards and recognition from this new, much more friendly state. Many Ukrainian writers, both former dissidents and loyalists, became active politicians, members of the Verkhovna Rada (parliament), ambassadors, even government ministers.

However, as somebody joked in those days, “Ukrainian writers left the literature for politics, and did it for good”. The literature survived, of course, thanks to younger generations of authors, but it ceased its role as a substitute for free journalism, civic activism, political life, social science etc., and finally returned to where it is supposed to be in a ‘normal’ society: among creative activities.

Respectively, the social role and status of the writer became much more modest. The hyperinflation of the early 1990s cut the circulation of Ukrainian books and literary magazines down to one-tenth or one-twentieth of the 1989 level; budget subsidies to [public] Ukrainian publishing houses became negligible (see Chapter 5 on the situation in book industry). Even today, when the deep publishing crisis of 1995-1999 is mainly overcome, Ukrainian fiction sales make a minor share of domestic book market.

On the other hand, Ukrainian literature of the 1990s is one of unprecedented diversity of trends, styles and genres (at least in comparison to other periods of its history). Instead of relying upon old state-supported publishing houses, modern Ukrainian writers prefer new independent publishers. Also, for the first time in the history of Ukrainian literature, there is a group of internationally recognized and successful Ukrainian authors (for instance, Yuri Andrukhovych, Serhij Zhadan, Oksana Zabuzhko, Andrei Kurkov) who earn much more from their publications abroad than from domestic sales. This trend, however non-dominant, can be regarded as a sign of ongoing European integration of Ukrainian literature.

3.2. *Fine Arts*

The state's policy in the sphere of fine arts has been a product of partnership between the Ministry of Culture and the two concerned National Unions, of Artists and of Folk Artisans. The major intermediary between them is the State Directorate of Fine Arts Exhibitions which, paradoxically, owns not a single exhibition hall. On the other hand, the Union of Artists owns the House of Artists with exhibition premises as well as a couple of smaller exhibition halls. Many regional branches of the Union of Artists also own exhibition halls in regional centres of Ukraine, supported from local budgets.

Traditionally, the Ministry of Culture (by means of financial support) and the Unions (by providing the contents and sometimes the premises) organize several national artistic exhibitions and symposia each year:

- The *Picturesque Ukraine* exhibition;
- The Independence Day exhibition;
- The Artist's Day exhibition;
- The *All-Ukrainian Plain Air* action;
- The Symposium of Ceramic Art in Chyhyryn;
- The Symposium of Stonemason Art in the village of Busha;
- The Symposium of Wood Carving in Subotiv, and others.

Other instruments of public support to fine arts include the purchase of artistic works for public museums, and commissioning of monuments and other monumental artistic works (murals, mosaics, etc.) for public buildings. Since 2002, the Ministry of culture spent over UAH 560 thousand on the purchase of paintings, drawings and sculptures by contemporary Ukrainian artists. The existing scheme of selection of works for purchase is not very effective, however: the selection committee of the Ministry usually picks and buys works presented on the above-mentioned national exhibitions, while many interesting works remain off their attention and, as a result, off public museums. On the other hand, Ukraine still has no contemporary art gallery to show the masterpieces of its contemporary art to the public. Perhaps the completion of the recently initiated mega-project of the *Artistic Arsenal* will solve this problem.

A special board established by the Ministry, called the *Expert artistic council for monumental art*, organizes competitions of monumental projects and proposes the winners for further work on commissioned monuments (according to Ukrainian law, monuments should be commissioned and paid for by local government bodies).

As the National Union of Artists, dominated by painters and sculptors working in mainstream figurative styles, has traditionally been a priority partner of the Ministry of Culture in its support to the fine arts, this resulted in much weaker attention to avant-garde styles and so-called *contemporary art* in general, and in much smaller support, too.

No wonder that private donors and foundations easily became leaders in the patronage of *contemporary art* in Ukraine, and artistic centres and galleries supported by them. Examples are the former G.Soros Centre of Contemporary Arts (since Soros discontinued his support to artistic initiatives, this centre is under the patronage of the University of Kyiv Mohyla Academy) and the *Pinchuk Art Centre* funded by the billionaire Viktor Pinchuk.

Sometimes major private art donors even competed with the state in the patronage of Ukrainian art: for instance, there were two Ukrainian projects at the Venice Biennale of 2005,

one presented by the Ministry of Culture and Tourism, another presented (and funded) by Viktor Pinchuk.

However, the competition turned into co-operation in 2007, when the Ministry of Culture and Tourism and the *Pinchuk Art Centre* agreed to prepare a single Ukrainian project for the Biennale (and cover the expenses) together.

Summarizing, we can point at some priority tasks for the Ministry of Culture and Tourism in supporting contemporary art:

- improvement of the existing procedures of purchase of artistic works;
- increase of budget funds earmarked for this purpose;
- establishing of a national gallery of contemporary art;
- improvement of the system of Presidents' grants for young artists;
- establishing a stable partnership with independent artistic associations and private arts donors.

3.3. *Performing Arts (Theatre, Music, etc.)*

The network of public performing arts institutions inherited from the Soviet period is impressive: 133 professional theatres (at least 2 public theatres in each regional centre), including 6 operas; the National Philharmonic Institution in Kyiv and 24 regional philharmonic institutions in all regional centres; several symphonic orchestras, hundreds of other performing arts collectives supported by local budgets.

The state also supports several national and international artistic festivals and competitions, subsidizes touring of leading public artistic companies through Ukraine's regions, etc. No wonder that financial support to performing arts is traditionally the biggest item of expenses in the budget of the Ministry of Culture.

3.3.1. Theatre

Theatre in Ukraine, historically, has been multicultural. Ukrainian amateur and professional theatres appeared in the early 19th century alongside state-supported Russian theatres, and survived through harsh times of Imperial persecution of Ukrainian culture and of Soviet totalitarianism. Until the 1940s, there were also several minority theatres – Yiddish, Polish, Greek, Crimean Tatar, etc. Most of them were closed down by Stalin's regime in the 1930s and 1940s.

Today, some of them are active again: The Crimean Tatar theatre in Simferopol, the Hungarian theatre in Berehove (Bereg) and the Roma theatre in Kyiv, to mention only professional ones. Still, the majority of professional theatres are Ukrainian and Russian. There are 5 national theatres (3 in Kyiv, one Russian among them, and 2 in Lviv), 7 state theatres, 66 theatres subordinate to regional governments, and 49 city and town theatres. Most of the theatres are residential repertory companies, only 13 are travelling companies.

As for the genre, there are 44 drama theatres, 41 theatres for children (including 29 puppet theatres), 31 theatres of music and drama, 31 operettas.

Kyiv's theatre density is the highest in Ukraine (27), followed by Odesa, Lviv, Dnipropetrovsk, Kharkiv (5-10 theatres in each city).

Public theatres offer, in total, around 30 thousand shows per year, of these 1.6 thousand are touring shows in the countryside and 200 shows abroad. 10-12 theatre festivals take place in Ukraine each year, with financial support from national and regional budgets.

Theatre attendance dropped dramatically in the 1990s, but showed some signs of revival since 2000 (see Table 1.4 for attendance figures).

Although budget subsidy remains a crucial source for public theatres, they are quite active in earning money, both from core activities and other sources (see Table 3.2.).

Table 3.2. Theatres' earnings by sector, 2004

| Ownership of theatres | Earnings from services (before taxes) | | | Taxes and duties | | Other income |
|-----------------------|---------------------------------------|-------------|-------------|------------------|-------|--------------|
| | Total | Art-related | Non-related | VAT | Other | |
| All Theatres | 43860.2 | 36170.5 | 7689.7 | 6910.3 | 207.6 | 32324.9 |
| Private | 419.8 | 342.9 | 76.9 | 46.6 | 22.7 | - |
| State | 11584.6 | 10684.2 | 900.4 | 1973.7 | - | 10470.4 |
| Community | 31855.8 | 25143.4 | 6712.4 | 4890.0 | 184.9 | 21854.5 |

Financial conditions of public theatres in Ukraine are quite diverse and depend strongly on their status and location. Their total incomes (subsidies included) also vary remarkably. On the other hand, the breakdown of financial revenues of all public theatres remains quite similar: budget subsidies: approximately 70-80%; earnings from core activities: 15-25%; other earnings: 5-10%.

As for the expenses of public theatres, employee payments make the lion's share of expenses in all theatres (60% to 80%). The system of employment in public theatres in Ukraine is still not based on temporary contracts, but on permanent lists of staff members (administrative, artistic, supportive) and fixed salaries. This system is regarded by virtually all theatre managers in Ukraine as obsolete and ineffective, because actors' salaries do not depend on artistic performance. Therefore it must be replaced with a system based on individual contracts.

The amount of public subsidy to Ukrainian theatres usually covers employee payments and expenses for the maintenance of buildings. Expenses for core activities (for instance, stage decorations and costumes for new shows) are usually covered from earned income. In some cases, part of earned income is also spent on heating, electricity and routine repairs.

What are possible ways of improvement of the financial situation of public theatres? The most obvious is further increase in budget subsidies. This is what Ukrainian theatre managers have been constantly demanding.

However, even if the government satisfies such demands to some extent, not everyone gets what is needed, even within the narrow group of National theatres.

The second way is to assure an increase in earned income, either from core activities (that is, from box office), or from other sources (lease of premises, merchandizing, advertising services, etc.). Again, the statistics show that this way has been extensively used by public theatres in Ukraine, and with remarkable success.

However, the goal of maximizing earned income (especially from non-related activities) to some extent contradicts the mission of the subsidized public theatre, which is more about cultural public service than about money earning.

In practical terms, this means public theatres are not supposed to raise ticket prices too high, or to produce openly commercial "lowbrow" shows, not to mention extensive lease of theatre halls to touring entertainers (especially foreign) or housing of corporate events. Too active engagement in such activities can backfire in the form of lost public credibility and reduced subsidies (however, it is hard to recall at least one case when a public theatre in Ukraine has indeed been financially punished for doing such things).

Another obvious way to increase the income of public theatres (perhaps alongside other artistic organisations) is to introduce a special, reduced or zero VAT rate for their core services. This has been a recurrent demand of Ukrainian cultural/artistic community for years.

Other potentially important sources of income, like charitable donations and private/corporate sponsorship, also need a more favourable legal environment.

Finally, there are several ways to make the use of earned costs and subsidies more effective and efficient. For instance, use of individual contracts in hiring artistic personnel can not only save some money, but bring about an increase in artistic quality.

3.3.2. Music

There are 77 professional performing arts organisations in Ukraine nowadays (philharmonic organisations, orchestras, dance companies, choirs, etc.), the majority of which (54) are in regional and communal property, 17 are national and state-owned, and 7 private. There are 7 opera theatres: two in the capital (National Opera and Kyiv Opera for children), one in Lviv, Donetsk, Kharkiv, Odesa, Dnipropetrovsk; and 3 operetta theatres (Kyiv, Odesa, Kharkiv).

Alongside the national theatres, the Ministry of Culture and Tourism of Ukraine also cares about nine national performing arts collectives:

- H.Veriovka National Ukrainian Academic Folk Choir,
- P.Virsky National Academic Dance Ensemble,
- H.Mayboroda National Capella of Bandura players,
- National Orchestra of Folk instruments,
- National Academic Choir Capella 'Dumka',
- National Academic Symphony Orchestra,
- National Soloists Ensemble 'The Kyiv Camerata',
- National House of Organ and Chamber Music,
- National Odesa Philharmonic Orchestra,
- State Brass Orchestra,
- State Variety and Symphonic Orchestra.

There are also four state-owned performing arts enterprises:

- 'Ukrainian State Centre of Performing Arts',
- State Concert Agency 'Ukraine',
- 'Touring Ukraine' Enterprise,
- State Performing Arts Agency.

Public expenditure on performing arts in Ukraine is presented in Tables 2.6 and 2.9, while the general detailed picture of revenues of national artistic organisations (albeit for the year 2001 only) is presented in Table 2.13. General data on incomes of performing arts organisations in the regions of Ukraine in 2004 are presented in Table 3.3.

We can conclude from these data that real budget subsidies traditionally used to be smaller than planned, and the deficit had to be compensated by energetic efforts aimed at earning as much as possible, even by using non-related sources of income. Also, we can see from Table 3.3. that total non-related income (1.6 million) has been smaller than taxes paid by public artistic organisations (2.84 million). In other words, if the state would make performing arts VAT-exempt, non-related earning would have been unnecessary. We can also see the remarkable difference in purchasing capacity of the performing arts public (or perhaps earning capacity of different artistic collectives) in different regions: in Kyiv, they earned over 15 million UAH, in two big regional cultural centres, Lviv and Donetsk, almost 1 million UAH each, while in three other big cities with a population above 1 million people, (Kharkiv, Odesa, Dnipropetrovsk) total earnings were less than half million.

Table 3.3. Earnings of public performing arts organisations, 2004 (thous. UAH)

| | Earnings from services | | | Taxes and duties | | Other income |
|-------------------------|------------------------|----------------|---------------|------------------|-------------|---------------|
| | Total | Art-related | Non related | VAT | Other | |
| Ukraine, average | 22056,6 | 20454,9 | 1601,7 | 2837,7 | 41,7 | 8592,9 |
| Crimea | 716,1 | 519,6 | 196,5 | 114,2 | - | 26,2 |
| Vinnits'a | 308,0 | 266,2 | 41,8 | 51,1 | - | - |
| Volyn' | 228,0 | 147,0 | 81,0 | 37,0 | - | - |
| Dnipropetrovsk | 164,3 | 140,7 | 23,6 | 22,6 | - | - |
| Donetsk | 961,8 | 956,2 | 5,6 | 156,9 | - | 33,3 |
| Zhytomyr | 129,7 | 111,8 | 17,9 | 21,2 | - | - |
| Transkarpatian | 180,2 | 180,2 | - | 25,3 | - | 1046,0 |
| Zaporizhia | 330,3 | 330,3 | - | 55,0 | 0,4 | 139,9 |
| Iv.Frankivsk | 118,7 | 76,4 | 42,3 | 19,8 | - | 757,2 |
| Kyiv (region) | 60,8 | 40,3 | 20,5 | 9,7 | - | 166,7 |
| Kirovohrad | 243,5 | 135,8 | 107,7 | 40,6 | - | 15,0 |
| Luhansk | 222,7 | 204,2 | 18,5 | 37,1 | - | 1320,7 |
| Lviv | 998,8 | 917,0 | 81,8 | 25,9 | 0,1 | 708,2 |
| Mykolaiv | 45,4 | 45,4 | - | 7,9 | - | - |
| Odesa | 495,6 | 300,2 | 195,4 | 82,6 | - | 1193,1 |
| Poltava | 99,1 | 74,7 | 24,4 | 16,5 | - | 952,5 |
| Rivne | 96,5 | 96,5 | - | 16,1 | - | 17,1 |
| Sumy | 69,0 | 47,9 | 21,1 | 11,5 | - | 620,6 |
| Ternopil | 119,0 | 119,0 | - | 20,0 | - | - |
| Kharkiv | 395,4 | 371,1 | 24,3 | 64,0 | 0,3 | - |
| Kherson | 45,1 | 45,1 | - | - | - | 1,3 |
| Khmelnysky | 252,1 | 183,9 | 68,2 | 42,0 | - | 11,3 |
| Cherkasy | 219,3 | 137,3 | 82,0 | 36,6 | 2,5 | 68,3 |
| Chernivtsi | 161,7 | 128,0 | 33,7 | 25,6 | - | 1162,2 |
| Chernihiv | 338,6 | 338,6 | - | 56,1 | - | 13,0 |
| Kyiv (city) | 15032,9 | 14517,5 | 515,4 | 1842,7 | 38,4 | 340,3 |
| Sevastopol | 24,0 | 24,0 | - | - | - | - |

Public support to music is not limited to subsidies to artistic organisations, however. There are nearly 30 traditional international and national musical festivals and competitions in Ukraine, financially supported by the Ministry of Culture and Tourism (but also from regional and local budgets).

The best known among them are:

Kyiv Music Fest, Musical Premieres of the Season, Serge Lifar Festival de la Dance, V. Horovitz Musical Contest (all in Kyiv), 2 Days and 2 Nights of New Music (Odesa), The Contrasts (Lviv), May Musical Meetings (Kirovohrad), Music of the Young International Forum (Kyiv), Choir Festival 'The Golden-Domed Kyiv', and others.

Among the biggest problems of contemporary musical art in Ukraine, besides financial shortages, we can point at the prolonged crisis of music printing, and the embryonic situation of audio-recordings of modern serious Ukrainian music. There are very few CDs with serious national music on the Ukrainian market, not to mention at international level. Since such audio-publications are non-commercial by definition, there are projects of introduction of a special programme of state support to it.

Summarizing, we can say that both the present situation in Ukrainian arts and the state's policy in the artistic sphere are, to a great extent, results of two tendencies originating back to the Soviet period.

The first is the continuation of Soviet-style state patronage over the arts, primarily 'high arts',

through maintenance of the network of public artistic organisations, financial support to artistic associations, etc., combined with the much more distant attitude to 'non-organized' and avant-garde artistic initiatives, especially to underground culture, while the latter, in turn, reacts by distrusting any state-sponsored activities.

Second, the conspicuous rejection of several notorious elements of Soviet cultural policy (ideological and aesthetic censorship, securing of high social status to leading artists in exchange for their political loyalty) has not been supported, however, by introduction of a consistent and articulate system of principles of new partnership between the state and the arts.

The latter tendency seems to linger into present days, mostly because several different groups in Ukrainian cultural/artistic community propose different (and hardly compatible) approaches to new policy principles: from placing Ukrainian arts at the service of nation-building, down to the classical (and a little bit anachronistic in the age of globalisation) liberal *laissez-faire*.

Apparently, none of these approaches is completely adequate, or feasible, under present Ukrainian socio-cultural and political circumstances. Hence the issue of a broader synthesis of the existing approaches into a reform of state patronage of the arts should be high up on the actual policy agenda.

3.4. *Cultural and Artistic Education*

The first public institution of artistic education in Ukraine, the singers' school of Hlukhiv (Hetman's residence town in those times) was established as early as the 18th century.

By the 19th century, there was a whole network of private schools of music and arts, alongside several artistic schools attached to musical societies and patronized by the Court. The Imperial Russian Musical Society possessed the most extensive network of such schools. In the Austrian part of Ukraine, on the other hand, the Galizian Musical society existed.

The brief period of Ukrainian People's Republic marked the beginning of several projects in national artistic education. The Ukrainian State Academy of Arts was established in 1917, and the Institute of Music and Drama in 1918 (later, this institution was divided into the Conservatoire and the Theatre Institute which survived till today albeit under changed names).

Private artistic education was almost completely destroyed in Soviet times (only private teachers of music survived). All education in public artistic colleges and academies was conducted according to unified state-approved curricula. On the other hand, artistic education got a guaranteed budget funding.

The network of artistic educational institutions and the methods of training set up in Soviet times was inherited by independent Ukraine with minor changes.

The main elements of this education system are the following:

- Elementary artistic (aesthetic) education
It includes the network of aesthetic education schools (schools of music, of arts, and combined); as well as musical studios, drama studios, art studios (the training is conducted there in the afternoon, after lectures in general schools). These schools get some subsidy from local budgets but there is also tuition fee, albeit not very high (so as to make these schools affordable for low-income families). There were 1478 aesthetic education schools with 310 thousand students and 34 thousand teachers in Ukraine in January 2006.
- Specialized secondary artistic education.
Its purpose is the training of instructors of artistic/musical schools and studios. It consists of vocational colleges with training in artistic professions as well as so-called colleges of culture (in Soviet times, these were called 'schools of cultural enlightenment'). There are 63 artistic/cultural vocational colleges in Ukraine today,

funded from regional budgets.

- Higher artistic and cultural education.
Its purpose is the training of high-level professionals in artistic and culture-related professions (musicians, composers, visual and plastic artists, arts historians, musicologists, art designers, art managers, actors, theatre and film directors, film cameramen, etc.).

There are eleven artistic/cultural academies and universities in Ukraine today:

- P. Chaikovsky National Music Academy of Ukraine,
- National Academy of Fine Arts and Architecture,
- Karpenko-Kary National University of Theatre, Film and Television,
- Kyiv National University of Culture and the Arts,
- M. Lysenko State Music Academy of Lviv,
- Nezhdanova State Music Academy of Odesa,
- S. Prokofiev State Music Academy of Donetsk,
- State Academy of Senior Professionals in Culture and the Arts (Kyiv),
- I.Kotliarevsky State University of Arts in Kharkiv,
- Kharkiv State Academy of Culture,
- Luhansk State Institute of Culture and the Arts.

There are twenty-four thousand students and almost two-thousand instructors (72% of them hold doctoral degrees). Students are trained in twenty-two artistic and culture-related professions. Also, there are six special artistic boarding schools for gifted children: four musical boarding schools (in Kyiv, Lviv, Odesa, Kharkiv), Taras Shevchenko boarding school of fine arts (also in Kyiv), and the Opishnya College of Artistic Crafts (in the village of Opishnya near Poltava, once a major centre of traditional decorative pottery).

Despite the lack of comprehensive reform, several changes and transformations took place in the system of artistic education since 1991.

First, depoliticisation of artistic education. No more Marxism-leninism in the curricula, more attention to modern artistic trends and to arts-related subjects (sociology and psychology of arts, arts management, etc).

Second, paid education was re-introduced to universities, academies and colleges (it is also called 'contract education'). There are around 30% 'contract students' in public artistic academies and colleges today. The main reason for this, however, seems to be insufficient budget subsidies.

Third, several new education-related legal acts were approved by the parliament: the Law on Higher Education, the Law on Extracurricular Education, etc. However, specificities of artistic education are not fully taken into account in these acts.

Fourth, training in several new professions has begun: art managers, art sociologists, fashion designers, and so on.

Fifth, much more curricula subjects are taught in Ukrainian language today, while in 1991 training in the majority of artistic colleges and academies was almost exclusively in Russian. Today, Russian language still dominates artistic education in the southern and eastern regions of Ukraine (Kharkiv, Odesa, Donetsk, Crimea).

Sixth, a number of state-sponsored personal scholarships was introduced for successful and gifted students. There are thirty-five President's scholarships, forty-eight scholarships of the Supreme Rada of Ukraine and five scholarships of the Cabinet of Ministers.

The main problems the system of artistic education still faces today can be summarized as follows:

- insufficient budget funding of schools of aesthetic education which forces them to raise the tuition fee, which in turn makes these schools unaffordable for low-income families, or even forces local communities to close schools (120 arts schools were closed in 1991-2005 mainly for budget reasons);
- no new musical instruments were purchased by public artistic academies in the last

fifteen years (in 2006, however, a state programme of purchase of musical instruments for public musical schools began; 9 million UAH was spent on it);

- many artistic colleges suffer from a shortage of professional instructors because of low salaries; this results in low prestige of artistic/cultural professions;
- there is a shortage of modern textbooks and manuals for artistic professions, especially in Ukrainian language;
- finally, there is virtually no private artistic education.

Chapter 4. Historic and cultural heritage

National cultural heritage is a key element of both culture and national identity of any nation, no matter how modernized. Therefore protection and actualisation of the national heritage should be among the pillars of a comprehensive modern public cultural policy.

Also, it is only on the base of well preserved national cultural heritage that several sectors of modern economy (creative industries, tourism, hotel business, other services) can develop and flourish.

Heritage protection in contemporary Ukraine, despite numerous achievements and prolonged efforts to cope with its no less numerous problems, needs to accomplish the following priority tasks:

- elaborating a balanced and comprehensive heritage policy of the state in the rapidly changing socio-economic circumstances;
- creating a more effective system of public executive bodies of heritage protection;
- improving the existing system of public support to heritage protection, renovation, actualisation of monuments, historic sites, and other heritage objects.

4.1. *Immovable heritage: monuments, memorial sites*

One of the most fundamental elements of heritage protection is the registration and proper description of heritage objects. Nowadays, there are over 130 thousand registered heritage objects in Ukraine, including:

- 57 206 archaeological sites and objects (including 418 archaeological objects of national significance);
- 51 364 historic memorial objects (including 142 memorial objects of national significance);
- 5926 objects of monumental art (including 44 monuments of national significance);
- 16800 architectural monuments and objects of urban heritage, including 3541 monuments of national significance.

These heritage objects are supposed to be included in the *State Register of Immovable Memorial Monuments*. Before 2002, there were two departments in charge of the maintenance of the State Register: the Ministry of Culture had to register archaeological and historic monuments as well as monumental arts objects; while the State Department of Construction and Architecture used to take care of the registration (and also renovation) of architectural and urban heritage. This system of heritage registration proved to be ineffective, so since 2002 the maintenance of the *State Register* is the business of the Ministry of Culture alone. New modernized registration forms for heritage objects were approved by the government in 2004, after which the process of new comprehensive certification (also called *passportisation*) of immovable heritage objects has begun.

Several Ukrainian objects are included in the UNESCO World Heritage List, namely:

- St. Sophia Cathedral and monastery, Kyiv Pechersk Lavra monastery (included in the UNESCO List in 1990);
- Historic Centre of the city of Lviv (included in 1998);
- Four objects (stations) of the Struve Geodetic Arc were included in the UNESCO list of natural heritage in 2005.

Also, seven Ukrainian objects are included in the Tentative List of World heritage since December 2003:

Cultural heritage:

- Bagcesaray Palace of Crimean Khans,
- Cultural landscape of the river canyon in Kamianets-Podilsky,
- Historic Centre of the city of Chernigiv,
- Ruins of the ancient city of Chersones,

Natural heritage:

- Askania Nova National Steppe Biospheric Reserve;

Miscellaneous, cultural and natural heritage:

- Sofiyivka Dendrological Park
- Taras Shevchenko's grave with State historic and natural memorial reserve.

Many experts believe that this is way too little for such a heritage-rich country as Ukraine, and thus the work on inclusion of more monuments in the World List has been intensified during the last couple of years.

4.1.1. Administration

The State Service of the Protection of Cultural Heritage of the Ministry of Culture and the Arts was established in 2002, during the previous reform of cultural heritage administration. It has been an autonomous government body under the supervision of the Ministry, in charge of the following policy functions:

- drafting heritage policy proposals for the government and implementing policy decisions in the realm of cultural heritage;
- supervising the general obedience to heritage protection legislation;
- general managerial control over public heritage institutions (heritage reserves – see Table 4.1);
- supervising the registration of heritage objects and monuments, as well as all heritage protection related activities (repairs, renovations etc).

There are also departments of heritage protection in regional state administrations.

Table 4. 1. Funding of National heritage reserves, 2003-2006 (UAH thousand)

| National heritage reserves | 2003 | | 2004 | | 2005 | | 2006 | |
|---|----------------|----------------|----------------|---------------|----------------|----------------|----------------|----------------|
| | Budget subsidy | Earned income | Budget subsidy | Earned income | Budget subsidy | Earned income | Budget subsidy | Earned income |
| Taras Shevchenko National reserve | 4199,7 | 103,9 | 3317,4 | 27,9 | 10891,5 | 49,2 | 7058,0 | 74,8 |
| Chyhyryn National historic and cultural reserve | 2597,5 | 27,1 | 3110,3 | 26,7 | 1849,0 | 53,4 | 2517,5 | 33,5 |
| Kyiv-Pechersk National historic and cultural reserve | 8087,2 | 3880,7 | 9010,6 | 5348,3 | 12700,2 | 5060,5 | 16648,5 | 5437,3 |
| Ancient Halych National reserve | 1618,6 | 5,8 | 2297,6 | 6,0 | 1481,1 | 7,9 | 2711,7 | 10,0 |
| Khortyzya National reserve | 1545,8 | 126,8 | 1573,3 | 133,4 | 6194,5 | 5343,8 | 3816,6 | 186,0 |
| Peretiaslav National historic and ethnographic reserve | 1386,4 | 71,6 | 2101,7 | 119,3 | 3281,9 | 234,0 | 4249,4 | 100,0 |
| Kachanivka National historic and cultural reserve | 1690,2 | 45,0 | 1637,1 | 93,1 | 1279,1 | 132,9 | 1800,7 | 81,2 |
| Chersones of Tauria National reserve | 4417,9 | 1056,2 | 4282,5 | 1860,3 | 4258,9 | 2051,5 | 5185,5 | 1268,1 |
| Taras Shevchenko's birthplace National historic and cultural reserve | - | - | - | - | 302,6 | 14,6 | 443,5 | 25,4 |
| The Berestechnko Battlefield National historic memorial site | 617,4 | 22,6 | 551,2 | 35,7 | 357,7 | 33,2 | 943,7 | 24,0 |
| Hetman's Capital historic and cultural reserve | - | - | - | - | - | - | 446,6 | - |
| Total | 26160,5 | 5,339,7 | 27881,7 | 7650,7 | 42596,5 | 12981,0 | 45821,7 | 7240,3 |
| Of these, consumption expenses | 12873 | 4048 | 12182.6 | 6395 | 23544.3 | 6841 | 34840.3 | no data |

4.1.2. Financing

Insufficient funding (both from public budgets and from box office) has been a chronic ailment of the heritage system in Ukraine for decades. As a result of lack of funds, renovations and repairs have been rare, and 50-70% of heritage objects in many regions are in inadequate technical condition today, 10% are in emergency condition. 300 monuments of national importance need urgent repair or anti-wreck works.

The State budget subsidies to national heritage sites increased by 75% in three years (from 26.16 million UAH in 2003 up to 45.8 million in 2006, as table 4.2 shows), but this is still not enough. It is worth mentioning that most of this increase in funding goes towards so-called "consumption expenses" (salaries, Table 4.1). Own earnings of national heritage, as the same table demonstrates, is spent on electricity, heating etc., and not for repairs. The total earned income has been growing even faster than budget funding (by 63% in 2 years, from 5.33 million in 2003 up to almost 13 million in 2005⁷), but these earnings have been constituting only 17-23% of the total income and therefore cannot play a decisive role in solving difficult problems of heritage institutions. The answer can be private donors. As a result of the campaigning, some of Ukraine's richest men donated several million dollars for restoration and renovation of the St Sophia cathedral in Kyiv, the hetman's palace in Baturyn, and other memorial monuments.

Table 4.2. Visitors to National heritage reserves (thousand)

| National heritage reserves | 2003 | 2004 | 2005 | 2006 |
|---|---------------|---------------|---------------|---------------|
| <i>Taras Shevchenko</i> National reserve | 112,0 | 33,7 | 34,1 | 40,8 |
| <i>Chyhyryn</i> National historic and cultural reserve | 37,5 | 37,0 | 46,3 | 47,0 |
| <i>Kyiv-Pechersk</i> National historic and cultural reserve | 592,8 | 620,0 | 686,8 | 706,0 |
| <i>Ancient Halych</i> National reserve | 9,8 | 10,1 | 11,4 | 7,6 |
| <i>Khortytzya</i> National reserve | 181,9 | 169,9 | 201,3 | 170,9 |
| <i>Pereiaslav</i> National historic and ethnographic reserve | 141,4 | 182,9 | 175,9 | 273 |
| <i>Kachanivka</i> National historic and cultural reserve | 10,5 | 20,0 | 20,5 | 20,5 |
| <i>Chersones of Tauria</i> National reserve | 202,1 | 260,5 | 305,2 | 304,1 |
| <i>Taras Shevchenko's birthplace</i> National historic and cultural reserve | - | - | 28,9 | 34,3 |
| <i>The Berestechchko Battlefield</i> National historic memorial site | 13,9 | 14,0 | 20,0 | 18,0 |
| <i>The Hetman's Capital</i> State historic and cultural reserve | - | - | - | 22,5 |
| Total | 1301,9 | 1344,1 | 1250,1 | 1645,0 |

The government also tried another funding scheme to improve the situation with regard to cultural heritage: direct budget subventions to regional budgets, assigned for restoration or repair of particular heritage objects. For instance, UAH 50 million (\$10 million) was given to the city budget of Lviv for the restoration of the historical centre of the city (World heritage list object); another 50 million was distributed between regional budgets of some regions of Ukraine for similar purposes.

4.1.3. Legislation

The key elements of heritage-related legislation of Ukraine are the Law on the Protection of

⁷ Experts explain this growth by the synergy of two factors, general economic growth in 2001-2005, and even more remarkable growth of tourist sector. This opinion is supported by attendance figures, too (see **Table 4.2**): there are only 2 heritage reserves showing stable and remarkable growth of attendance (Kyiv-Pechersk Lavra and Chersones site in Sevastopol); their attendance results made over ¾ of total attendance of heritage reserves in Ukraine.

Cultural Heritage (1999), the Law on Architectural Activity (1999), the Law on Protection of Archeological Heritage (2003), supplemented by several government decrees defining different heritage-related activities (registration and certification of heritage objects, special rules for restoration and repair of historic monuments, etc.).

Another important law was the *Law on the Approval of the All-Ukrainian Programme of the Preservation and Use of Cultural Heritage Objects for the Period of 2004-2010*.

This national targeted programme envisaged a comprehensive set of measures aimed at radical improvements in the heritage sector and comprising:

- introduction of tax exemptions for museums and heritage reserves;
- incentives for investments in renovation and responsible use of immovable heritage objects;
- development of the network of heritage-related research and development organisations;
- improvement of heritage-related legislation;
- development of the system of professional training in heritage-related vocations;
- development of international co-operation in heritage protection.

The implementation of this targeted programme, however, has come across the usual obstacles: insufficient funding and lack of political will for the introduction of tax exemptions. Budget provisions for this targeted programme in national budgets for 2004 and 2005 were much smaller than earmarked in the programme itself.

Besides developing its national legislation, Ukraine also is a member party of a number of heritage-related international conventions:

- Convention for the Protection of Cultural Property in the Event of Armed Conflict, The Hague 1954;
- European Convention on the Protection of the Archaeological Heritage London 1969;
- Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property;
- Convention for the Protection of the Architectural Heritage of Europe (the Granada Convention 1985);
- European Convention on the Protection of the Archaeological Heritage (Valetta Convention 1992);
- UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects;
- Convention on the Protection of the Underwater Cultural Heritage, Paris 2001;
- Convention for the Safeguarding of the Intangible Cultural Heritage (Paris 2003);
- European Landscape Convention (Florence Convention 2000);
- Convention on Wetlands of International Importance Especially as Waterfowl Habitats, 1971.

4.1.4. Co-operation with NGOs in heritage protection

There have been traditionally many NGOs active in heritage protection in Ukraine. The most venerable is the Society for the safeguarding of the monuments (established 1966), a voluntary association that was quite active as a civic watchdog in the protection of heritage objects and in the promotion of Ukrainian cultural heritage since the Soviet times. The Law On the Protection of Cultural Heritage mentions this Society explicitly as a civic controlling body and obliges government institutions to support it and consult with it in heritage-related issues.

Other NGOs active in heritage protection are:

- Ukrainian Culture Fund;
- Oles Honchar All-Ukrainian Fund for the reconstruction of prominent monuments of historic and architectural heritage;
- All-Ukrainian Union for Local Lore Studies;
- The League of Historic Cities of Ukraine;
- Ukraine 3000 Charitable Foundation;

- All-Ukrainian association of museums, and many more.

These NGOs not only act as the Ministry's partners in heritage policy making, as watchdogs of the responsible use of heritage objects, but also conduct campaigns aimed at raising people's awareness about problems of national heritage protection,

4.2. *Museums*

There are 437 officially registered museums in Ukraine today, 22 of them are national museums (8 national museums under the auspices of the Ministry of Culture and Tourism, 13 belong to other departments – for instance, National museums of medicine, of Aviation, etc.). The museums supervised and funded by the Ministry of Culture and Tourism are:

- National museum of history of Ukraine;
- National museum of literature of Ukraine;
- National museum of arts of Ukraine;
- National Taras Shevchenko museum;
- National museum of the history of the II World War;
- National museum and reserve of Ukrainian folk pottery (village of Opishnia in Poltava region);
- Andrei Szeptycki National museum in Lviv.

The remaining museums are predominantly public (owned and funded by local authorities), but there are also a handful of private museums, mostly in Kyiv: the Museum of One Street (at Andriyivsky Descent), the Museum of Spiritual treasures of Ukraine, etc.

The main problems of Ukrainian museums are similar to those of other heritage institutions: insufficient public funding, low earnings, outdated equipment, non-repaired premises, etc. Some small local museums don't have enough money even for good alarm systems, and burglars know it: museum robberies have been common in provincial Ukrainian museums.

There are over 11 million cultural objects in Ukrainian museum stocks, but the shortage of exhibition premises allows exposition of only around 3-5% of it.

Nearly 19 million people visited Ukraine's museums in 2006, and over six thousand exhibitions were arranged by the museums.

The issue of the founding of new museums (Museum of the Famine of 1933, Igor Sikorsky museum, the Artistic Arsenal cultural centre and others) has been widely discussed by the cultural community lately. This and other issues were debated at the International conference 'Ukraine's Museums: time to change' organized within the framework of the Ukrainian-Dutch project *MATRA/Museums of Ukraine* in 2006; museologists from Poland, Bulgaria, the Netherlands and Ukraine took part in it.

Each year, over 20 exhibitions of works of art from Ukrainian museums take place outside Ukraine. For instance, such exhibitions were held in Poland, Switzerland, Italy, France, Russia, Japan, Finland, Germany, the Netherlands, and the USA in 2005-2006 alone.

4.3. *Libraries*

The earliest public libraries in Ukraine were those of universities and academies: of Kyiv Mohyla Academy (established 1701), and the universities of Lviv (1608?), Kharkiv (1805), Odesa (1817), Kyiv (1834). The first libraries for general public were established even later: in Odesa in 1829, in Kyiv and Kharkiv in 1866.

The first period of Ukrainian state independence (1918-1921) was too brief and stormy for an established national library system to emerge. Still, the National library of Ukraine was created in 1918 as an institution of the newly established Ukrainian Academy of Sciences.

During the Soviet period, all major public libraries were nationalized, given budget subsidies and treated as important ideological institutions (on the other hand, thousands of *Prosvita* libraries were closed down in the 1920s).

Soviet librarians were considered 'ideological workers'. Alongside the political censorship in the publishing industry, there was a similar process in the library system: the lists of 'harmful' (subversive, in other words, forbidden) books were issued periodically, and all libraries had to withdraw 'harmful' books from their shelves.

On the other hand, the state-sponsored 'cultural revolution' of the 1920s and 1930s included the creation of tens of thousands of public libraries in every town and village, every college and school, even in every industrial enterprises. And, since this process coincided with the campaign of *Ukrainianisation* in the Ukrainian Soviet Republic, this meant that books in Ukrainian language made a remarkable part of library stocks.

At the beginning of the 1990s, Ukraine had 53 thousand libraries with over 83 thousand librarians employed there. Most of the stocks of these libraries, however, consisted of Soviet-time publications that survived multiple ideological purges. The overwhelming majority of the books was Soviet-time publications in Russian, and very few were foreign. This grim situation was improved, at least in part, during the perestroika period when many previously prohibited authors were published again, including emigrated Ukrainian writers and scholars, and these 'new arrivals' replenished public and private libraries of Ukraine.

The network of public and specialized libraries

An extensive network of public libraries of various types exists in Ukraine nowadays; it includes libraries for the general public, specialized libraries for young people and children; educational libraries of universities, colleges, schools; scientific libraries (including specialized medical, agricultural, technical libraries); libraries for the physically impaired, etc. The flagship institutions of this network are the V.Vernadsky National Library of Ukraine (see www.nbuv.gov.ua) and the National Parliamentary Library of Ukraine.

Until 1994, the Vernadsky Library was called the Central Scientific Library of the Academy of Sciences of Ukraine. Today, it is the biggest informational, academic and cultural centre in the whole library system of Ukraine. Its stocks amount to over 13 million documents, from cuneiform tablets of 3rd Millennium B.C. to most modern publications on contemporary data carriers. The library has a web catalogue of acquisitions since 1994, and electronic catalogues of dissertations and dissertation abstracts (since 1993).

The library network subordinate to the Ministry of Culture includes:

- the National Parliamentary Library of Ukraine,
- the State Historical Library of Ukraine,
- the State Library of Ukraine for Children,
- the State Library for Young People,
- regional Universal libraries in Odesa and Kharkiv,
- regional libraries for children and regional youth libraries,
- city/town libraries,
- district libraries in big cities, and village libraries.

The long decline in the number of libraries has been caused by insufficient funding. The funds earmarked for libraries have been constantly growing in the last 3-4 years, but not fast enough to compensate the underfunding of the previous decade.

Table 4.3. Public libraries subordinate to the Ministry of Culture and Tourism

| Year | Total | Village libraries | Libraries for children |
|-------------|--------------|--------------------------|-------------------------------|
| 2000 | 19006 | 15429 | 1238 |
| 2001 | 18976 | 15413 | 1226 |
| 2002 | 18915 | 16301 | 1220 |
| 2003 | 18883 | 15270 | 1217 |
| 2004 | 18586 | 15072 | no data |
| 2005 | 18472 | 14920 | 1184 |

The average amount of public funding per village library in 2004 has been UAH 1300 in Odesa region, UAH 910 in the Kharkiv region, and only UAH 70 (\$14!!) in the Kirovohrad region. The average amount of funds earmarked for the purchase of new books and periodicals for village libraries has been UAH 400.

The State targeted programme of replenishment of public library stocks till 2005 was adopted by the Decree of the Cabinet of Ministers № 900 (1.07.2002). This programme envisaged spending of over 19 million UAH from the national budget and 9 million UAH from local budgets for the purchase of new publications for public libraries, but in reality the amounts of funds for this purpose were much lower. As a result of this, donations as a source of stocks replenishment have been amounting to almost 30 % of new acquisitions, on the average. On the other hand, the expenditure of the national budget for the purchase of new Ukrainian publications (through the Ministry of culture and tourism) reached 9 million UAH in 2005 and 5.6 million UAH in 2006. Another 2 million UAH was spent on the subscription of periodicals.

Another major problem for public libraries has been that of personnel. The majority of village librarians in several regions of Ukraine work part time because of insufficient budget funding.

Basic services of public libraries are free of course, but a library can charge a small fee for additional services, like photocopying, compiling of bibliographies for students and scholars, for information and library services to institutions and businesses, for rental of audio and video equipment. However, earned income accounts for a small fraction in the overall budget of libraries. Only big public libraries can earn up to 10 % of their total income.

The library network of the National Academy of Sciences of Ukraine, led by the Vernadsky National Library, includes 98 libraries of academic research organisations and institutions; their stocks amount to over 26 million copies, of which 6 million are publications in foreign languages.

The network of educational libraries includes 171 libraries of universities, academies, institutes and colleges subordinate mostly to the Ministry of Education and Science, but also to eight other ministries. Over 6 thousand staff work in the libraries of universities and colleges.

Over 1 thousand specialized medical libraries function in Ukraine. The main ones are the Kharkiv State Scientific Medical Library and the State Medical Library of the Autonomous Republic of Crimea, as well as 23 regional scientific medical libraries, several libraries of medical universities and colleges.

The network of agricultural libraries includes libraries of agricultural academies, universities and colleges, of agrarian research institutions, totaling 240 libraries. Similarly to medical libraries, they provide services to researchers, professors and students of agriculture.

Library-related legislation

There are almost 20 legal acts that regulate activities of libraries in Ukraine, some of them badly need change. The *Law On Libraries and Library Business* (adopted 1995) defines the duties of the state with regards of support to public libraries, regulates the establishment and main activities of public libraries, defines welfare guarantees to library workers, etc. The *Law On Libraries* also imposed restrictions on privatisation or liquidation of public libraries.

The *Law On the Obligatory Copy of the Document* adopted in 1999 determines that a few copies of each publication (in the form of a book, a periodical, an audiotape, a CD, etc.) shall be sent by the publisher to several state institutions whose list is defined by this law and includes the Book Chamber of Ukraine, the National libraries, and so on.

A number of other legal acts (*laws On Information, On Copyright and Adjacent Rights, On the Protection of Information in Automated Systems, On the Protection of the Rights of Consumers, etc.*), regulate different aspects of library activities as well.

The development of the network of public libraries is regulated by the Decree of the Cabinet of Ministers No 510 *On Minimal Social Norms of Provision of the Population with Public Libraries in Ukraine* (30.05.1997). This legal act determines that each town or village with a population between 500 and 3000 inhabitants should have at least one public library, and in bigger towns or villages there should be one public library per 3-5 thousand people.

For bigger cities, the 'minimal social norms' determines that there shall be one public library per 20-30 thousand people. Also, there shall be at least one specialized library for children in a town with population of more than 75 thousand, and in big cities there shall be one children's library per 8-12 schools. In cities with a population over half a million, there shall be at least one specialized library for young people. In each regional centre, there shall be one specialized regional academic library (for college students and scholars), and one regional library for children, with special departments of information, research and methodological service in its structure. The Decree also rules specifically that in the Autonomous Republic of Crimea, besides the Republic's central academic library, and the Republic's library for children, a special Crimean Tatar library shall exist. Indeed, the *Ismail Gasprali Crimean Tatar Library* in Simferopol was established a few years ago (with a grant from the Netherlands).

The system of management of the library network

The Ministry of Culture and Tourism is the main executive body that carries out the general management of the network of libraries. For this purpose, there is the department of analysis and forecasts of the activities of libraries in the structure of the Ministry. However, only a few national and central state libraries are under direct supervision of the Ministry, while over 129 thousands of public libraries are under supervision of local administration and are funded from local budgets.

There are also other state ministries that have library networks under their supervision (the Ministry of Education and Science, the Ministry of Health, the Ministry of Agricultural Policy etc). Some of them also have scientific and methodic library committees (or councils) that organize and coordinate the activities of their library networks. The Information and Library Council also works under the National Academy of Sciences of Ukraine. It issues recommendations on the development of the system of information and libraries in the academic sphere, coordinates the activities of libraries of the National Academy of Sciences of Ukraine, including the creation of national bibliography, national system of library registration, etc.

The Book Chamber of Ukraine (established in 1917) is the leading state institution that provides bibliographic description and registration of printed matters. It is also the depositor of the obligatory copies of all published documents. Today, its stocks comprise over 12 million documents published in Ukraine. It also compiles bibliographic directories and databases, and supports the national ISBN agency.

New information technologies in the libraries

Ukrainian libraries are clearly lagging behind those of Western countries in the development of new information technologies in the library business. Except for major academic libraries and university libraries, only the biggest of the public libraries have electronic catalogues. Still fewer in number are the libraries that support their websites and offer information services via the Internet. Again, insufficient funding is the main reason for this, as well as a lack of understanding among local governments that libraries are not only heritage institutions, but also important modern information centres for local communities. Some libraries, both in Kyiv and elsewhere, have been active in seeking and getting Western grants for the creation of electronic catalogues and library websites.

The Ukrainian Library Association

The Ukrainian Library Association, established in 1995, is an NGO representing the

professional library community of Ukraine, as well as common citizens interested in supporting libraries and reading. There are 31 regional divisions of the Association, as well as 14 sections dealing with all main directions of library activities.

The mission of the Ukrainian Library Association is to assure the access of the society to the full amount of knowledge and information amassed in Ukrainian libraries, through high quality of library and information services.

In 1996, the Association drafted and adopted the Code of Librarians' Ethics, based on the principles of intellectual freedom and social responsibility of library workers. The Association supports the *Ukrainian Library World* (uklibworld.kiev.ua) web portal.

4.4. Traditional Folk Arts

The revival of traditional Ukrainian culture has been one of the slogans in the struggle for national independence of Ukraine. Quite naturally, it became one of public cultural policy priorities since 1991.

This priority is implemented through a set of supportive activities:

- the maintenance of the network of public cultural institutions (known as houses of culture, or [culture] clubs) in virtually all cities, towns and villages of Ukraine. These institutions, funded from local budgets, serve as the base for thousands of folklore groups, ensembles, amateur circles, etc. (there are nearly ninety thousand amateur artistic groups in Ukraine today);
- financial and organisational support to academic research in Ukrainian folklore, support to academic publications in this field, to audio and video-recording of folk rites, rituals, festivals, etc.;
- public support (including financial) to national, regional, international festivals and contests of traditional songs, dances, rites, crafts, etc. (these festivals and contests usually get combined funding from national and regional budgets);
- public support (usually through national or regional targeted programmes) for the revival of centres of traditional crafts (pottery, embroidery, stonemasonry, traditional decorative painting, knitting, wood sculpture, etc.).

A good example of the latter is the *State targeted programme of protection and preservation of non-tangible heritage for the period of 2004-2008*.

Since 2004, the *State Programme of protection and preservation of intangible heritage for 2004-2008* is being implemented. It envisages numerous state-funded activities, of which several actions took place in 2006:

- All-Ukrainian festival of Lemko culture '*The Bells of Lemkivshchyna*' in Ternopil region;
- All-Ukrainian festival of Kobza players '*The Veresay Feast*' in Chernihiv region;
- Kalynovyj Spiv festival of traditional choir singing in Kirovohrad;
- an academic conference '*Preservation of traditional cultures in the age of globalisation*', in Kharkiv;
- International folklore festival '*Poliske Lito z Folklorom*', in Lutsk;
- All-Ukrainian contest of authentic folklore collectives in memoriam Hnat Tanciura, in Vinnytsia and Gaisyn.

Another powerful impulse to the development of traditional culture will be given by the State programme of preservation, revival and development of traditional folk crafts. The concept of this programme was already approved by the government of Ukraine in 2006, and the programme itself was drafted and presented for the consideration of the Cabinet of Ministers recently.

Within the framework of this programme, several folklore research expeditions are supported, as well as academic conferences, other research projects and publications. Among the best-known international folklore festivals in Ukraine are the following:

- *Folklorny Dyvosvit* (The Wonderworld of Folklore) Festival in Kyiv;
- *The Guelder-rose Summer on Dnieper* (Komsomolsk in Poltava region);

- *Lesia's Springs* (Novohrad-Volynsky, where the poet Lesia Ukrainka was born);
- *Drevliansky Dzherela* (The Springs of Drevliany land) – in Rivne;
- *The Rainbow of Therpsychore* folk dance festival (in Kyiv);
- *Polissia Summer with Folklore* in Lutsk;
- *Pokut* folklore festival in Kharkiv, and others.

Table 4.4. Network of local culture clubs and houses of culture, 2005-2006

| Region | Number of clubs and houses of culture by 01.2005 | Number of clubs and houses of culture by 01.2006 | Of these, need major repair | % |
|----------------|--|--|-----------------------------|----|
| Vynnyts'a | 1090 | 1087 | 421 | 39 |
| Volyn' | 663 | 668 | 270 | 37 |
| Dnipropetrovsk | 556 | 560 | 267 | 47 |
| Donetsk | 520 | 526 | 298 | 55 |
| Zhytomyr | 1064 | 1057 | 379 | 34 |
| Transcarpatian | 481 | 476 | 186 | 40 |
| Zaporizhia | 421 | 412 | 211 | 54 |
| Iv.Frankivsk | 719 | 720 | 332 | 41 |
| Kyiv (region) | 852 | 842 | 393 | 46 |
| Kirovohrad | 608 | 602 | 210 | 32 |
| AR Crimea | 548 | 553 | 306 | 47 |
| Luhansk | 501 | 508 | 158 | 29 |
| Lviv | 1391 | 1395 | 575 | 42 |
| Mykolaiv | 509 | 509 | 143 | 30 |
| Odesa | 748 | 743 | 460 | 61 |
| Poltava | 826 | 820 | 511 | 60 |
| Rivne | 685 | 683 | 23 | 4 |
| Sumy | 656 | 644 | 201 | 25 |
| Ternopil | 913 | 912 | 324 | 45 |
| Kharkiv | 665 | 667 | 302 | 42 |
| Kherson | 463 | 463 | 182 | 47 |
| Khmelnytsky | 1103 | 1106 | 153 | 13 |
| Cherkasy | 737 | 738 | 460 | 62 |
| Chernivtsi | 387 | 386 | 153 | 42 |
| Chernihiv | 779 | 782 | 295 | 45 |
| Kyiv (city) | 5 | 7 | 3 | 20 |
| Sevastopol | 29 | 29 | 15 | 52 |
| TOTAL | 17857 | 17895 | 7265 | 40 |

Since 1966, Ukraine is a member of CIOFF (International council of folklore festivals, and many of the above-mentioned festivals are included in the CIOFF calendar of international folklore events.

4.5. Minority Cultures

Protection and support of ethno-cultural diversity is a necessary element of a modern public cultural policy of any democratic nation. As can be seen from Chapter 1.1, Ukraine is a multiethnic country, with several ethnic minorities of different languages and cultures, although many distinctive features of these cultures were leveled off or even suppressed in Soviet times. The most notorious example of Soviet minority policy is the forceful deportation of Crimean Tatars, Greeks, Germans and some other minority communities from the Crimea in 1944. All cultural infrastructure of these peoples was also completely destroyed, of course. Less known are the facts about the extermination of many educational and cultural institutions of Ukraine's national minorities (Poles, Germans, Greeks, Jews, etc.) in 1937-39. Their schools and colleges, theatres and libraries, newspapers and magazines were closed

down, and many minority writers, journalists and artists perished in Stalin's purges.

The process called by some scholars 'ethno-national revival of Ukraine' has begun in the years of Gorbachev's perestroika and in fact lasts till today. Many minorities, which were almost 'invisible' in Brezhnev's times, 'went out of the closet', established numerous national-cultural associations, amateur artistic collectives, and demanded their cultural and linguistic rights. These were guaranteed by the Constitution, although practical implementation requires much more time than lawmaking.

Nowadays, more than 1200 associations and cultural NGOs of ethnic minorities exist in Ukraine and are supported by the government and local authorities. There are over thirty centres of national [minority] cultures in several regions of the country. Of them, thirteen centres are concentrated in the Transcarpathian region (which is especially ethnically diverse), and ten in Zaporizhia region. National cultural societies serve as the base for more than nine thousand minority amateur artistic collectives.

The Ministry of Culture co-operates with these minority associations and cultural organisations on a regular base.

Particularly solid partnerships have been established with the Council of national and cultural societies of Ukraine, Youth organisation *Detsche Quelle*, All-Ukrainian union of Roma civic organisations *Congress of Ukraine's Roma*, Democratic Union of Hungarians, All-Ukrainian association of Crimean Karaites *Krymkaraylar*, All-Ukrainian national cultural and educational society *Russkoe sobranie*, the Jewish Foundation of Ukraine and with regional councils of national [minority] cultural societies in Mykolayiv, Odesa, Chernivtsy, Transcarpathian regions.

Another traditional form of co-operation and support is the funding of major cultural/artistic actions of the minorities. In 2005, the Ministry of Culture and Tourism of Ukraine provided financial and administrative support to more than thirty minority cultural actions.

Funding from the national budget for the support of minority cultures has been growing constantly: from UAH 0.6 million in 2002 to UAH 1 mln in 2003, and up to UAH 1,5 million in 2005.

The Ministry of Culture and Tourism regards the following issues as its priority tasks in the support of minority cultures:

- development of the network of centres of national cultures, of regional museums of minority history, as well as of the network of cultural institutions in the regions of traditional residence of minority communities;
- support of the establishment of the All-Ukrainian Centre of national minority cultures in Kyiv.

Chapter 5. Cultural Industries

As was mentioned in the introductory chapter, 'high' genres of Ukrainian national culture (belles lettres, music, theatre) were formed back in the 19th century even though the process of modern nation-building was not completed and a nation-state of our own was not established yet. A substantial weakness of modern Ukrainian national culture, however, was the virtual absence of national cultural industries until the 1920s.

Considering the centralized, politics-dominated and planning-based character of the cultural sector during the Soviet period, when virtually all manifestations of uncontrolled creativity were to be eliminated or suppressed, all Soviet culture could be regarded as '*culture industry*', in Adorno's terms, that is, a uniform industrialized flow of mass culture production "tailored for consumption by masses, which to a great extent determine the nature of that consumption, and is manufactured more or less according to a plan⁸."

In this review, however, cultural industries are understood in a less radical way, as merely "those activities which have their origin in individual creativity, skill and talent, and which have a potential for wealth and job creation through the generation and exploitation of intellectual property⁹".

The earlier attempts at creation of Ukrainian national cultural industries, book publishing and the press in the first place, date back to the turn of the 19th and the 20th centuries. They were hampered, however, by the unfriendly policies of the Empires that controlled Ukraine, as well as by virtual absence of national industrial capital.

In the 1920s, the 'Ukrainianisation' policy of the then leadership of the Ukrainian Soviet Republic was aimed at profound transformation of the post-imperial cultural situation. There was rapid development of state-owned Ukrainian book publishers, newspapers, film studios, etc. This resulted in mass production of Ukrainian cultural products, however ideologically conditioned.

During Stalin's grim rule, however, things changed for much worse: many Ukrainian publishing houses, journals and newspapers were crushed, film studios in Kyiv and Odesa were transformed into faceless producers of mediocre propaganda movies. In general, manifestations of unauthorized national originality in Ukrainian mass culture products were unconceivable in those times.

The network of state-owned cultural industries was preserved, however, and even expanded in the Ukrainian SSR in the 1950s and 1960s. In the relatively liberal times of Khrushchev, this network included dozens of state-owned publishing houses, hundreds of newspapers, journals and magazines, 5 film studios, state television and radio, a philharmonic institution in every region of Ukraine, several thousand of cinemas and so-called film-screening units, thousands of book stores in every city and town, etc.

This network was administered and often subsidized by the state. Even though some cultural industry enterprises brought profits (like cinemas in big cities or popular magazines), the profitability was rather a result of artificially low production costs and lack of competitors, both private and foreign.

Gorbachev's *glasnost* period brought about a new phenomenon – an informal, alternative, sometimes not-quite-legal cultural industries: video clubs and music records shops which often used pirated material and paid no taxes, too.

Characteristic features of Ukraine's cultural industries in the Soviet period were their dependence on the 'Soviet centre' (Moscow-based cultural policy-makers and planners), their incomplete structure (lack of certain important elements, like modern recording studios, record manufacturing facilities, national film archive, etc.) and, quite importantly, half-isolation from international cultural markets.

⁸ T. Adorno, *The Culture Industry. Selected Essays on Mass Culture*. – London, Routledge, 1991, p. 85.

⁹ Definition used by the Department of Culture, Media and Sport of the UK Government.

As a result, the Ukrainian cultural market, however underdeveloped, was dominated by products made in Moscow and Leningrad.

Many Ukrainian patriots hoped that national independence would bring about a revival of national cultural industries. What really happened after 1991, however, has been of a much more complicated and controversial character. The public sector in cultural industries, being an inseparable part of the state-owned economy, found itself in deep transformational crisis, while the newborn private sector assisted the expansion of commercialized mass culture from the West and Russia. On the other hand, it arguably was the development of the private sector of Ukraine's cultural industries, however controversial and elemental, that made it possible for Ukrainian culture in general to overcome the crisis of the 1990s.

Today, private enterprise dominates mass cultural production (book publishing, music recording industry, filmmaking) and the mass media in Ukraine, and its growth in 2001-2006 has been impressive. On the other hand, there is no radical change, at least so far, in the structure of cultural supply and consumption: domestic produce occupies 10-20% of Ukraine's market of key cultural goods (books, film and video, music), the rest being imports, mostly from Russia and the US. The dominance of mass cultural imports brings a number of problems, both economic (loss of income, limited investment possibilities) and ideological (undesirable impact of globalized commercial mass culture on mentality and culture of contemporary Ukrainians), and poses a serious challenge to the cultural policy of the state.

Accounts of transformation processes in Ukraine's cultural industries (and regarding the state's policy on these issues) will be given in the following, however these are limited to the most important industries: publishing, film, music, television, radio, the Internet, fashion, and tourism.

5.1. Book Publishing

When we take a look at the developments in book publishing and the book market in Ukraine in the 1990s, we can see that these decade can be divided into four phases:

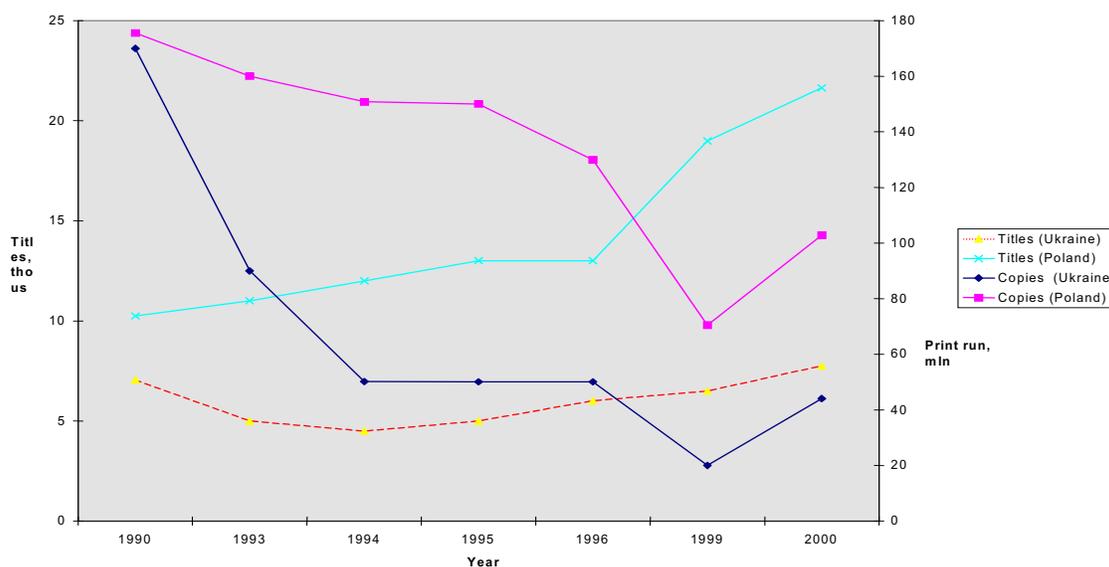
1990-1995: slow recession arguably caused by painful market transformation (in the industry) and by general economic decline (and accompanied by growing diversity of market offer);

1996-1999: period of more dramatic changes caused by attempts to introduce protectionist policies and by the financial crisis of 1998;

1999-2002: gradual stabilisation;

Since 2003 – moderate growth caused by general economic growth and by the introduction of tax incentives for book publishers (see Graph 1 and Table 5.1).

Picture 1. Book publishing in Ukraine and Poland, 1990-2000



The decline in Ukrainian book publishing during the first phase was perhaps the worst among the eastern European countries: the total amount of printed books fell from 170 millions in 1990 to 52 millions in 1994-96 (and even lower, to 22 millions copies, later in 1999). There was a similarly dramatic decline in Russia, only the scale was different (1,55 billions in 1990, 475 millions in 1995), while in Poland it was relatively mild: 170 millions to 115 millions copies.

Disproportional was the shrinking of the share of books and periodicals in Ukrainian language through the 1990s (in 1993, it was almost 90%; in 1996, 60%, while in 2004 it further plummeted to 28% despite constant growth in absolute numbers – from 12 million copies in 1996 up to 35 million in 2004). The reason for this, at least in part, is believed to be that domestic printed matter in Russian language has been replacing books and periodicals printed in Russia.

Another reason was apparently the reduction in subscription of periodicals by public libraries and other public institutions which previously provided perhaps a lion's share of subscription of Ukrainian-language Soviet press.

Table 5.1. Book publishing and the press in Ukraine in the '90s

| | 1990 | 1993 | 1994 | 1996 | 1999 | 2000 | 2002 | 2004 |
|---------------------------------------|------|------|------|------|------|------|-------|-------|
| Books published, titles | 7046 | 5002 | 4752 | 6084 | 6282 | 7749 | 12444 | 14790 |
| Books published, million copies | 170 | 88 | 52 | 52 | 22 | 44 | 47.9 | 53.0 |
| Of these, in Ukrainian Language | 95 | 40 | 21 | 31 | 12 | 29 | 30.2 | 36 |
| Magazines and Journals, titles | 185 | 522 | 461 | 717 | 778 | 757 | 1890 | 2385 |
| Print run, million | 166 | 33 | 19 | 20 | 33 | 46 | 84 | 124 |
| Of this, In Ukrainian | 150 | 30 | 13 | 12 | | | 26 | 35 |
| Newspapers, titles | 1787 | 1757 | 1705 | 2206 | 2639 | 2667 | 3045 | 3014 |
| Total single issue print run, million | 25 | 40 | 21 | 23 | 31 | 35 | 86.5 | 88 |
| Of this, in Ukrainian | 17 | 26 | 10 | 9 | | | 32 | 29 |
| Annual print run, newspapers, million | 4652 | 2843 | 1593 | 1544 | | | | 4508 |

Table 5.2. Structure of book publishing in Ukraine, 2000

| Specification | Publications | | Share, % | |
|-----------------------------------|--------------|----------------|--------------|--------------|
| | Titles | Copies, thous. | Titles | Copies |
| Official publications | 277 | 1251,4 | 3,6 | 2,9 |
| Sciences | 1561 | 1018,8 | 20,1 | 2,3 |
| Popular sciences | 414 | 1875,1 | 5,3 | 4,3 |
| Applied sciences | 144 | 209,0 | 1,9 | 0,5 |
| Professional | 284 | 749,7 | 3,6 | 1,7 |
| Textbooks, of which: | 2407 | 26350,1 | 31,1 | 60,5 |
| <i>for schools</i> | 989 | 23495,6 | 12,8 | 53,9 |
| <i>for universities, colleges</i> | 1296 | 2255,4 | 16,7 | 5,2 |
| Political | 249 | 1680,4 | 3,2 | 3,9 |
| Reference books | 618 | 4392,0 | 8,0 | 10,1 |
| Leisure publications | 87 | 1639,8 | 1,1 | 3,8 |
| Advertising | 55 | 194,3 | 0,7 | 0,4 |
| Fiction, of which: | 986 | 2896,3 | 12,7 | 6,7 |
| <i>For adults</i> | 826 | 1697,3 | 10,7 | 3,9 |
| <i>For pre-school age</i> | 66 | 647,7 | 0,85 | 1,5 |
| <i>For school age</i> | 94 | 551,3 | 1,2 | 1,3 |
| Total | 7749 | 43562,9 | 100,0 | 100,0 |

In 1995, protectionist regulations for publishing were introduced in Russia, which arguably resulted in rapid growth of the market: the number of books published grew almost by four times in just two years. However, when the rouble collapsed the following year, book publishing began to fall again and after two more years it was even below the level of 1995.

Ukraine faced a similar crisis in 1998-99. Actually, the year 1999 was the worst regarding book publishing in both countries. There was a similar stability regarding the number of titles published. But the structure of market supply and demand in each country is different. Experts believe that Ukraine imports several times more books from Russia than it prints itself, which means that book consumption in Ukraine can be similar to that of Poland or Russia.

Hence Ukrainian book publishing can be regarded as to some extent “supplementary” to imports: textbooks for schools and colleges (which cannot be replaced by imported Russian textbooks) make almost two thirds of the total book printing in Ukraine (Poland – 43 %).

Table 5.3. Book market structure in some European countries, 2000

| Book market segments | UK (sales)* | Ukraine (copies) | Russia (titles) | Poland (copies) |
|---------------------------|-------------|------------------|-----------------|-----------------|
| Textbooks | 6.8% | 60% | 29% | 43% |
| Professional, reference | 22% | 3.6% | 20% | 9.5% |
| For children | 8.2% | 2.8% | 5.6% | 5.6% |
| Consumption | 63% | 34% | 42% | 43% |
| Copies printed per capita | | 1.1 | 3.5 | 3.0 |

*) UK Creative Industries Mapping Document, - DCMS, 2001

Since Ukrainian school textbooks are commissioned by the Ministry of Education, it makes Ukrainian publishing industry strongly dependent on public budget money.

This does not mean, of course, that the lack of government’s active support is a brake on the development of the private sector. For instance, all publishing houses remaining in State property published only 29% of the total number of the titles and 5% of total number of copies in 2005, while private publishers delivered 60% of the titles, and 84% of the copies.

However, the growth of the private sector in the Ukrainian book industry has been taking place without much public support (until recently), and there has been no privatisation of

either publishing houses or printing enterprises.

The issue of protectionism toward domestic cultural goods and services has been widely discussed in Ukraine. The reasons usually given for the aggressive introduction of such a policy include the crisis in Ukrainian cultural industries, the dominance of imported [popular] cultural produce (films, books, music) in Ukrainian markets, and, the successful protectionist policies of our Russian neighbours in the book industry. Estimates show that the share of Ukrainian books in our market is 10-15%; the share of Ukrainian music and films is arguably even smaller.

In 1995, the '*Government Programme for Development of Book Publishing for the period until 2000*' was adopted. This was basically a Soviet-type targeted programme feasible only under centralized planned economy, which was not the case in 1995.

In the meantime, the Russian government made its book publishing industries virtually tax exempt in the year 1995, which resulted in prime costs of Russian books being 40-50% lower than those of books printed in Ukraine. In a year or two, the Ukrainian book export to Russia almost disappeared, while Russian imports overrun Ukrainian book markets.

The Law of Ukraine on Publishing was adopted in June, 1997. Article 6 of this law is protectionist at least in its wording:

"The State shall support publishing organisations, and printing and book selling enterprises which publish, print or sale at least 50% of their products in official [Ukrainian] language, and/or in languages of small national minorities, by means of introducing taxation relieves".

However, this regulation has not been supported by proper amendment in taxation laws. The bill on publishing business also introduced limitations on privatisation of publishing houses and printing enterprises "of a national importance": 51% of their shares had to remain in State property.

In September 1997, sales of domestic books were also made VAT-exempt in Ukraine by the new *Law on VAT*. However, the industry was already too weak to afford remarkable price cuts so as to increase sales.

A draft law proposing increased tax incentives for a number of publishing-related activities was presented to the parliament in 2001. The draft law provided zero-level VAT rates for Ukrainian language publications, except for advertisements and 'publications of openly erotic contents'. This proposal caused negative comments from the Russian-language media in Ukraine. A few months later, the parliament adopted the law providing tax exemptions for a number of publishing-related activities, watering down the original draft in the process (not only Ukrainian-language books were made tax exempt but all books published in Ukraine).

According to this law (valid from 1.06.2001 till 1.01.2003) some materials used in book printing were exempted from import duty and VAT; and "incomes from sales of publishing products" had to be deducted from taxation of profits.

However, the Tax Administration in its Instruction dated 14.02.2002 interpreted these regulations as applicable only to book publishing enterprises, not to booksellers.

Book sales have been slowly growing in Ukraine since 2002, but average prices of Ukrainian books remained the same. Thus, the growth in the industry can be a result of a general growth of the Ukrainian economy, not of lower prices.

The Cabinet of Ministers proposed a draft bill *On State support to book publishing in Ukraine* in September, 2002.

The bill proposed a set of protectionist changes in taxation:

- publishing, printing and book trade, as well as production of paper for books, shall be made VAT-exempt till 1.01.2008;
- imported equipment and supplies (including computers) to be used in publishing and printing of books shall be exempted from custom duties;
- profits of publishers and printing enterprises obtained from publishing books shall also be exempted from tax on profits until 1.01.2008.

The bill was adopted by the Ukrainian Parliament on November 21, 2002, by 406 votes out of 450 members of the Parliament. However, it came into force only seven months later, on July 1, 2003. As 2004 statistics of book industry show, the impact of this bill has been rather positive (see Table 5.1).

Another positive development for the national book industry was a major increase in public expenditure on the purchase of new Ukrainian books for public libraries. Via several programmes of support to libraries and to the 'publication of socially important books', approx. 9 million UAH were spent in 2005, and 5.6 million UAH in 2006.

5.2. *Film Industry*

The specificities of Ukraine's film industry begin with quite unfavourable conditions for the development of Ukrainian national film art in the Soviet period. Ukrainians used to boast about such film geniuses as Oleksandr Dovzhenko, Dziga Vertov and Sergei Paradjanov, but in general, national film institutions have been relatively underdeveloped here (film-related professional education consisted of a single film department in the Kyiv Institute of Theatre and Film for the whole country; there was no national film archive till the late 1990s etc), not to mention political pressure of the Communist era.

The decay in film production and distribution in the 1990s was accompanied by technological backwardness and lack of investments, dramatic cuts in state funding for film production, decline of incomes of public cinemas and the dominance of western products in the film market.

There are 4 state-owned film studios (National Dovzhenko Film Studio, Ukrainian Studio of Animated Film, National Cinematheque, Ukrainian Studio of Documentary Films) and around 20 private studios in Ukraine. Ukrainian film production plummeted in the 1990s: only 4-6 full-length feature films and 20-30 documentaries and animated films have been produced annually during the last decade, which accounts to 10-15 % of the production level of the late 1980s.

Table 5.3. Ukrainian Film Production Commissioned by the State, 1997-2004

| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Full length feature films | 6 | 2 | 6 | 1 | 6 | 10 | 1 | 5 |
| Non-feature films (documentary, educational, etc.) | 4 | 6 | 4 | 4 | 26 | 7 | 10 | 20 |
| Animated cartoons | 3 | 1 | 2 | 1 | 3 | 3 | 2 | 4 |
| Total | 13 | 9 | 12 | 6 | 35 | 20 | 13 | 43 |

Less than four thousand "film-screening units" (that is, halls equipped with film-screening equipment) exist in Ukraine today, including around 200 modernized cinemas (14 years ago, there were nearly 20 thousand 'screening units', including 800 cinema theatres). These 'units' are usually halls in village clubs (houses of culture), possessing some film-projecting equipment (usually very old).

Table 5. 5. National film production and state support to it, 1996-2004

| Year | Budget funds for films, as planned, (000) UAH | Performance, (000)UAH | Performance as % of the planned | Full length feature films produced |
|-------------|--|------------------------------|--|---|
| 1996 | 3500,0 | 2375,0 | 67,8 | 4 |
| 1997 | 5500,0 | 2488,6 | 45,2 | 6 |
| 1998 | 4995,0 | 1360,0 | 27,2 | 2 |
| 1999 | 13000,0 | 1872,9 | 14,4 | 6 |
| 2000 | 16500,0 | 15762,0 | 95,5 | 1 |
| 2001 | 20000,0 | 13194,5 | 66,0 | 6 |
| 2002 | 22568,0 | 7823,8 | 34,67 | 10 |
| 2003 | 18807,2 | 17997,7 | 95,7 | 1 |
| 2004 | 19500 | 11641 | 59,7 | 5 |
| 2005 | 33054 | 26454 | 80 | 30 |
| 2006 | 49250 | 20396 | 41,4 | 35 |

Cinema attendance has also dropped dramatically through the 1980s-1990s and reached its bottom mark of 0.1 cinema visits per capita per year in 2000. However, there has been a tendency towards slow increase in film attendance during the last 5 years (mostly in big cities).

The film market in Ukraine is 95% dominated by imports, mainly from the US and Russia. It is only in 2005 that Ukrainian films would appear in commercial private cinemas.

Ukraine tried to protect its film production by introducing minimal 30% quotas for national film production in cinemas and on TV; these quotas turned out to be virtually impossible to enforce so far, because of insufficient supply of domestic products and weak control mechanisms.

A recovery of Ukrainian filmmaking came about in 2003-2005 when private TV channels began to invest in film production.

Table 5. 6. Development of cinema theatres in Ukraine, 1999-2004

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2006** |
|-----------------------------|-------------|-------------|-------------|------------------|---------------------------|-----------------------------|---------------|
| Attendance, thousand | 5140,8 | 5926,3 | 7289,8 | 8857,8 | 9520 | 11200 | 23000 |
| Box office, thousand UAH | 4671,5 | 7626,0 | 15387,5 | 40184,6 | 53291 (or 80 million*) | 60 000 (or 127 million*) | 280 million |
| Number of renovated cinemas | 8 | 11 | 36 | 42 (55 halls) | 80 (100 halls) | 90 (120 halls) | 190 halls |

* the alternate figures are provided by film press.

**as estimated by experts

Another attempt to put an end to the crisis of Ukrainian film was intended by the *All-State Programme for development of National Film Industry in 2003-2007*.

This national targeted programme was approved by the Parliament of Ukraine in December 2002.

The Programme envisages the following set of tasks to be implemented:

- "assure State protectionism of domestic film productions;
- shape a modern national film industry, including priority development of the producer-led scheme for film production;
- assure state support to all businesses, public or private, active in Ukrainian film

industry;

- reform the existing technical infrastructure of the industry;
- implement the regional programmes for development of cinema services for the population;
- reach the following target levels in annual film production (after 5 years of the Programme's implementation):
 - 30 full-length feature films;
 - 120 episodes of TV series;
 - 30 animated cartoon films;
 - 500 min. of animated series for TV;
 - 5 000 min. of documentaries".

However, no direct funds for support of film production is provided by the programme, which of course makes these targets quite problematic.

In the cinema infrastructure, 250 cinemas should be renovated and technically modernized during the 5 year period (almost 60% of the Programme's total budget is allocated for this task, but there are no funds from the national budget included in this amount).

Increase in cinema attendance shall be assured so as to reach the level of 2,5 visits per capita per year by 2007; revenues from ticket sales shall reach the level of 200-250 million UAH (40-45 million USD) by 2007.

As for the sources of funding, the Programme envisages improvement of the tax system, including the introduction of tax incentives for businesses active in film industry, the creation of supportive market environment", and support to public-private partnership schemes in funding of film productions.

The Programme envisages the introduction of a [dedicated] film tax (5% of film ticket price), revenues from which will be spent on public financial support to domestic film productions.

As its funding priority, the Programme envisages the technical renovation of the three "basic national film institutions":

- the National Dovzhenko Film Studio (for feature film production);
- the National Cinematheque (for documentaries and cartoon production);
- the National Dovzhenko Film Centre (research centre and film archive).

More than 16% of the Programme's budget (mostly from the State) shall be spent on the renovation.

As by 2006, little of this has been accomplished. The modernisation of the Institute of Drama, Film and TV also got much less support than promised. Expenditure for technical modernisation of state-owned film studios consumed UAH 11.2 million in 2004, 4.5 million in 2005, and another 6 million are earmarked for 2005.

On the other hand, public funding of film production was not included in the *All-State programme*, while budget subsidies earmarked for 2005 were initially over 49 million UAH, although the performance reached only 26.45 million UAH. It was much more than in any previous year, but yet another year of remarkable underfunding of film production made many people think that the sheer amount of public financial support is not enough to cure the prolonged crisis of the national film. The obvious bottleneck effect in the system of public funding of film industry should be dealt with, hopefully by a well-designed reform of this system.

Reform attempts in Ukrainian film industry in 2005

Parliamentary hearings 'National cinematography: current situation, problems and ways of solving them' took place in March 2005; a profound crisis of national film was diagnosed once again during the hearings. A set of specific recommendations was adopted by a parliament decision, aimed at the "creation of proper legal and economic conditions for the development of national film in market environment, introduction of producer-led model of

film production, implementation of regional programmes of the improvement of cinema services for the population, improvement of co-ordination of the activities of different government bodies in film industry”, etc.

The hearings recommendations included: establishment of a separate state department in charge of cinematography, introduction of tax exemptions for domestic film production, increase in budget expenditure for it, etc.

The amount of budget funding for Ukrainian film production really grew lately, which brought about a growth of film production itself, but the funding procedures have not been improved so far. In other words, a comprehensive reform of the national film industry remains a matter for the future.

5.3. *Music Industry*

Although Ukrainian popular music is a phenomenon of deep cultural and historic roots, the maturing of the national music industry is a relatively recent (and as yet unfinished) process.

Several elements of this industry simply didn't exist in Soviet Ukraine (for instance, modern production and replication of music recordings, production of music videos, etc.). Modern market structures and skilled professionals in the sphere of musical entertainment have had to come into being virtually without state support.

Today, Ukraine (Kyiv for the most part) may boast many private recording studios, production groups, touring companies, music radio stations, musical clubs, and even three Ukrainian music TV channels – again, virtually all of these, except for concert halls, are not public and gets very little public financial support.

Still, even today it is difficult to consider music business in Ukraine as a sustainable sector of entrepreneurial activity or as a prominent industry. Only few leading Ukrainian pop-singers, music producers, recording studios earn remarkable profits from their core activities – public performances and music records sales.

This situation can be explained by several factors: the relatively low purchasing capacity of the Ukrainian public, the entrenched dominance of well-publicized Russian pop stars in many regions of Ukraine, and the widespread copyright piracy that makes income from royalties negligible.

According to many experts, the share of Ukrainian music production in the domestic market is only 10-15%, Russian pop music takes the biggest share (over 50%), followed by Western music (35-40%).

Some experts estimate total music sales in Ukraine at 5-6 million CDs and 30-40 million tapes per year (almost \$100 million). The share of Ukrainian music in these sales, as we know, is not higher than 15%. Incomes from concerts (by all performers) are estimated at UAH 50-60 million

By 2007, these income figures are expected to grow by 30-50%.

Electronic mass media (television and radio) have played an important albeit controversial role in the development of Ukrainian music industry, being the major factor in the promotion and dissemination of popular music.

The *Law of Ukraine on Television and Radio Broadcasting* (article 28) prescribes that all TV channels and radio stations shall adhere to the following quotas in their programming within the time lot from 7 am to 11 pm: European programming shall cover a minimum of 80% of the aired music, Ukrainian programming a minimum of 50%, music of Ukrainian authors should account for a minimum of 50% of the total week time of broadcasted music.

These requirements, however, are violated by many TV channels and FM radio stations. Many private music FM stations devote only 7-10% of their programming to Ukrainian music. Ukrainian music products dominates only on three state-owned radio stations: *UR 1*, *Promin*, and *Radio Culture*. Several private stations, especially in the Western Ukraine, also air much Ukrainian music, but many most popular stations air predominantly Russian pop music. One

of the reasons for this is that the owners of many FM stations (*Russkoie Radio, Xoroshee Radio Shanson, Hit FM, Nashe Radio*) are local branches of Russian music companies, and the airing of Russian pop songs in the first place is 'a must' for them.

There was no music TV in Soviet times, and only few musical programmes on public TV channels. A few years ago, specialized music channels took off. The most popular is M1, a relatively new project by the owners of one of Ukraine's biggest private TV channels, the ICTV. M1 covers over 75% of the Ukrainian territory. Ukrainian music makes up for 50% of the channel's music material.

Another music TV channel that covers more than 25% of the country is OTV. It also gives more than 20% of its airing time to Ukrainian music. Both channels are aired via satellite, too.

In other words, the situation for Ukrainian music in domestic market is gradually improving, its share slowly growing, copyrights are also protected better today than few years ago.

Ukraine joined many international copyright conventions in recent years. The newly revised edition of the *Law of Ukraine on Author's and Adjacent Rights* was adopted in 2001. Under the pressure of international copyright organisations that used to blame Ukraine for not fighting piracy in its territory, the *Law on the Peculiarities of State Control Over the Entrepreneurial Activities Related to Production, Export and Import of Discs With Laser Reading Systems* (also known as the *Laser Disc Act*) was adopted in 2002. However, this Act left international music industry unsatisfied: the measures proposed by it were found too weak and hardly effective.

So the sanctions imposed on Ukraine by the US trade representative were not lifted in 2002. A new, more restrictive version of the *Laser Disc Act* was adopted only in 2005. Also, certain amendments in the *Criminal Law of Ukraine* and *Administrative Law of Ukraine* made responsibility for piracy much more severe, and the American sanctions on Ukraine were finally lifted last year.

As a result of these measures, as well as the development of the legal music market, the musical industry in Ukraine is becoming less "shadowy". Sales of licensed music products grow constantly, including sales of Ukrainian musicians.

Several music production companies decided to unite in the *Ukrainian Music Alliance*, which would monitor music sales and determine which albums can be recognized "golden" or "platinum". In the weekly charts of music sales published in the press, usually only 2-4 Ukrainian albums are present in the TOP 10 of the charts.

Ukraine has been taking part in the Eurovision Song Contest since 2003. The victory of Ukrainian pop singer Ruslana in 2004 in Istanbul was another major boost to domestic popular music and the Eurovision Contest 2005 took place in Kyiv.

5.4. Television

Watching television occupies a leading position among entertainment practices of contemporary Ukrainians. Surveys have shown that over 80% of the population watch TV virtually every day. Television further consolidated its leading position in the 1990s thanks to the diversification of the programming supply (alongside the traditional public TV channels, many private commercial channels appeared then) as well as thanks to the diminished access of the general public to some other cultural practices (cinema, theatre, concerts, museums, amateur arts, etc.).

Ukrainian television went through several phases in its development. As a matter of fact, one could hardly talk about Ukrainian TV before 1990 as something culturally distinctive and institutionally autonomous. An average Soviet citizen had access to 2 or 3 TV channels only, all state-owned and state-controlled. The most important and popular one was the *Central Television* that broadcasted from Moscow, the others were a 'republican' TV in each Soviet republic (in Ukraine, it was called the UT).

The UT looked more like just another mediocre local channel, than like the national television of a country with a 50-million population and a rich cultural tradition. Much (if not most) of its

programming was produced in Moscow and re-transmitted in Kyiv; films were mostly Russian productions as well, despite the fact that five big film studios worked in Ukraine in those days. In other words, there was not much Ukrainian content on Ukrainian television in Soviet times, and if there was some, it was artistically conservative, saturated with official communist ideology and, in most cases, simply boring.

The second phase began in late 1980s, with Gorbachev's *perestroika*. Although all television remained in state ownership, it became more open, diverse, and sometimes even brave. However, while Russian TV paid more attention to hot political issues and modern popular culture (Western culture as well), the UT focused on its newly adopted mission of promoting Ukrainian national cultural renaissance. Becoming more Ukrainian in its content, the UT remained aesthetically conservative, technically backward, and often of lower quality than its Russian counterpart. The popularity of the UT grew not enough to catch up with the booming Russian television.

The collapse of the Soviet Union and Ukraine's independence of 1991 made Russian television formally foreign, but didn't make it less popular, especially in Russified eastern and southern regions of Ukraine. Surveys of 1993-1993 indicated that almost 90% of the Ukrainian audience regularly watched main Russian TV channel ORT (former Central TV), while only 60% watched UT more or less periodically.

This meant that, in fact, no separate Ukrainian national media space had been formed yet. The government of Leonid Kravchuk tried to limit the ideological influence of Russian TV by shifting the re-transmission of the ORT from the most widespread 1st channel to the less accessible 3rd channel in 1994, but this had little effect.

Since 1991, several private TV companies were established and started broadcasting in Kyiv and elsewhere, mostly in big cities, ruining the monopoly of state television, but also lowering quality standards that were not very high even before. About a dozen new TV channels showed up in Kyiv alone (*Gravis, Tonis, ICTV, UTAR, TET, NART, TV Tabachuk* etc). Only the biggest among these produced programmes of their own, while the rest were too poor for this and, using the general atmosphere of defiance of law, including copyrights, they resorted to piracy, videotaping foreign films and programmes and then broadcasting them without permission. The general level of piracy on Ukrainian television was estimated by IIPA as high as 95%¹⁰ in 1998. The state, having lost its monopoly on television programming and unable to fight piracy effectively, however, retained its control over broadcasting facilities. Satellite television has been affordable to very few Ukrainians in those days, and cable TV was underdeveloped, so the state in fact still kept a monopoly of sorts: it was able to throw a disobedient TV company out of the air.

A more 'civilized' phase began in 1995 when two new major actors entered the Ukrainian television scene. The direct re-transmission of Russian ORT was finally discontinued in Ukraine, and a new Russian-Ukrainian joint venture called *Inter* took its place on the 3rd channel and inherited its audience. *Inter* broadcasted in Russian language and transmitted many popular Russian programmes already well known to Ukrainian audience, so its popularity soon became almost as great as ORT's.

Another important actor was *Studio 1+1*, with Western European major stockholder CME (Central-European Media Enterprise¹¹). While *Inter* positioned itself as a Soviet-nostalgic channel for Russian-speakers, the leaders of *1+1* declared their intention to serve as a flagship of modern, civilized (that is, piracy-free) Western-type television with the mission of bringing the best national and international programmes, films, documentaries, talk shows, etc. to Ukrainian audience (and in Ukrainian language, too).

The reality turned out to be slightly different, though: quality films from different countries have been gradually replaced by much cheaper products – Russian and Latin American soap operas, sitcoms, TV games, reality shows, etc.

¹⁰ IIPA experts admitted that 'national channels' broadcast only legal products, but accused '22 regional TV channels' of showing almost exclusively pirated Western films (see www.iipa.com).

¹¹ CME Group, set up by Ronald Lauder, also owns many media outlets in Central European countries, employing over 2.5 thousand people (2002) and 'provides CEE countries with Western soap operas and documentaries' (*The European*, 1999).

However, reaching out to mass audiences with its mass entertainment, the *1+1* soon became *Inter*'s main rival in the competition for #1 position in Ukraine, creating the bipolar structure of the national TV market that lasts till now. According to some surveys, 77% of Kyiv's residents and 80% of Lviv's residents were regular watchers of *Studio 1+1* in 2000, while 82% of Kyiv residents and 69% of Lviv residents regularly watched *Inter*. Other channels lagged well behind, including the *UT1*, reduced to the role of the official channel on which a presidential address or a football game of the national team is occasionally watched.

Another major development of this period was the expansion of cable and satellite TV, however limited to big cities only.

Arguably the most unfavourable phase that began in autumn 1998 and lasted till the Orange Revolution of November 2004, can be called the period of growing profits and fading freedom of Ukrainian television.

It was initiated by the international financial crisis that decimated the advertising market and the start of the presidential election campaign of 1999 that brought about the strengthening of political pressure on the media. Before 1998, many private TV companies operated like 'normal' medium-size businesses, relatively freely and independently. In 1999, they confronted financial difficulties and many of their owners decided to sell their shares to big and influential business-political groups, also known as 'oligarchic clans'.

The influence of the ownership changes on the programming soon became quite visible, especially on *Studio 1+1*. Its news programmes, once vivid and balanced, now became much shorter and saturated with manipulative political comments, live talk shows almost disappeared from the air, quality films and other Ukrainian productions were gradually replaced by cheap Russian soap operas, games and reality shows bought second-hand from Moscow channels. This frustrating tendency was intensified by the detonation of the Gongadze scandal (the kidnapping of Georgi Gongadze, an independent journalist) in autumn 2000.

This is when a distinctively Ukrainian contribution to media culture, *the temnik* (literally, the *list of themes*, or subjects to be covered) was born. A *temnik* was not an official policy document but a brief anonymous manual in media agenda-setting for a particular day, consisting of a list of events that happened (or were expected to happen) on that day, with short formulaic comments disguised as 'opinions' of some unnamed 'experts' on whether a particular event is worth covering in detail or should rather be ignored as 'unimportant'. The *temniks* were uploaded somewhere in the cyberspace every day and, despite their 'informal' character, were supposed to be strictly followed by TV editors and producers.

On the other hand, the economic growth of 2000-2004, and the resulting boom in the advertising market (the sheer volume of Ukrainian TV advertising market grew from \$85 million in 2002 up to \$235 million in 2005, according to the estimates of All-Ukrainian Advertising Coalition¹²) made Ukrainian private TV channels, or at least the biggest among them, commercially profitable. As the 2004 annual report of the CMT Group (co-owner of *Studio 1+1*) showed, netto incomes of *Studio 1+1* grew from \$31.7 million in 2002 up to \$53.35 million in 2004, and the company's profits have grown by 84% (see: *telekritika.kiev.ua*, 16.03.2005).

According to *Kontrakty* business weekly (№ 12, March 2007), the total advertising and sponsorship incomes of Ukrainian TV channels reached \$460 million, of these, \$355 raised from commercial advertisements, and another \$35 million from political advertisements.

However, growing profits seemed to be not big enough to re-orient programming from second-hand imported entertainment programmes to own productions. This situation of lingering cultural colonialism has been alarming many Ukrainians, especially the artistic community and intellectuals in general. However, the bodies directly responsible for the supervision of the adherence to media legislation (specifically, to the regulations on the language of broadcasting and on the quotas for domestic production in media programming)

¹² See www.adcoalition.org.ua for more detail.

- namely, the National Council for Television and Radio Broadcasting, seemed to be extremely shy and reluctant to punish those who ignored media laws. Moreover, the National Council has been inoperative from autumn 1998 until May 2000 because President Kuchma would not appoint four out of its eight members. This was because he didn't like the other four members to be appointed by the parliament. This means that for almost two years there was no acting government body entitled to supervise and enforce laws regulating mass media.

The *Ukrtelevfilm* studio that managed to produce several more or less popular TV series for the UT1 (including the historic costumed drama *Roxolana* that was bought by several foreign TV companies) back in the 1990s, was now losing momentum and producing very little. This was because of subsidy cuts, and also because many of its best workers were enticed by richer private TV companies and production studios.

Another state television venture, the *Kultura* channel, turned out to be equally unsuccessful. During the first few years of *TV Kultura's* existence, its founder, the state, didn't even manage to provide a license for broadcasting frequency for the channel, so *TV Kultura* had to be content with 3-4 hours of early morning (2 am to 5 am) programming on the UT1 when only few people were able to watch it.

The government got interested with *TV Kultura's* fate only after the Orange Revolution. The channel was moved to satellite broadcasting, and its programming reached 24 hours per day.

Table 5.7. Ratings of major Ukrainian television channels, 2004-2006

| TV channel | 2004 | 2005 (January-March) | 2006 |
|------------------------|---------|----------------------|------|
| Inter | 23.4 | 25.2 | 20.4 |
| Studio 1+1 | 21 | 21 | 18.4 |
| Novyi Kanal | 10.1 | 8.8 | 8.6 |
| ICTV | 7.8 | 7.6 | 7.3 |
| STB | 3.7 | 4.9 | 6.1 |
| Ukraina (Donetsk) | - | 4.0 | 4.4 |
| UT 1 | 2.8 | 2.1 | 2.1 |
| 5 Kanal (news channel) | no data | 1.6 | 1.9 |
| M1 (music TV) | no data | 1.2 | 1.4 |
| TET (entertainment) | no data | 1.8 | 3.1 |

Source: www.telekritika.kiev.ua

The Orange Revolution promised big changes for Ukrainian television. Actually, the changes on TV started a few weeks before the events on Independence Square (known as the Maidan), when the political pressure on the freedom of the media became intolerable. When the government tried to strip the oppositional 5th Channel and Radio Era of their broadcasting licenses, the journalists of the 5th channel started a hunger strike supported by many journalists on other channels. Hundreds of media workers went on mass rallies demanding freedom of speech in October 2004 (two weeks before the presidential elections), many prominent TV journalists refused to obey to the *temniks* and present distorted news or fake stories. The government was forced to make some concessions, so the revolutionary events of November and December 2004 were covered by Ukrainian media in a much more open and free atmosphere.

The revolutionary period, however, brought about less changes for Ukrainian television than expected. Perhaps the most important change were the activities of the newly elected National Council for Television and Radio Broadcasting that finally started to work properly, controlling the adherence to media legislation, especially language of broadcasting. However, the efforts by the National Council to punish those channels that violated media regulations or to cancel some broadcasting licenses that were given by the previous regime violating the law, had rather little success.

The National Council efforts were not completely without effect, however. The share of own productions in the programming of Ukrainian channels grew, and the share of programmes in Ukrainian language grew remarkably (most of this growth has been thanks to Ukrainian dubbing of Russian and American films, soap operas and sitcoms, however). The 'nationalizing' efforts have been most visible on music television: the share of Ukrainian music on three musical channels, M1, OTV and Enter music, grew from 10-15% to 35-50%.

The economic recovery of 2001-2006 brought about the dynamic growth in the advertising market, which resulted in commercial prospering of at least the 4-5 biggest private TV channels. As a result, they increased their own production of programmes and even films (for instance, *Inter* fills 70% of its airing time with programmes of its own production today).

A special Parliamentary hearing dedicated to the creation of Public TV took place in the Supreme Rada on April 13, 2005, but neither legal foundations for public television were created so far, nor an institutional decision on the establishment of a public TV company has been taken. The reason for this lingering is believed to be the preoccupation of Ukrainian political elites with the parliamentary elections campaign of 2006.

5.5. *Radio*

Radio industry in contemporary Ukraine consists of two sectors: public broadcasters (national and regional), and quite numerous private broadcasters, mostly of commercial character.

There are three state radio channels (the 1st channel, or *Ukrainian Radio-1*, the *Promin* channel, and the *Radio Kultura*) incorporated in the National Radio Company of Ukraine, which is a state-owned enterprise subordinate to the State Committee for Television, Radio Broadcasting and Publishing (also known as *DerzhTeleRadio*).

The cornerstones of Ukrainian legislation that regulates broadcasting are the laws *On Television and Radio Broadcasting* and *On the National Council for Television and Radio Broadcasting*. According to these laws, the National broadcasting council grants broadcasting licenses and monitors the adherence of broadcasters to national media legislation and to their license conditions. In case a broadcaster violates the law or the conditions of his license, the National broadcasting council may issue a warning, or fine the broadcaster, or even cancel the license through a court decision.

National and regional state radio companies broadcast on medium and ultra-short waves, and also through the uniquely Soviet network of wire radio-broadcasting that once included virtually all households in the Ukrainian SSR and still exists, although it declined from 15 million wire receivers in 1990 down to 6 million in 2005.

The advantage of the wire receiver in a totalitarian state was that it was already tuned into two or three official stations, so that the customer could not tune into something else. Today, the advantages are that these receivers are very cheap, need no batteries, and are already there, in your kitchen.

The Ukrainian Radio channel 1 (or UR1) broadcasts 18 hours per day (6am to midnight), its programming includes news and weather forecasts every hour, educational and cultural programmes, as well as special programmes for such target audiences as children, students, elderly people, army servicemen, etc. The UR1 also has live broadcasts from parliament sessions that can occupy much of the channel's programming time. The programming of the UR1 is regarded by many as old-fashioned, and often of mediocre quality. Still, the majority of the population is exposed to the wire radio broadcasting which explains why it is still the most widely listened radio in Ukraine (not among younger generations, however).

The *Promin* (Ukrainian for *ray*) radio channel was established in 1965 as an entertainment radio. It has been traditionally less official and more pop-culture oriented than UR1. Today, it is one of not-so-numerous radio stations where Ukrainian popular music dominates.

The *Radio Kultura* broadcasts on short waves and on USB, its programming includes classical and folk music, audio versions of theatre shows, talk shows on cultural issues, etc.

There are also numerous literary programmes (about Ukrainian and world classical literature, contemporary poetry etc). The *Kultura* channel, however, is traditionally underfunded, its technical facilities are backward, its salaries are substantially lower than on private stations (at least in Kyiv), which in the long run makes it not very competitive. However, the three state-owned radio channels have no competitors in small towns and in the countryside where private FM stations are simply absent.

On the other hand, private musical FM stations dominate the air in big cities. For instance, there are over 20 acting FM stations in Kyiv (which is too many, comparing to other Eastern European capital cities, except for Moscow). This can be explained by the fact that many musical stations are not independent businesses *sensu stricto* but merely instruments of promotion of the music produced by their owners. Even if a radio station makes losses, they can be compensated from sales of records and concert tickets.

The advertising incomes of commercial radio stations have been constantly growing: from \$8 million in 2002 up to almost \$20 million in 2005 although the share of the radio in the advertising market has been below 4%.

Each of Ukraine's big cities has at least 3-4 FM stations. Their format, however, is far from diverse: almost all of them broadcast pop music, advertisements and a couple of minutes of news every hour. A handful of the biggest FM stations already transformed into networks that broadcast in several cities, where some local news and local advertisements are added to their programming. Several private musical FM stations are either branches of Russian private radio networks (*Russkoie Radio*, *Radio Chanson*, *Europa Plus*) or are co-owned by Russian media capital (*Nashe Radio*, *Hit FM* and more). No wonder these stations dump Russian pop music into Ukrainian air and are very reluctant to add any other music to their programming.

Regional cultural differences determine slightly different levels of popularity of particular music stations. For instance, *Gala Radio* (mostly dance music for a young audience) and *Radio Chanson* (macho-oriented Russian adult contemporary music of not very sophisticated kind) are the most popular FM networks in Kyiv and its environs (22-24% of the audience), *Lvivska Khvyliia* (Western and Ukrainian rock and pop music) is the most popular in Lviv (over 30% of the audience), while *Russkoie Radio* has been number one music radio in Ukraine at large (21% of total radio audience), followed by *Lux FM* (17.4%) and *Radio Chanson* (14%). The only FM network in 'talk and news' format in Ukraine, *Radio Era* broadcasts in 20-25 biggest cities only and has around 4% of the audience.

A problematic feature of Ukrainian music radio stations is that many of them indulge in the controversial practice once called *payola* and regarded illegal in the US: that is, they take money for putting some songs on the air. Many local stations also often 'forget' to pay royalties for songs they broadcast.

The *Law on Radio and TV Broadcasting* was amended in January, 2006 so that the requirements on Ukrainian content are made more harsh: there must be at least 80% of European products on the air during the period from 7am to 23 pm, and musical programmes must include no less than 50% of Ukrainian productions (regardless of the language). On the other hand, if a radio station broadcasts nationally, no less that 75% of its programming must be in Ukrainian language.

Private radio companies, however, have not been very eager in conforming with these regulations. The National broadcasting council so far does not push them too hard for this reluctance, limiting its pressure to warnings.

The previous team of the National broadcasting council (that acted till 2005), however, did not hesitate to cancel the licenses of some opposition-minded independent radio broadcasters (for instance, *Radio Kontyent*).

Media experts believe that there is no room for more commercial music stations in Ukraine today; on the contrary – there is perhaps too many stations in the same blurry pop music format with unstable audiences and, therefore, unstable advertising incomes. To be sustainable, these stations have to position themselves more clearly. This will hopefully

make the Ukrainian radio space more diverse and independent.

5.6. Advertising

A centralized planned economy does not need advertising, but it did exist in the Soviet Union for some reason. As an art form, it even flourished for a brief period of the NEP (the *new economic policy* that envisaged limited private enterprise) in the 1920s, when such famous personalities as the photographer Alexander Rodchenko and the poet Vladimir Maiakovski produced ads for the Mosselprom department store.

In Ukraine, too, the famous constructivist artists Anatol Petrytsky and Vasyl Yermilov also produced graphic advertisements.

In the later Soviet period, however, Soviet advertisements became an absurd joke: why, for instance, should *Aeroflot* be advertised if there were no other airlines in the Soviet Union? No wonder that earliest post-Soviet advertisements looked awkward and amateurish. Skilled professionals were absent, so these advertisements were often made by jobless film directors; neither them nor their clients had a clear idea what makes a good and effective advertising. Beside domestic amateurs, there were 'imported' Western advertisements in Ukrainian media.

Gradually, the situation changed, and today the advertising industry is perhaps one of the biggest creative industries in Ukraine.

The market position and economic condition of Ukrainian advertising agencies were rather humble in late 1990s, but the economic growth of 2001-2005 ensured their flourishing. As Table 5.8 shows, the national advertising market almost doubled in three years, 2002-2005, passing the level of half a billion USD. Total sales of domestic advertisement production are reaching the level of \$100 million

Nowadays, Ukrainian advertising is gradually becoming a full-fledged industry, with several dozens of advertising agencies (many among them not merely buy or sell advertising space/time but also offer creative work – most prominent are D'Arcy Ukraine, B.I.T.A, Kinograph, Adventa Communications, SAHAR, ElvisPelvis, Bates, Adell Saatchi and Saatchi, GLAS, Dialla, Abricos, Lucky Use and more) united into the All-Ukrainian Ad Coalition (www.adcoalition.org.ua), with a number of specialized sectoral magazines (*Marketyng I Reklama* and *Marketing Media Review*) and even an international advertising festival of our own (www.adfestival.com.ua).

Table 5.8. Advertising market in Ukraine, 2002 – 2005 (estimated, million USD, taxes not included)

| | 2002 | 2003 | 2004 | 2005 | 2005(%) |
|-------------------------------|------|------|------|---------|---------|
| Television | 85 | 130 | 165 | 237 | 46.3 |
| The Press | 28 | 60 | 81 | 131 | 25.6 |
| Outdoor | 38 | 60 | 86 | 116 | 22.7 |
| Radio | 8 | 9 | 13 | 20 | 3.9 |
| The Internet | 1 | 1 | 1.5 | 2.5 | 0.5 |
| Cinema | - | - | 2.5 | 5 | 1 |
| Total media | 160 | 260 | 350 | 511 | 100% |
| Production | 40 | 70 | 75 | no data | |
| BTL , PR, sponsorship | 50 | 70 | 80 | no data | |
| Agents' commission, honoraria | 10 | 20 | 25 | no data | |
| Total ad market | 260 | 420 | 530 | no data | |

Source: www.adcoalition.org.ua, *Korrespondent*, January 2006.

Many experts believe, however, that the artistic quality of Ukraine-made advertisements did not reach the 'international level' yet. Ukrainian creative advertisement-makers seldom take part in the most prestigious international advertisement festivals, perhaps because they

seldom win first prizes even at regional festivals (Golden Hammer in Riga, Moscow International Ad festival, IDEA advertisement festival in Sochi).

State policy with regard to advertisement consists, basically, of legal regulation of such aspects as the language of advertisement (Ukrainian language obliges, other languages may also be used parallel to it), time limit on alcohol advertisements on TV (permitted only after 11 pm), and time limit on advertising slots for on-air television (no more than 10% of broadcasting time). The National Council for TV and Radio Broadcasting supervises the adherence of the media to this legislation.

5.7. *The Internet*

According to recent surveys, 10% to 20% of the Ukrainian population are active Internet users. This rate, however, is much higher among young people and in big cities (over 30%). In Kyiv, almost 50% use the Internet, while in the countryside the figure is 2-3%. The computerisation boom reached its peak by the end of the 20th century and made a strong positive impact on the Internet resources of Ukraine's cultural sphere. The lion's share of cultural web-sites were launched in 1998-2002. According to some experts, there are approximately five thousand specialized culture-related web-sites in Ukraine today, and many more offer various culture-related information services (few of them have English versions, however).

The majority of national cultural institutions (museums, libraries, theatres, the philharmonic, some of the national artistic unions etc) have been joining the Internet community by launching their websites, too. There are also hundreds of independent cultural sites and portals. The official portal of the Ministry of Culture and Tourism (www.mincult.gov.ua) functions since 2003.

A general overview of the Internet resources of the Ukrainian cultural sphere shows the diversity of information flows. Web-sites have been launched by public bodies, cultural institutions, cultural NGOs, national minority associations, private individuals, amateur artistic companies, etc.

Virtually all fields of Ukraine's cultural and artistic life are present in the Internet today. However, cultural information on the web reflects different aspects of cultural and artistic life quite unevenly. Generalizing, one can say that 'traditional' arts are relatively underrepresented, while those active in contemporary arts (in other words, artists and culture workers of younger generations) use the Internet much more extensively. Also, the majority of Ukrainian web resources represent its biggest cities (Kyiv, Lviv, Dnipropetrovsk, Donetsk, Kharkiv, Odesa), their public cultural institutions and independent cultural/artistic communities. The rest of the country is apparently underrepresented. The majority of local cultural institutions still have no access to the Internet and even do not have the necessary technical equipment because of insufficient funding.

On the other hand, there are numerous sites and web pages dedicated to particular regions, cities, towns and villages, being mostly the result of the initiative and enthusiasm of particular individuals or local communities.

For the general landscape of cultural Internet resources, one can turn to the website of the Ministry of Culture and Tourism (www.mincult.gov.ua), which offers the most exhaustive (but still incomplete) list of culture-related websites. There are 3067 of them, and many have links to other culture-related sites.

Ukrainian cultural web resources cover all major fields of cultural and artistic activities, albeit unevenly.

Such portals as *the Library portal of Ukraine* (<http://www.libportal.org.ua>) and *the Ukrainian portal* (www.uaportal.com) claim themselves as 'universal' in the cultural sphere. So does the portal of the Association of Contemporary Art (<http://www.artportal.org.ua>), an artistic NGO that unites mostly Kyiv artists of a younger generation. The *Artportal* has databases on such fields of arts as contemporary music, video art, literature, theatre, dance, film, etc. It also has artistic news and classifieds, and a discussion forum.

Another portal representing a well-known independent artistic association, the Association of Art Galleries of Ukraine (established in 1995, 35 independent galleries are its members), is soviart.com. This site contains rich information about the activities of the association: exhibitions, training courses, publications, as well as about the Museum of Contemporary Ukrainian Art, a recent project of the Association.

Other *Culture and Art* portals (such as vox.com.ua or cufer.net) in fact offer much less cultural information than promised: they look more like sites representing certain artistic groups or trends.

Some of Ukraine's best art-related portals were born as web versions of artistic magazines. For instance, *Kinokolo* ('film circle' in Ukrainian, www.kinokolo.ua) was initially an online version of the film quarterly of the same name, but today it is a more full-fledged web resource on film, including news, reviews, a discussion forum, etc.

The web portal of non-commercial music www.notamag.com was launched as a web version of the NOTA musical magazine, but when the printed version of the NOTA went out of business, the portal remained an autonomous musical resource, with news on Ukrainian jazz, avant-garde and ethnic music, reviews, articles, programmes of Kyiv music clubs, etc.

Another important musical portal is 'Ukrainian Format' (uaformat.com), quite active in the promotion of Ukrainian popular music. Its news can also be received on mobile phones.

The Odesa-based NGO Association of New Music (the one that organizes the *2 days and 2 Nights of New Music* festival) also makes a good website about modern music, anm.odessa.ua.

Another prominent regional cultural web resource is dzyga.com.ua supported by the *Dzyga Cultural and Artistic Centre* in Lviv, which includes an art gallery, a concert hall, a recording studio and a cafeteria in downtown Lviv. The website includes cultural news, literary texts, a discussion forum and even samples of musical records.

Many Ukrainian museums and central libraries were among the first to join the Internet. Perhaps the most comprehensive web resource in the museum sphere is www.ukrmuseum.info launched within the programme of Centre of Museum Development of *Ukraine 3000* Foundation with support of the Swiss Cultural Programme in Ukraine. 576 museums of Ukraine are represented on this web-site.

The portal of *Museums of Ukraine* journal (www.museum-ukraine.org.ua) claims itself as the most representative site of the museum network. However, it has links to 120 museums only, which is much less than *ukrmuseum* portal has. The list of the web sites of Ukrainian museums created within the project *All Museums of Ukraine* has only postal addresses of the museums (and no e-mail addresses) – perhaps because many museums have no web-sites or access to the Internet.

The problems of effective maintenance of existing web-sites and of sufficient funding remain crucial for the further development of the Internet resources in the cultural sphere.

On the other hand, Internet resources are used in the commercialized part of cultural life most effectively. Web-sites of film distribution agencies, advertising agencies, concert halls, commercial art galleries, etc. are updated regularly. However, even the private sector of Ukrainian culture is represented in the Internet unevenly. For instance, among 13 cinemas active in Kharkiv, only 3 have websites; of all cinemas in Lviv, only one has a website. Perhaps this is merely a projection of the weak contact of the majority of their customers with the Internet.

Ukraine joined the UN Charter on digital heritage a few years ago, hereby giving a powerful impulse to the process of digitalisation of archives, library stocks, etc.

The implementation of the UN Charter has been facilitated by the *National Programme of Informatisation* adopted in 2004 (www.nas.gov.ua/ua/mainold.html).

Since 2000, Ukraine also takes part in the information projects of the European Commission: *MINERVA* (www.minervaeurope.org), *PULMAN* and *CALIMERA*, which are parts of the

eContent and eContent+” programmes of the EU.

5.8. Fashion design

The flourishing of fashion is usually regarded as a sign of developed consumer society. But fashion existed even in the shortage-tortured Soviet Union, and Moscow was allegedly the hub of the fashion for all Soviet republics. The All-Union House of Garment Modeling (this is how fashion design was called then) would develop fashion trends and perspective standard models of new clothing as well as new collections to be disseminated among all ‘republican’ fashion houses that existed in the capitals of all Soviet republics. These fashion houses were supposed to develop clothing fashion models for the population of their republics, guided by the models already developed for them by the ‘flagship’ fashion house in Moscow.

Fashion designers in some of the Soviet republics would not follow Moscow-set models too humbly, however. For instance, the fashion magazine *Rigas Modes* issued in Riga, Latvia, looked more original and Westernized than Moscow-based *Zhurnal Mod* and therefore was much sought-for and appreciated by advanced Soviet ladies. This was not true, however, for the *Krasa i Moda* (Beauty and fashion) magazine issued in Kyiv: it looked conservative and dull even in comparison to its Moscow counterpart.

The *Republican House of Garment Modeling* in Kyiv would not only develop fashion collections but also had to develop all necessary design blueprints for all garment factories in the Ukrainian Soviet Republic. Beside this flagship fashion house, there was the *Khreshchatyk Fashion House* that developed new models of knitted garments for all knitwear factories, and the *House of Design for Centres of Personal Services* that developed standard models for so-called houses of personal services that existed in each Soviet town and included tailoring services, and for the network of smaller fashion ateliers. In Soviet planned economy, even custom tailors were supposed to make clothes for private customers according to standard models developed by official fashion houses.

The Kyiv Institute of Light Industry trained specialists in such professions as fashion modeling and tailoring technology, which were quite prestigious. The profession of ‘artistic design of clothing and textiles’ (that is, *couturier sensu stricto*) was introduced in this college as late as 1987.

The collapse of the USSR and its state-owned, centrally-planned economy meant an almost inevitable collapse for the old, hierarchical Soviet fashion design as well. The clothing market in the independent Ukraine became open to imported goods from the West and, most importantly, to cheap clothes from China that soon became dominant in the local market. Poorer people would buy cheap Chinese clothes, while the nouveau riches would fly to Europe for shopping, and nobody seemed to need domestic clothes and Ukrainian designers.

Only the most talented and industrious were able to survive under such difficult circumstances, and they survived indeed by resorting to two strategies: first, they began to create exclusive and unique fashion models for Ukrainian celebrities and VIPs; second, they tried to enter international fashion industry via Moscow’s fashion market that traditionally has been much bigger and more vibrant.

Lilia Pustovit, Victoria Gres, Diana Dorozhkina, Viktor Anisimov, Sergei Byzov and some other leading Ukrainian fashion designers have been regularly participating in Moscow Fashion Weeks since the mid-1990s, as well as in fashion shows in St. Petersburg, Vilnius, Warsaw, Budapest and elsewhere.

Step by step, the more successful fashion designers established their own ateliers and even opened their own boutiques. The first Ukrainian designer to open her own boutique in downtown Kyiv was Victoria Gres in 1998, followed by Lilia Pustovit and Sergei Byzov.

The hub of fashion life since 2003 is so-called *Alta Fashion Lab* in the Alta Centre shopping mall in Kyiv. There are several boutiques of prominent designers and a big show hall there. Several other boutiques of Ukrainian designers opened in downtown Kyiv. Fashion experts

believe there are over 20 Ukrainian fashion designer brands, all having their own ateliers, but very few of them really produce a substantial amount of designer clothes. The problem is that Ukrainian fashion is still separated from clothing factories and is limited to a rather small market of VIPs and upper middle class consumers. Ukrainian clothing factories, on the other hand, try to survive by offering their production capacities to Western clothing brands, hereby earning small money but avoiding market risks.

There are a few exceptions, however. Mikhail Voronin was well known as one of Kyiv's best tailors back in the Soviet times, and this perhaps helped him to privatize *Zhelan*, one of Kyiv's clothing factories in 1994. Today, the *Mikhail Voronin Vienna-Paris* concern also owns a network of clothing shops in several cities of Ukraine where lots of *Mikhail Voronin* brand men's suits made by *Zhelan* are sold.

The *Sensus* fashion house of Lviv also owns a network of women's clothes shops designed by *Sensus* and manufactured by its partner, *Tortola* clothing factory in Lviv. The production of *Sensus*, however, can hardly be called *haute couture* or even prêt-a-porter, its design is rather mass consumption oriented.

Ukrainian fashion designers got an important backing from the new political elites after the Orange Revolution. When Ukraine's first lady and other female members of the president's family showed up at the inauguration ceremony dressed by Oksana Karavanska and Roxolana Bohutska, it soon became fashionable among female VIPs to have a few things created by Ukrainian designers in their wardrobes.

Since 1997, Ukraine's own *Fashion Seasons* were established as a national festival of prêt-a-porter fashion. In 2006, the *Fashion Seasons* decided to merge with another fashion show, the *Kyiv Podium* International Festival, into the *Ukrainian fashion Week*, which is to be included in the network of European Fashion Weeks. Beside prominent Ukrainian designers, this year's *UFW* also hosted several fashion designers from Russia, Italy and Georgia. Over 30 collections were presented during this year's *UFW*, most of them were also shown live on M1 television channel.

Summarizing, one can easily point at several indications of the swift development of Ukrainian fashion, but the industry as such seems to remain in rather embryonic state.

5.9. *Tourist industry*

The inclusion of tourist industry in the realm of responsibility of the former Ministry of Culture (now Ministry of Culture and Tourism), and the establishment of the autonomous State Administration for Tourism and Health Resorts within the Ministry, is the evidence of the awareness that the creation of a synergy between cultural development and development of tourist industry should be among policy priorities of the state.

Indeed, well-preserved cultural heritage makes a perfect basis for the development of tourism, while flourishing tourism brings more resources into heritage protection and into creative industries as well.

Potentially, Ukraine can be among the European countries with a powerful tourist industry. The richness and diversity of Ukraine's cultural and natural heritage is hard to overestimate. Its cultural heritage includes numerous historical monuments of international significance: the cathedrals and monasteries of Kyiv, Chernihiv, Lviv, Pereiaslav, Kamianets and other ancient cities; the palaces of Livadia and Bagcesaray, of Zhovkva and Pidhirtsi, of Baturyn and Kachanivka; the mediaeval and Renaissance castles of Bilhorod and Sudak, Ostrog and Lutsk, Olesko and Khotyn, Mukacheve and Uzhgorod, and many other beautiful and memorial places can be tourist attractions for much more people than they are today.

The recreational resources of Ukraine include the Black Sea and the Sea of Azov, the Crimea and Carpathian mountains, several great rivers with picturesque valleys (Dnieper, Dnister, Southern Bug, Siversky Donets), the internationally renown spas of Truskavets and Morshyn, and much more.

Traditionally, tourist industry in Ukraine was oriented towards the provision of cheap mass services for millions of Soviet citizens, usually organized in big groups. There was no competition, no market regulation of prices and quality of services. The demand for recreational services was much higher than the supply, especially since the 1970s when the incomes of Soviet people became relatively higher. The centralized and planned Soviet economy was incapable of meeting the growing demand, so the so-called 'wild tourism' (when people would come to the Black Sea coast, rent a private room with shared kitchen, or even place a tent near the sea and cook their food on fire) became a mass practice. Another very popular Soviet form of tourism was kayak trips on bigger and cleaner rivers somewhere in Karelia, the Urals or southern Siberia.

The results of these peculiarities of Soviet tourist/recreational tradition were millions of unpretentious, hardened 'tourists' that grew in all former Soviet republics, and have traditionally been the customers that Ukrainian tourist industry would always count on, till perhaps recent years when hundreds of thousands of middle class Ukrainians discovered the resorts of Turkey, Egypt, Tunisia and Croatia.

Until 2000-2001, Ukrainian tourist industry was in decline. The total number of entry tourists decreased from 12.1 million in 1997 down to 6.014 million in 1999. Of these, almost 80% were tourists from the CIS states (mostly from Russia, Belarus and Moldova). So-called 'organized' tourists (that is, those traveling in groups organized by touring agencies) made only 40% of this number, which might mean that many of alleged tourists were in fact on business trips. The dramatic decline in the industry during that period can be explained by first the economic crisis in the post-Soviet countries (especially in 1998-99) and secondly, by the loss of better-off clients, who were making their choice in favour of Turkey, Cyprus or the Canarias.

With the economic recovery of Ukraine and Russia (main starting points for tourists coming to Ukrainian resorts) the situation began to change for the better. During 2002-2005, the number of enter tourists in Ukraine increased by 25% and reached 17.6 million. The structure of the flow of entering tourists also changed in 2004: the share of tourists from CIS countries dropped from 69% to 62%, while the share of European tourists grew by 44% and reached 36% (was 28% of the total number of foreign tourists in 2004). The abolition of entry visas for EU and US citizens also gave a boost to foreign tourism in Ukraine in 2005.

In the meantime, the number of exit tourists also grew remarkably last year and reached 16.5 millions. Investments in tourist industry reached UAH 1.5 billion (\$300 million) in 2005 alone. All this might seem impressive for Ukraine, but doesn't look too serious in comparison to such fast-growing tourist industries as those of Greece, Turkey, or even Bulgaria.

Table 5.9. Main economic indicators of Ukrainian tourist industry

| | 2004 | 2005 | 2006 | 2007 forecast |
|--|-------------|-------------|-------------|--------------------------|
| Entry (foreign) tourists, million persons ¹³ | 15,6 | 17,6 | 18,9 | 17,6 |
| Internal tourists, million persons | 8,1 | 8,3 | 8,3 | 7,7 |
| Utilized hotel capacity, % | 28-32 | 30-35 | 30-35 | 20-25 |
| Total amount of tourist consumption, million UAH ¹⁴ | 34898,3 | 37572,5 | 42 000 | 40 000 |
| Total amount of tourist services (touring agencies, hotels, health resorts), million UAH | 4470,5 | 5154,2 | 6 200 | 6 200 |

Source: State Service for Tourism, 2007

The development of the Ukrainian tourist industry could have been much more energetic if not hindered by several serious obstacles.

First, the majority of tourist companies remain oriented at exit tourism, that is at organizing

¹³ According to State Border Committee

¹⁴ Calculated according to the UN recommendations on tourist statistics

tours for rich Ukrainians to Mediterranean resorts in summer or to European ski resorts in winter. This sort of tourist business requires little investment and promises stable profits. Internal tourism, on the other hand, requires massive investments without guarantees of high profits.

Second, the existing infrastructure of the tourist industry (hotels, restaurants, roads and transportation, recreational facilities) is backward and, for the most part, neglected. For instance, there are only 162 certified hotels in Ukraine, of which only 2 are five-star hotels and 20 are four-star hotels. Very often the level of service in these hotels turns out to be lower than the number of 'stars' suggests. Average hotel prices in Ukraine, on the other hand, are often higher than in other Eastern European countries, which makes them hardly attractive for European tourists in terms of *value for money*.

Third, the development of tourist facilities is not coordinated with the development and actualisation of historic heritage of the places where new tourist facilities are being created. On the other hand, many heritage-rich places, especially outside big cities, have embryonic tourist facilities or no facilities at all.

Fourth, international standards of the provision of tourist services (of minimum choice and quality of services offered, of routine procedures in tourist organisations, of professional qualifications of tourism workers, etc.) seldom apply in Ukraine, which sometimes results in low-quality service for surprisingly high price.

Fifth, investments in tourist industry are obviously insufficient. Some chaotic private investments avoid public control and result in ruining the existing tourist potential instead of developing it (for instance, small private hotels built literally next to the seashore, or mansions of Ukrainian nouveau riches built in forest reserves, etc.).

Still, the number of registered tourist enterprises is constantly growing: 428 touring operators and 830 touring agents were registered in 2005 alone, making the total number of touring enterprises almost 3.5 thousand.

Ukraine, and the State Administration for Tourism and Health Resorts in particular, makes intensive efforts to overcome these difficulties. A *State Programme for the development of tourism for the period of 2002-2010* is being currently implemented. However, budget funding for this targeted programme was unexpectedly reduced in 2005 for more than a half.

The Ministry of Culture and Tourism, in co-operation with the Ministry of Economy and Labour of Germany, is currently implementing the TACIS-Twinning project 'Development of information facilities for tourist industry through the creation of the network of tourist information centres'. The goal of this programme is to launch an effective system of dissemination of tourist information.

Ukraine joined the European Tourist Commission in October 2005, which is a move of strategic importance, because of the opportunities to use European mechanisms of support of tourist industry and to promote Ukrainian tourist opportunities in Europe.

Summarizing, we can point at the following strategic priorities defined by the Ministry of Culture and Tourism of Ukraine with regard to the domestic tourist industry:

- drafting a comprehensive strategy for the development of the tourism potential of Ukraine;
- institutional reform in this sector, specifically, through the establishment of the State Administration for Tourism and Health Resorts;
- formation of an attractive environment for investments (especially foreign) in the tourist industry;
- support to the development of cultural tourism and so-called 'green tourism' in Ukraine so as to use its diverse cultural and natural potential optimally;
- introduction of international standards in the provision of tourist services, in the management of tourist enterprises and in the system of training in tourism-related professions;
- support to the development of so-called social tourism, that is, tourist services for low-income families, for students and young people in general;

- promotion of a positive tourist image of Ukraine internationally.

This chapter can be summed up with the conclusion that the development of a State policy on cultural industries in Ukraine began in fact only after 1991, and this process has been rather slow and not quite consistent.

Its main features can be described as follows:

- first, it is focused on public enterprises (film studios, publishing houses, concert agencies, etc.) and used predominantly direct financial support (subsidies, government commissioning of art products);
- second, it pays rather insufficient attention to private sector and not-for-profit actors in cultural industries, and uses insufficient the mechanisms of support (for instance, protectionist tax incentives were introduced only in the publishing industry);
- third, control over the implementation of adopted policy decisions has been rather weak, political will to enforce media laws was often lacking.

However, a number of positive changes occurred lately, and not only in Ukrainian cultural industries but also in the state policy. Specifically, tax incentives for Ukrainian book publishing were introduced, the government has been fighting copyright piracy much more actively, budget expenses for the purchase of books for public libraries and for national film production increased substantially, etc. These improvements, however, did not cease the dominance of imported cultural goods in the Ukrainian market so far, only increased the market share of Ukrainian products.

To secure a respectable place for Ukrainian cultural industries in their own country, to provide the Ukrainian public with diverse and affordable domestic cultural produce of good quality, still more positive changes are to take place.

Specifically, state support to the national cultural industries should not just be stronger than it is today, but also be more diverse in its forms, impact-oriented, and responsive to the needs of the public.

Chapter 6. Participation in Culture

6.1. *Changes in cultural practices of contemporary Ukrainians*

Cultural practices of the Soviet people were allegedly uniform or at least homogeneous. This uniformity would have been provided by the network of public cultural institutions (and the lack of independent cultural organisations), by the financial accessibility of virtually all of them thanks to artificially low prices (territorial access was another matter) and by the virtual absence (or rather invisibility) of what can be labelled luxurious cultural and leisure practices, etc.

The post-Soviet transformation and the economic crisis of the 1990s, however, brought this alleged uniformity to an end. Public cultural institutions became less accessible (and some of them even went out of business). Since the private sector in culture appeared in the early 1990s, private supply of cultural goods and services has been becoming more and more dominated by cheaper (and not very sophisticated) imported mass culture products, and several leisure practices oriented towards better-off compatriots (also known as 'new Ukrainians') emerged.

In other words, the cultural practices of contemporary Ukrainians have been changing less because of some purposeful policy of the state but more under the influence of several elemental and controversial factors and trends, including the market transformation of the national economy, social differentiation of the society and, last but not least, globalisation.

Table 6.1 gives a very general picture of changes in cultural/leisure practices through the decade of most intensive socio-economic change (1994-2004). These sociological data suggest that people today watch more TV and read less books, they also visit theatres, libraries, concerts less often than ten years ago.

The changes might seem not very dramatic, but one should keep in mind that these data reflect peoples' perceived changes in cultural practices which can seem smaller than they are in reality. Indeed, official attendance figures of cultural institutions demonstrate a more considerable decline in that period (see Table 6.3 for general participation data and Table 6.7 for a regional breakdown of cultural participation data).

Another trend that needs mentioning is the growing 'centre-periphery' contrast in cultural practices, which in fact existed even in the Soviet Union, where the superficial uniformity of incomes did not exclude inequalities in the quality of life between, say, Moscow and small towns in distant regions.

Table 6.1. Changes in leisure practices in 1994-2004, % of respondents

| Leisure Practices | 1994 | 1996 | 1998 | 2000 | 2002 | 2004 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| Watching TV | 79.2 | 79.7 | 80.1 | 86.5 | 76.5 | 83.3 |
| Reading newspapers | 53.6 | 56.2 | 61.9 | 70.3 | 61.2 | 58.3 |
| Visiting friends | 39.6 | 34.3 | 36.1 | 49.1 | 35.2 | 52.6 |
| Rest, hanging out | 42.9 | 38.2 | 39.0 | 43.5 | 34.4 | 41.0 |
| Listening radio | 47.3 | 45.1 | 50.2 | 58.2 | 43.6 | 38.8 |
| Receiving guests | 38.2 | 34.9 | 34.7 | 47.1 | 31.5 | 35.6 |
| Reading fiction | 37.7 | 33.5 | 35.0 | 39.0 | 24.4 | 26.7 |
| Listening music | 32.4 | 32.4 | 32.9 | 34.5 | 22.2 | 25.6 |
| Games and lessons with children | 38.6 | 32.3 | 35.1 | 33.0 | 28.1 | 24.1 |
| Shopping | 22.9 | 15.1 | 14.1 | 14.7 | 20.7 | 22.7 |
| Visiting church | 14.4 | 13.6 | 14.0 | 22.7 | 13.5 | 14.2 |
| Watching video | - | - | - | - | 10.0 | 11.7 |
| Morning workout | 17.9 | 16.3 | 17.5 | 18.3 | 11.3 | 11.6 |
| Going out of town for rest | 21.5 | 20.4 | 18.2 | 8.7 | 8.2 | 9.5 |
| Chess, card games | 11.9 | 12.7 | 13.1 | 15.5 | 12.6 | 9.2 |
| Reading professional literature | - | - | - | - | 7.7 | 8.7 |
| Additional part time work | 11.5 | 12.0 | 10.1 | 11.0 | 6.9 | 7.7 |
| Working with PC | 4.7 | 7.9 | 6.6 | 5.4 | 5.3 | 7.4 |
| Crafts | 12.9 | 9.5 | 9.2 | 10.6 | 6.7 | 6.9 |
| Visiting libraries | 7.2 | 5.8 | 5.9 | 5.9 | 5.8 | 4.9 |
| Visiting clubs, discotheques | - | - | - | - | 4.2 | 6.9 |
| Visiting night clubs, restaurants | 9.3 | 9.3 | 9.8 | 11.7 | 4.4 | 4.8 |
| Fishing, hunting | - | - | - | - | 6.0 | 3.9 |
| Civic activities | 5.0 | 4.5 | 4.3 | 4.2 | 4.2 | 3.9 |
| Jogging, walks | 8.4 | 7.2 | 8.2 | 9.3 | 4.0 | 3.5 |
| Visiting cinema | 7.9 | 2.6 | 1.5 | 1.4 | 2.0 | 2.7 |
| Collecting, photography, filming | - | - | - | - | 1.7 | 2.5 |
| Visits to gyms, swimming pools | 4.7 | 4.8 | 4.9 | 4.5 | 2.9 | 2.4 |
| Artistic creativity | 4.5 | 4.1 | 3.5 | 4.9 | 2.1 | 2.3 |
| Visiting theatres, concert halls, museums | 3.4 | 3.4 | 3.9 | 4.1 | 3.7 | 2.2 |
| Attending sport shows, games | 3.8 | 3.8 | 4.0 | 3.2 | 1.7 | 2.1 |
| Attending training courses | 1.9 | 1.8 | 1.9 | 2.0 | 1.6 | 1.6 |
| Artistic amateur activities | - | - | - | - | 0.7 | 1.2 |
| Travels, excursions | 2.9 | 2.1 | 2.3 | 1.7 | 1.1 | 0.4 |
| Writing letters | 15.3 | 11.4 | 11.8 | 15.4 | - | - |
| Other | 6.6 | 5.6 | 7.2 | 4.3 | 2.3 | 1.9 |

Source: V.Vorona, M.Shul'ha, eds, *Ukrains'ke Suspil'stvo 1994–2004. Monitoring social'nykh zmin – Kyiv, Institute of Sociology, 2004. p. 639.*

The data on culture-related expenditure presented in Table 6.2 demonstrates this consumption gap: the urban population spends almost 3.5 times more on culture and leisure than village dwellers, which can be easily explained not only by difference in incomes, but also by the sheer impossibility for a contemporary Ukrainian peasant to visit a theatre, a museum, or even a cinema (the number of working cinema halls in the countryside dropped almost down to zero).

Table 6.2. Some expenses of Ukrainian households, 2003-2004 (in UAH per month)

| | Big cities | | Small towns | | Rural areas | |
|--|--------------|--------------|--------------|--------------|-------------|-------------|
| | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 |
| Total expenses | 761,06 | 932,66 | 602,08 | 738,03 | 460,98 | 634,50 |
| Food | 411,13 | 501,95 | 341,47 | 412,08 | 222,14 | 314,41 |
| Clothes, footwear | 45,05 | 55,62 | 40,76 | 49,97 | 30,48 | 46,65 |
| Housing, water and energy, heating, etc. | 84,20 | 99,23 | 64,02 | 72,42 | 47,45 | 56,84 |
| Furniture, home supplies, consumer electronics etc | 18,39 | 23,44 | 14,85 | 20,25 | 10,49 | 17,81 |
| Health | 21,26 | 25,21 | 16,50 | 20,19 | 15,47 | 19,66 |
| Transport | 33,41 | 34,91 | 13,02 | 18,68 | 13,45 | 15,53 |
| Communication | 15,71 | 23,10 | 9,60 | 13,99 | 3,71 | 6,81 |
| Culture and entertainment: | 22,99 | 29,84 | 13,82 | 17,97 | 5,62 | 8,67 |
| Commodities | 13,80 | 17,58 | 9,65 | 12,84 | 4,68 | 6,89 |
| Services | 9,19 | 12,26 | 4,17 | 5,13 | 0,94 | 1,78 |
| Education | 11,44 | 16,46 | 8,05 | 9,27 | 4,11 | 6,27 |
| Hotels, restaurants | 17,53 | 22,43 | 8,12 | 10,72 | 3,54 | 5,96 |
| Non-consumption expenses | 35,26 | 48,94 | 39,46 | 56,39 | 84,51 | 107,22 |
| Average household size (persons) | 2,54 | 2,51 | 2,58 | 2,62 | 2,77 | 2,77 |

Source: State Committee for Statistics, 2005.

This trend is made even more graphic by the decay of public cultural institutions in the 1990s with repercussions on admission statistics.

On the other hand, the economic recovery of 2000-2005 brought about the revival of 'conventional' cultural practices which is visible in Table 6.3. The level of education is yet another factor of cultural/leisure differentiation, as Table 6.4 suggests. It is obvious that, although everybody seems to watch too much TV nowadays, Ukrainians with college degrees read twice as much books, listen three times more to music, visit libraries eight times more often, and spend ten times more time with their PC than people with unfinished public school education. Surprisingly, they also visit cinemas four times more often.

This can be possibly explained by the complete absence of working cinemas in many small towns and villages, and by the relatively high price of cinema tickets (compared to the price of pirated video or the free access to films on TV).

As sociologists observed, the general structure of leisure often reflects the desires of the respondents which can be far enough from actual leisure practices and time. This is especially true for persons with college education. Their desirable style of leisure and participation in culture often differs greatly from their actual leisure practices. There can be objective reasons for this – lack of free time, of money, or of proper cultural infrastructure.

Table 6.3. Attendance of public cultural institutions in Ukraine

| Type of institution | Year | | | | | |
|--|---------|---------|------|---------|-------|-------|
| | 1990 | 1993 | 1995 | 2000 | 2003 | 2004 |
| <i>Theatres</i> | 125 | 131 | 131 | 131 | 132 | 133 |
| total attendance (million) | 17,6 | 12,5 | | 5,7 | | 6.0 |
| attend. per 100 inhab. | 34 | 24 | 16 | 12 | 13 | |
| <i>Cinemas: (thous)</i> | 26,8 | 20,2 | 16.1 | 6,9 | 4.1 | 3.6 |
| Number of seats | | | | | | |
| total attendance (million) | 552 | 122 | 35.6 | 6,0 | 10.0 | 10.0 |
| attend. per 100 inhab. | 1100 | 200 | | 12 | | |
| <i>Concerts: attendance (million)</i> | 15 | 10 | 7.3 | 3.8 | 4.0 | 4.9 |
| Attend. per 100 inhab. | 29 | - | | 8 | | |
| <i>Museums:</i> | 214 | 295 | 314 | 378 | 394 | 422 |
| total attendance (million) | 31,8 | 18,0 | 17.4 | 16 | 17.6 | 18.5 |
| attend. per 100 inhab. | 29 | 19 | | 32 | | |
| <i>Libraries: (thous)</i> | 25,1 | 23,8 | 23.8 | 20,7 | 20.3 | 20.0 |
| total attendance (million) | no data | no data | | no data | | |
| Total book deposits (million) | 419 | no data | 370 | 350 | 336.3 | 333.3 |
| | | 380 | | | | |
| <i>Houses of culture and village clubs (thous)</i> | 20.1 | No data | 23.0 | 20.4 | 19.6 | 19.4 |
| Number of seats, million | 6.5 | | 5.9 | 5.4 | 5.1 | 5.0 |

Source: State Committee of Statistics of Ukraine

Table 6.4. Cultural practices according to education level, 2003.

| Cultural practices | Lower education | Secondary education | Vocational education | College education | Average |
|-----------------------------|-----------------|---------------------|----------------------|-------------------|---------|
| Watching TV | 83.3 | 84.3 | 82.5 | 85.9 | 83.3 |
| Reading newspapers | 50.3 | 59.8 | 64.2 | 69.2 | 58.3 |
| Radio listening | 38.7 | 37.2 | 41.8 | 38.6 | 38.8 |
| Book reading (fiction) | 18.2 | 25.0 | 36.7 | 41.9 | 26.7 |
| Music listening | 11.2 | 33.3 | 33.8 | 33.8 | 25.5 |
| Church visits | 19.7 | 10.7 | 10.0 | 14.1 | 14.2 |
| Watching video | 5.3 | 14.3 | 14.9 | 18.7 | 11.7 |
| Reading special literature | 2.5 | 8.2 | 12.6 | 23.4 | 8.7 |
| Work with PC | 1.7 | 7.1 | 11.5 | 19.7 | 7.4 |
| Visiting library | 1.9 | 6.1 | 5.2 | 10.6 | 4.9 |
| Visiting theatre or concert | 2.2 | 2.9 | 3.7 | 5.1 | 4.4 |
| Visiting cinema | 0.9 | 2.3 | 2.8 | 4.0 | 2.7 |
| Photography/ filming | 0.9 | 3.0 | 3.7 | 4.1 | 2.5 |
| Amateur artistic creativity | 0.8 | 2.5 | 2.0 | 7.1 | 2.3 |

Source: V.Vorona, M.Shul'ha, eds, *Ukrains'ke Suspil'stvo 1994–2004. Monitoring social'nykh zmin* – Kyiv, Institute of Sociology, 2004. p. 639.

Table 6.5. Cultural needs and modes of cultural consumption of the Ukrainian population

| Cultural goods and services | Modes and amounts of cultural consumption, by residence | | |
|----------------------------------|---|--|---|
| | Big cities | Small and medium towns | Countryside |
| Television | 15-20 air channels, 1-2 cable TV networks. | 8-10 air channels, possibly cable TV. | 2-3 air channels, often with low quality transmission. |
| Radio | Medium wave broadcasting, 10-15 FM stations. | Medium wave broadcasting, 5-6 FM stations. | Wire radio, sometimes a nearby FM station. |
| The Press | Dozens of newspapers and magazines in retail trade and for subscription. | Limited number of newspapers and magazines in retail trade and for subscription. | Subscription periodicals delivered once a week, no retail sales of the press. |
| Books | Book stores, book markets, Various kinds of libraries. | Bookstores in some of bigger towns, usually just books and music stand at local market; local public library services. | Books and music stand at the market in a nearby town; village library services. |
| Film | Modernized cinemas, retail sale of videotapes, DVDs. | Cinemas in some towns; videotapes and DVD bought at film and music shops or stands. | Films watched on TV, videotapes occasionally bought in a nearby town. |
| Theatre, concerts | Resident and touring theatres and performing arts collectives. | Local amateur theatre company, sometimes a touring show. | Local amateur shows at village clubs. |
| Popular music | Music TV, FM radio stations, music trade (CDs, MP3 etc), live concerts, shows in musical clubs. | Musical programmes on TV, sometimes live concerts, purchase of music records. | Musical programmes on TV, occasional purchase of music records. |
| Symphonic/chamber music | Philharmonic concerts, music festivals, purchase of records in musical shops. | Radio Kultura and Promin, occasional visits to concerts and purchases of records. | Radio Kultura and Promin, occasional purchase of records in a nearby town. |
| Fine arts | Local museums and galleries, purchase of art works in private galleries. | Local gallery (if any); purchase of art books/albums/prints. | Occasional purchase of art books/albums/prints in a nearby town. |
| The Internet | Nearly 1/3 of urban population use it on regular base; visit internet-cafes. | Nearly 5-10% of town dwellers use it on regular base. | 3-5 % of peasants use it. |
| Cultural tourism | Services of local museums and other attractions, tours over Ukraine and abroad offered by local tourist agencies. | Touring abroad for better-offs, occasional visits to memorial sites during business trips to other cities for the less affluent. | Occasional visits to memorial sites during business trips to cities. |
| Other outdoor leisure activities | Free outdoor shows on holidays and festivities, music clubs, amateur artistic groups and associations. | Free outdoor shows on holidays and festivities, amateur groups at culture clubs. | Free outdoor shows on holidays and festivities, amateur groups and discotheques at village clubs. |
| Artistic education | Various artistic colleges, art schools, art courses at houses of culture. | Sometimes artistic colleges, usually art schools, art courses at houses of culture | art courses at village school, children amateur groups at village clubs. |

Summarizing the information on cultural consumption and leisure practices of contemporary Ukrainians, on changes that occurred in this sphere lately, and on differences in cultural practices of various groups within Ukrainian society, one can conclude that there are three major types of lifestyles, or of provision and consumption of cultural goods and services, depending more on the place of residence than on income: big city, smaller city or town, and countryside (presented in Table 6.5), the latter being the most disempowered culturally.

Therefore the task of radical improvement of the provision of cultural services in the countryside is the top priority for regional cultural policy in Ukraine.

6.2. *The grass-root level network of public cultural institutions*

The network of local public cultural centres known as houses of culture, culture clubs or merely clubs, remains the main base for cultural, entertainment and amateur artistic activities in thousands of small towns and villages all over Ukraine. This network was created back in the 1920s and 1930s so as to replace the traditional institutions that were meant to meet the people's spiritual needs, namely churches (regarded as ultra-reactionary in those times), as well as the *Prosvitas*, regarded as *bourgeois-nationalist* by the Soviet regime.

Today, this part of Soviet cultural heritage became the only institutional base for non-commercial cultural development in many towns and villages. Still more, it is also the base for the revival of the very same traditional Ukrainian culture that it was once meant to replace and prevail over.

The network of local public cultural institutions includes:

- 490 Raion houses of culture in all Raions (counties) of Ukraine;
- 419 town houses of culture in small towns;
- 24 Regional centres of popular creativity;
- 16,4 thousand village houses of culture and clubs in villages all over Ukraine (there are over 22 thousand villages in Ukraine nowadays, but many of them are either too small or too poor to maintain a village club);
- 18.5 thousand public libraries.

Totally, houses of culture, clubs and libraries make up to 80% of nearly 40 thousand public cultural institutions. About 50 thousand people are employed there, another 100 thousand work in museums, theatres, heritage reserves, philharmonic institutions and art ensembles, subordinate to local authorities.

This network is owned and supported by local/regional authorities with funds from their local (or regional) budgets; it employs almost 47 thousand culture workers. According to official statistics, nearly 90 thousand amateur artistic groups and several thousand other "club formations" use these institutions as their base.

In legal terms, the density and structure of this network (also called '*bazova merezha zakladiv kultury*', that is, grass-root network of cultural institutions) is defined and regulated nowadays by two government decrees, Decree No 510 "*On Minimal Social Norms of Provision of the Population with Public Libraries in Ukraine*" (30.05.1997), and Decree No 1775 "*On the Norms of Provision of the Population with Club-type Institutions*" (12.11.1998).

The former determines minimal norms for the network of public libraries and was already discussed in chapter 4.3.

As for the grass-root network of clubs and houses of culture, the Decree No 1775 defines the following norms: for small villages (population below 500) there shall be a provision of 100-150 'club seats', for bigger villages (up to 1000 people) – 150-200 'club seats'. These seats should not necessarily be in the same village, for each small village can be 'attached' to a club in the neighbouring village (if it is nearer than 5 km from the village in question). If the village is bigger than 500 people, or if there is no other village closer than 5 km, there must be a club in it.

As for medium-size villages and towns (population 1-10 thousand), the social norms require 70-150 club seats per one thousand inhabitants, for bigger towns (over 10 thousand) – 30-50

club seats per thousand people. The norms also require that a *Raion* house of culture shall work in each *Raion* centre, and a regional centre of popular creativity in each regional centre. The latter is intended for coordination of cultural animation work in clubs of the region, and for methodological and consulting services.

The Decree also ruled that local authorities shall compose the lists of grass-root public club-type institutions so as to register them as non-profit organisations (hereby making them eligible for tax relief).

However, the Government Decree No 1775 notes that ‘these norms are introduced for orientation in the organisation of the system of cultural services for the population and shall not limit the initiative of local authorities’. In other words, if local authorities decide to close down a club because of lack of funds, the ‘social norms’ can not stop them. As we can see from Table 6.7, the actual provision of ‘club seats’ in most regions of Ukraine is well below the above-mentioned norms.

Unfortunately, the economic crisis of the 1990s hit local communities most hardy, and local cultural institutions (houses of culture, clubs, libraries) were the first to face the consequences: funding cuts for them were disproportionately drastic (comparing to schools and hospitals), according to the unwritten but well-entrenched “residual principle” of culture funding. As a result, the network of local clubs and houses of culture reduced from 25 thousand (of these, 21 thousand in villages) in 1990 down to 17.8 thousand (16.4 thousand in villages) in 2005.

Other consequences of insufficient funding have been the lack of major repairs for decades and of renovation of musical or scenic equipment. By January 2006, approximately 3700 local clubs were working in premises built for another purpose but re-adapted for cultural animation; over 7.5 thousand club buildings badly needed repair and 530 buildings were in alarming condition (see Table 6.7 for detailed information on the technical situation of local clubs). The majority of village clubs have no heating in winter at all.

Another major problem has been that of personnel. If there is not enough money for a repair, or for new musical instruments, or for costumes for amateur dramatic company, there is also not enough funds for decent salaries of culture workers (whose salaries are among the lowest among Ukrainian industries). Since a minimum monthly wage is obligatory in Ukraine (it is UAH 420 today, equivalent of \$84), local government, having not enough funds, often decides to employ part-time culture workers for full-time jobs. As a result of such practices, there have been nearly 24 thousand part-time culture workers in Ukraine in 2006 (in other words, almost every other public culture worker works part-time).

The situation with part-time personnel is especially acute in some poorer regions; for instance, part-time workers make over 80% of the total “cultural workforce” in the Ternopil region, 59% in the Zhytomyr region, 59% in the Sumy region and 50% in Volyn.

If local budgets can not provide enough funds for public cultural institutions by themselves, then budget transfers from national budget to local budgets are used. The scheme of budget subventions has also been used widely – for financing of restoration and repair of heritage objects, for purchase of books for local libraries (5.6 million UAH in 2006) and for purchase of musical instruments for local music schools (9 million UAH in 2006).

However, as Chapter 2 shows, the existing method of calculation of regional budget expenses for culture used for determining the amount of budget transfers, is in fact misleading and ineffective.

The Parliament of Ukraine tried to improve the situation of the regional cultural network by adopting the Decision No 2749 “On the inadmissibility of the closing down of socio-cultural institutions in rural areas” last year (6.09.2005) which was meant to protect the network of local clubs and libraries. However, this Decision was not supported by adequate amendments in the budget legislation, which would help local communities to keep their cultural institutions properly.

According to the changes to the Budget Codex adopted in 2006, the task of funding village culture institutions should have been moved from village budgets to *Raion* budgets. Since this change was not enacted in the budgets of 2006 and 2007, it is impossible to judge what impact this would have on the financial situation of rural cultural institutions.

Having no real possibility to support the local cultural network financially, the Ministry of Culture and Tourism supports and encourages their activities by organizing and co-funding several nation-wide cultural actions, in which local amateurs and cultural workers take part. One of such actions is the All-Ukrainian Review of Popular Amateur Creativity (there have been two such reviews so far, in 2001 and 2005). The review has two phases: at the initial phase, amateur collectives in each region take part in regional reviews where they compete for the right to take part in final amateur concerts in Kyiv; at the final phase, 25 concerts (one from each region) are organized in one of Ukraine's biggest concert halls, free for the public.

Several national and regional festivals and contests of amateur arts (song, dance, folk music, popular music, theatre, special festivals for children, etc.) are also supported by the Ministry of Culture and Tourism. Almost every region has at least one such festival. In 2005, over 40 amateur actions were co-funded by the Ministry of Culture and Tourism and by regional authorities.

Another measure taken by the Ministry of Culture to improve the situation of the grass-root cultural network was the All-Ukrainian review of the material and technical basis of cultural institutions in rural areas (conducted in 2002-2003). This review uncovered the real difficulties of the situation with village clubs and libraries, and stimulated many local communities to invest some money in repairs and renovations. For instance, 30% of village clubs underwent repair in the Zhytomyr region, 22% in the Donetsk region, and 580 clubs and libraries were repaired in the Luhansk region.

Table 6.7. Cultural facilities and cultural participation in Ukraine's regions, per 100 inhabitants, 2003

| | Public library deposits | Cinema seats | Club seats | Museum visits | Theatre visits | Concert visits | Cinema visits |
|-------------------------|-------------------------|--------------|------------|---------------|----------------|----------------|---------------|
| <i>Ukraine, average</i> | 706 | 2 | 11 | 37 | 13 | 8 | 20 |
| Crimea | 670 | 2 | 10 | 112 | 18 | 21 | 30 |
| Vinnys'ta | 1051 | 10 | 21 | 38 | 9 | 6 | 20 |
| Volyn' | 687 | 2 | 14 | 11 | 13 | 13 | 3 |
| Dnipropetrovsk | 569 | ... | 5 | 22 | 12 | 2 | No data |
| Donetsk | 508 | 1 | 5 | 15 | 12 | 15 | 10 |
| Zhytomyr | 847 | 1 | 19 | 9 | 8 | 7 | 10 |
| Transkarpatian | 575 | 2 | 9 | 13 | 12 | 9 | 10 |
| Zaporizhia | 557 | 2 | 8 | 26 | 7 | 9 | 10 |
| Iv.Frankivsk | 670 | 5 | 12 | 29 | 8 | 5 | 4 |
| Kyiv (region) | 633 | 2 | 12 | 22 | 2 | 2 | 10 |
| Kirovohrad | 860 | 1 | 18 | 12 | 11 | 12 | 10 |
| Luhansk | 496 | 1 | 6 | 24 | 8 | 2 | 20 |
| Lviv | 547 | 1 | 10 | 40 | 15 | 8 | 5 |
| Mykolaiv | 801 | 1 | 13 | 27 | 18 | 2 | 30 |
| Odesa | 873 | 6 | 10 | 35 | 17 | 4 | 30 |
| Poltava | 836 | 3 | 17 | 47 | 5 | 5 | 10 |
| Rivne | 1070 | 4 | 12 | 16 | 11 | 4 | 10 |
| Sumy | 757 | 0,5 | 15 | 10 | 12 | 13 | 10 |
| Terнопil | 762 | 4 | 17 | 32 | 7 | 4 | 10 |
| Kharkiv | 975 | 1 | 7 | 28 | 12 | 3 | 50 |
| Kherson | 644 | 9 | 12 | 30 | 23 | 3 | 30 |
| Khmelnytsky | 980 | 4 | 23 | 23 | 12 | 5 | 20 |
| Cherkasy | 913 | 6 | 18 | 46 | 4 | 6 | 30 |
| Chernivtsi | 713 | 8 | 12 | 28 | 6 | 9 | 50 |
| Chernihiv | 941 | 3 | 17 | 46 | 14 | 9 | 10 |
| Kyiv (city) | 412 | 1 | 0,4 | 125 | 34 | 28 | 100 |
| Sevastopol | 570 | 1 | 3 | 245 | 39 | 4 | 20 |

Table 6.8. The situation of the network of public houses of culture and clubs in Ukraine, 2005.

| Region | Club buildings | | | | | Personnel | | | | Facilities | |
|-----------------|----------------|----------------|--------------|--------------|------|------------------|--------------------------------|-------------------|---|--|---------------------------------------|
| | Total | Need repair, % | Unsafe, % | No heating % | Sold | Total employment | Have professional education, % | Work part-time, % | Number and share (%) of Raions where all employees work full-time | Expenses for technical equipment, (thous. UAH) | Share of clubs possessing vehicles, % |
| Crimea | 503 | 232 46 % | 34 6,75 % | 74 | - | 1062 | 589 55,5% | 24 | - | | 3 |
| Vynnytsia | 1042 | 399 36,6% | 19 1,7 % | 20 | - | 1285 | 849 66 % | 41,6 | 16 59,2 % | 1821,1 | 100 |
| Volyn | 621 | 244 39 % | 14 2 % | 55 | - | 706 | 464 65,7% | 50,1 | 5 31 % | | 75 |
| Dnipropetrovsk | 520 | 186 35,8% | 47 9 % | 70 | - | 1293 | 246 19,03% | 33,02 | 5 22 % | 2457,7 | 63,1 |
| Donetsk | 384 | 223 58 % | 11 2,8 % | 60 | - | 805 | 635 79 % | 8,9 | 8 47 % | 2123,0 | 71 |
| Zhytomyr | 1064 | 372 35 % | 14 1,3 % | 80 | - | 1548 | 792 51 % | 53,9 | | 899,5 | 26 |
| Transcarpathian | 481 | 194 40,3% | 20 4,8 % | 90 | - | 779 | 730 93,7 % | 11,2 | | 300,0 | 50 |
| Zaporizhia | 425 | 230 54 % | 35 8 % | 80 | - | 1100 | 890 81 % | 12,7 | 6 30 % | 800,0 | 100 |
| Ivano-Frankivsk | 732 | 299 41 % | 12 1,6 % | 40 | - | 1577 | 1039 65,9 % | 53,4 | 6 31,6 % | 3447,7 | 59 |
| Kyiv region | 852 | 399 46,8% | 37 4,3 % | 69 | - | 1726 | 1043 60,4 % | 33 | 5 40 % | | 64 |
| Kirovohrad | 545 | 171 31,4% | 16 2,9 % | 74,8 | - | 703 | 405 57,6 % | 48,6 | - | 137,8 | 100 |
| Luhansk | 383 | 116 30,3% | 7 1,8 % | 32,4 | - | 826 | 454 55 % | 37,5 | 1 5,6 % | 573,0 | 88 |
| L'viv | 1258 | 532 42,3 | 2 0,16 % | 20 | - | 1651 | 1137 68,9% | 43,7 | 6 30 % | 1526,8 | 60 |
| Mykolaiv | 465 | 193 41,5% | 25 5,4% | 80,6 | 6 | 643 | 313 48,7 % | 5,4 | 13 68 % | 2500,0 | 73 |
| Odesa | 689 | 452 65 % | 31 4,5 % | 54 | - | 1065 | 400 37,5 % | 24 | 15 57,6 % | 2272,0 | 57,6 |

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| | | | | | | | | | | | | | | | |
|--------------|--------------|-----|-------|----|-------|------|----|------|-----|-------|------|----|-------|--------|-----|
| Poltava | 830 | 494 | 59,5% | 56 | 6,7% | 51,9 | 54 | 1161 | 604 | 52% | 66,2 | 1 | 4% | 5910,5 | 28 |
| Rivne | 685 | 32 | 4% | 1 | 0,15% | 9 | - | 1087 | 733 | 67,4% | 48,9 | 2 | 12% | 4036,5 | 36 |
| Sunny | 603 | 154 | 25,5% | 15 | 2,5% | 62 | 1 | 724 | 342 | 47,2% | 59,1 | 2 | | 900,0 | 65 |
| Terнопil | 871 | 265 | 30,4% | 15 | 1,7% | 52 | - | 1052 | 696 | 66,2% | 87 | | | 487,5 | 70 |
| Kharkiv | 630 | 305 | 47,3% | 1 | 0,15% | 35,3 | 2 | 1185 | 825 | 69,6% | 16,9 | 10 | 33% | 2629,0 | 62 |
| Kherson | 423 | 192 | 45,4% | 35 | 8,3% | 21 | - | 655 | 298 | 45,5% | 28,5 | 8 | 44,4% | 1770,6 | 100 |
| Khmelnyskiyi | 1053 | 221 | 21% | 15 | 1,4% | 80 | 1 | 1254 | 833 | 66,4% | 45 | 5 | | 325,4 | 65 |
| Cherkasy | 687 | 435 | 63% | 46 | 6,7% | 82 | - | 1017 | 530 | 52,1% | | 4 | 20% | 10,4 | 100 |
| Chernivtsi | 387 | 140 | 36,3% | 10 | 2,6% | 25 | - | 682 | 481 | 70% | 27,7 | 5 | 45,5% | 100,0 | 64 |
| Chernihiv | 726 | 324 | 44,6% | 9 | 1,2% | 12 | - | 1028 | 387 | 37% | 41,6 | - | | | 103 |
| Total | 14349 | | | | | | | | | | | | | | |

Chapter 7. International cultural cooperation

Before the national independence was achieved, Ukrainian culture was almost isolated from the external world by a double barrier of sorts: the first was the so-called Iron Curtain common for all communist regimes; the second barrier was specific for non-Russian republics of the USSR: virtually all contacts with foreign cultures would go on only with approval from Moscow, and many of these contacts were possible only with Russian mediation.

The only exceptions, at least in part, were cultural contacts with other Soviet republics and, to a lesser degree, with other 'Socialist' countries (especially with those that traditionally have had strong cultural ties with Ukraine, for instance, Poland or Bulgaria). This co-operation was much facilitated by the fact that many Ukrainian artists, writers, scholars and culture workers had traditional artistic and personal contacts with Polish, Georgian, Lithuanian, Moldavian, Bulgarian or Russian artists, writers or scholars. These contacts were not exactly cultural co-operation at the national level, however.

Contacts with UNESCO were a prerogative of the Ministry of Foreign Affairs of the Ukrainian SSR which was little more than a regional branch of the Soviet Foreign Ministry in Moscow. A significant fact that demonstrates how weak the influence of the Ukrainian SSR was on cultural activities of UNESCO can be seen in the absence of Ukrainian objects in the UNESCO list of World Heritage until 1989.

The situation began to change only in the late 1980s when Gorbachev's perestroika virtually destroyed the Iron Curtain and international cultural contacts were de-monopolized. Ukrainian artists obtained the possibility to present their artistic work internationally, and the Ukrainian public obtained free access to the cultural diversity of the contemporary world. Another important result of this newly obtained openness to the world were the contacts with the Ukrainian diaspora in the West.

It was only since Ukraine obtained its national independence that the Ministry of Culture became a full-fledged actor in international co-operation. Hence its experience in such a co-operation is very brief, only 15 years long, and the major goals of international cultural co-operation are still to be achieved.

These goals can be defined in the following way:

- to integrate the Ukrainian national culture into the international cultural space;
- to shape a favourable international image of Ukraine using Ukrainian culture and heritage;
- to strengthen Ukraine's international position using inter-cultural contacts;
- to strengthen cultural and human contacts with the Ukrainian diaspora all over the world;
- to promote Ukrainian artistic products on international cultural markets.

A brief analysis of achievements and drawbacks of international cultural co-operation of Ukraine in the previous 15 years brings us to the conclusion that the main strengths of Ukrainian culture in international context are:

- the existence of renowned artistic schools and individual artists in such areas as music, dance, theatre, etc. that can be competitive internationally;
- the existence of a rich national cultural heritage little known abroad but potentially of great interest to foreign tourists, scholars, artists;
- certain experience (although not very extensive) of successful participation in international artistic festivals, contests, exhibitions;
- certain experience (although not very successful perhaps) of promotion of Ukrainian popular culture abroad, at least in the neighbouring cultural markets.

As for the main drawbacks and weaknesses, one can point at the obviously insufficient knowledge of Ukrainian culture in the world and the resulting unequal cultural exchange between Ukraine and the world with a relatively low level of integration of Ukrainian culture in international cultural

processes, especially in terms of Ukrainian cultural presence in the Web and the underdevelopment of modern market structures in Ukrainian popular culture that results in its relatively low competitiveness.

When we turn to the foreign cultural policy of the state, Ukraine can boast certain achievements:

- the experience of long co-operation with UNESCO and other international cultural organisations;
- the fact that Ukraine became a member party of several international culture-related conventions, charters and other acts since it gained independence;
- the massive legal base and practical experience of bilateral cultural co-operation, especially with the 'new independent states' (former Soviet republics) and Eastern European countries.

The drawbacks in this field of cultural policy include: insufficient funding of international contacts of Ukrainian artists and artistic organisations; low intensity of co-operation with international cultural organisations (for instance, Ukrainian cultural organisations never applied for a grant from Culture 2000 or other European cultural programme despite the fact that they are eligible since 1994); the absence of a network of Ukrainian cultural centres abroad (hopefully, this drawback will be overcome soon: in 2005, president Yushchenko issued a decree on the establishment of Ukrainian cultural centres on the basis of Ukrainian embassies abroad); finally, ineffective co-ordination between different actors in international cultural relations (most importantly, between the Ministry of Culture and Ministry of Foreign Affairs that still takes care of contacts with UNESCO).

7.1. Bilateral cultural cooperation

Bilateral cultural contacts traditionally have been the most developed sector of international activities of the Ministry of Culture and Tourism of Ukraine.

These contacts are carried out on the foundation of bilateral inter-governmental agreements (on co-operation in the fields of culture, science, education, information, heritage protection, etc.). The principles and goals determined by these agreements are usually defined in more detail by bilateral protocols and action plans adopted by ministries in charge of culture.

As by the year 2006, such bilateral documents were signed with more than 40 countries, including all 'new independent states', fourteen European countries, seven Asian countries, four countries of the Americas, and two African countries (South Africa and Egypt).

This statistics supports the conclusion that cultural relations with the regions of Europe and former USSR are still a priority (if perhaps an implicit one) for Ukraine.

However, the Ministry of Culture and Tourism is currently working on several new bilateral culture-related agreements, of which eleven will be agreements with Asian countries, so the existing Euro-centric tendency will be partly counter-balanced.

The concrete forms of bilateral cultural co-operation are rather traditional; they include 'days (weeks, months, years) of national culture' – either of Ukrainian culture in a particular country, or of this country's culture in Ukraine, or both.

A month (year) of culture is a large-scale set of cultural and artistic actions (tours, exhibitions, festivals, etc.) that last for a whole month or a year in several cities, and requires great artistic potential, much effort, planning and resources, including financial. This is why perhaps there were, so far, only three Years of Ukraine abroad that included a large-scale cultural programme: in Russia (2003), Poland (2005) and Georgia (currently underway).

The 'days' and 'months' of Ukrainian culture abroad have been more numerous and took place in Russia (1997), France (1999), Germany (2000), Moldova (2001), Georgia (2003), Egypt (2005). Ukrainian artistic festivals took place in Britain in 2001, in China and Azerbaijan in 2002. Days of Ukrainian culture were organized in Slovakia, Austria, Turkey, Brazil, Uzbekistan, and an Ukrainian month in Japan is planned for 2007-2008.

In the meantime, Ukrainian artistic and cultural heritage from the collections of leading Ukrainian museums was presented to the world in more than 30 artistic exhibitions in Austria, Greece, USA, Britain, France, Italy, Poland, Finland, Hungary, Russia, and Japan during the last 4 years alone.

The Ukrainian public had the opportunity to enjoy the days of cultures of Slovakia and Kazakhstan (1996), Bulgaria (1997), Bavaria (1998), Moldova and Belarus (2002), China and France (2003). Actually, the *French Spring in Ukraine* cultural festival is an annual event. Days of Israeli culture were organized last year, and days of culture of India, Japan, Azerbaijan, Turkey and Mexico in Ukraine are planned for the near future.

7.2. *Co-operation with international organisations*

Ukraine is a member state of UNESCO since 1954, of the Council of Europe since 1995, and a member party of the European Cultural Convention since 1994. It is also a member of several other international organisations and networks of cultural and humanitarian character (ICOM, ICOMOS, etc).

The most intensive cultural co-operation with UNESCO is in the realm of heritage protection. This co-operation was described in detail in Chapter 4.

Another field of co-operation is the harmonisation of the national legislation for the cultural sphere with UNESCO conventions and declarations (in particular, with the Convention on the protection of intangible heritage, the Declaration on the protection of the diversity of cultural contents and forms of cultural expression).

Cultural co-operation with the Council of Europe has also been active. Ukrainian delegations have been traditionally taking part in ministerial colloquia of ministers of culture of CoE member states dedicated to crucial issues of cultural development policy, intercultural dialogue, new roles and new responsibilities of ministers of culture, etc.

The Fifth (enlarged) Ministerial Colloquium on Culture and Development Policies of the *Support for Transition in the Arts and Culture in Greater Europe Project* of the Council of Europe took place in Kyiv in September 2005. The participants of the colloquium adopted the declaration of the *Kyiv Initiative* proposed by the Ukrainian side. After this colloquium, Ukraine's National Report on cultural policy has been prepared, and the task group of European experts began its work in Ukraine.

The goal of the *Kyiv Initiative* is continuation of the efforts and strengthening of the achievements of the STAGE project (Support for Transition in the Arts and Culture in Greater Europe) in an enlarged format, so as to promote European values in the process of cultural development.

The *Kyiv Initiative* took another boost at the ministerial meeting in Bucharest in December 2007.

7.3. *Integration into world cultural space*

When the communist Iron Curtain was destroyed and especially when the Soviet Union collapsed, Ukrainian artists obtained the much-awaited freedom that included freedom of contacts with the outer artistic world, too. Their contacts with foreign colleagues and foreign public became much more frequent and diverse. Also, more and more foreign artists are visiting Ukraine nowadays.

Very soon, however, it became obvious that financial obstacles to international contacts and to Ukrainian cultural integration into the world, Europe in particular, can be much more difficult to overcome than political ones, and that the world knows very little about Ukraine and its culture. This lack of knowledge, unfortunately, often means lack of interest, and is easily replaced with primitive stereotypes.

Therefore Ukrainian artists try to position themselves and Ukrainian culture more prominently on the cultural map of the world by taking part in international musical and theatre festivals and contests, major film festivals, international exhibitions of contemporary arts, etc. They may even boast certain successes achieved in recent years: a prize from the Cannes film festival for the best documentary film in 2005, a prize from the Berlinale film festival for animated cartoon film in 2003,

and of course the victory at the *Eurovision* Song Contest in 2004. The state supports the participation of Ukrainian artists in major international events financially, but the amount of this support has been insufficient so far, the priorities often seem to be random, and the logistics ineffective. For instance, almost every project selection process for the Venice Biennale of contemporary art has been accompanied by a bigger or smaller scandal in the media. And when Ihor Strembytsky's short documentary (its production was funded from state budget) was selected by the Jury of the 2005 Cannes Film Festival, the Ministry of culture realized that it had no funds available to cover the expenses of his participation in this prestigious festival (eventually, a private sponsor supported Strembytsky and his film).

Ukraine has been taking part in major international book fairs (in Frankfurt, Moscow, Leipzig), but the official Ukrainian exhibitions at these book fairs in recent years were evaluated as ineffective (or even embarrassing) by the Ukrainian media.

On the other hand, the Ministry of culture regularly funds several international artistic festivals and contests that take place in Ukraine annually, some of them already have a certain prestige among the international artistic community.

The most notable are: *Molodist* festival of debut films, cartoon festival *Krok*, Vladimir Horowitz piano contest, David Oistrakh violin contest, Serge Lifar Festival de la Dance, *Premiery Sezonu* musical festival, *Kraina Mriy* (Dreamland) festival of ethno music (all in Kyiv), *Two Days and Two Nigts of New Music* festival in Odesa, *DoDge* Jazz festival in Donetsk and several others.

Summarizing, one can conclude that, although international contacts of Ukrainian culture are developing quite intensively, this development often seems to lack a systemic approach, and the state's support to international cultural co-operation should be more massive in terms of funding and more diverse in terms of mechanisms and forms of support.

For instance, a national institution similar to the British Council or Goethe Institute is needed for Ukraine, and a grant programme that would support foreign translations of Ukrainian authors or presentations (exhibitions) of Ukrainian artists abroad will be quite helpful for the task of cultural integration of Ukraine into Europe.

7.4. *Cultural contacts with Ukrainian diaspora*

Several million people of Ukrainian origin live in many countries of Europe, Asia and the Americas. The Ukrainian diaspora emerged as a result of large-scale migrations caused by two World Wars, the Civil war of 1918-1921, of forced deportations in Stalin's times, and of economic disasters that occurred more than once in many regions of Ukraine throughout the 20th century.

Ukrainian communities in some countries are impressive: they number over 3.5 million in Russia, around one million in USA and in Canada, 0.9 million in Kazakhstan, 0.5 million in Moldova, over 300 thousand each in Brazil, Argentina and Belarus, over 100 thousand in Poland and in Romania, 30-40 thousand each in Germany, France, Britain and Slovakia. There are also sizeable Ukrainian communities in Georgia, Australia, Czech Republic, Hungary, Serbia and some other countries. These communities are of different origin: some have lived in the territories of their current residence 'since times immemorial' (like for instance Ukrainians in northern Romania, eastern Slovakia, or south-western Belarus), some are ancestors of economic refugees of the early 20th century (in Canada, Russian Siberia and Northern Kazakhstan), some are children and grandchildren of political émigrés and DPs (displaced persons) of the post-WWII period, and so on. It is understood, therefore, that cultural, social and even political identities of different diasporas are very diverse. To make things less complicated, the diaspora is usually divided into the 'eastern' (that is, Ukrainian communities in former Soviet republics) and the 'western' (Ukrainians in Europe and the Americas).

This description refers to the citizens of foreign countries who claim Ukrainian origin, but besides these, there are approximately 3 million of Ukrainians who work abroad, often illegally. Experts estimate the numbers of Ukrainian labor immigrants at the level of 1-1.5 million in Russia, 200-300 thousand in Poland and in Italy and 100-150 thousand in Portugal, Spain and Czech Republic.

The role of the 'western' diaspora, especially of its elites, in the preservation of non-communist Ukrainian cultural heritage and in the introduction of modern trends in Ukrainian arts and literature during the Soviet period is hard to overestimate. It would be quite natural to expect from the independent Ukrainian state that it pays back this remarkable cultural debt, at least in part.

As for the 'eastern' diaspora groups, they often lack the self-organisation, the cultural and civic activism of their western counterparts. 'Eastern' Ukrainians are also usually poorer, but their connections with the home country are often stronger (the majority of Ukrainians in the 'new independent states' either were born in Ukraine, or at least have grand-parents here). The share of native Ukrainian speakers is higher in the 'eastern' diaspora.

This is why socio-cultural needs of 'eastern' and 'western' diaspora Ukrainians are different: Ukrainians in the West usually ask for simplified visa proceedings for their visits to Ukraine, and for more touring visits of Ukrainian artists to their countries (it is understood that they are capable of paying for such tours).

Many 'eastern' diaspora Ukrainians, on the other hand, often raise the issues of the possibility for their children to study in Ukrainian universities on the conditions similar to those of Ukrainian citizens, or ask for a simplified procedure of obtaining Ukrainian citizenship, etc. They are also happy to see visiting Ukrainian artists more often, of course, but they are less capable to pay for it, so such artistic tours have to be subsidized from Ukraine's budget.

Unfortunately, economic and political difficulties of the 1990s limited the state's possibilities, and determined rather modest achievements in this area. The relations with diaspora organisations have been sometimes tense, the once promised network of Ukrainian cultural centres abroad has not been created so far (except for the Cultural centre of Ukraine in Moscow). The *National programme Zakordonne Ukrainstvo (Ukrainians Abroad) for the period till 2005* approved in 2001 envisaged numerous activities (support to the development of Ukrainian schools for diaspora communities, to publication of Ukrainian newspapers and books, establishment of Ukrainian libraries, tours of Ukrainian artists in the places where there are considerable Ukrainian communities, organisation of festivals of amateur artistic collectives from diaspora in Ukraine, etc.), but the funding from the national budget for this programme has been rather modest, so not all planned cultural events were in fact performed.

The work on the improvement of cultural contacts with the Ukrainian diaspora intensified remarkably in 2005. A series of important decisions were made: a new National Programme "Ukrainians Abroad" for the period till 2010 was approved by the Cabinet of Ministers, envisaging much more resources, the Presidential Decree No 142/2006 on the creation of a network of informational and cultural centres of Ukraine in foreign countries was issued, a draft Law On the Legal Status of a Foreign Ukrainian has been prepared for the parliament's consideration (this draft envisages certain rights of diaspora Ukrainians with regard to visas, education opportunities in Ukraine, etc.).

Concerning contacts with the Ukrainian diaspora, the IV World Forum of Ukrainians that took place in Kyiv in August 2006, was definitely a major event.

The programme of the Forum included a number of artistic and cultural events: an exhibition of pictures by Ukrainian diaspora children from all over the world, a concert 'Ukrainian singing in the World', an exhibition of artifacts of the Trypillia culture, and the 'Rock manifestation' concert that took place at the final day of the Forum.

Conclusions

According to established typologies of public cultural policies, Ukraine belongs among those nations where the state plays a leading role in the patronage of culture: it maintains and funds a network of public cultural institutions and to some extent even administers it. Such a cultural policy can be called paternalistic (according to R. Williams), or the 'Architect State' model (according to H. Hillman-Chartrend).

As a matter of fact, independent Ukraine inherited most of this model from the Soviet cultural policy of the '80s (the *glasnost* period), when the state's ideological and political grip on culture and on the artistic community remarkably weakened, while the dependence of the artists and cultural organisations on public funding lingered. The ideological rationale for the continuation of strong public patronage of culture has been the *nation-building goals*, which suggested active participation of national culture in the process of modern nation-building. The practical rationale was the absence, at that moment, of a developed private sector able to replace the public cultural organisation in the provision of cultural services, especially outside big cities.

Therefore, a vast network of public cultural organisations (mostly inherited from Soviet times but also newly established museums, theatres, etc.) exists in contemporary Ukraine and is funded from national and local budgets, although the amounts of funds are seldom satisfactory. On the other hand, the third sector in Ukrainian culture is less developed than in many European countries. Neither is the commercial sector very prosperous, although it has been growing rapidly during the last 5-6 years.

A key feature of contemporary Ukrainian culture is arguably its transitional, or rather transformational character. Processes of socio-cultural transformation tend to be prolonged, multi-faceted, controversial, and they are perhaps even more so in Ukrainian case. The British political analyst Taras Kuzio remarked once that what is going on in contemporary Ukraine is a 'quadruple transition' (from totalitarianism to democracy, from planned economy to free market, from being a part of an Empire to independent nation-state, and from pre-modern ethnic society to modern political nation)¹⁵. Apparently, none of these transitions could have been simple and painless, but their intertwining 'quadrupled' the difficulties too. On these difficulties with regard to the cultural sphere, much has been told already in this report.

The use of the term 'transition' in the case of post-Soviet states, however, has been causing well-grounded criticism recently. Social transition, according to Leszek Balcerowicz's brief definition, is "what happens in-between the establishment of different social systems"¹⁶. It is usually understood that, in the case of Eastern European post-communist countries, the desired and expected 'different system' is a Western type liberal democracy with free market economy. What has been emerging after several years of political and economic change in many post-Soviet countries, however, turned out to be something different.

Still, the unstable, variable, transformational character of contemporary Ukrainian society is beyond doubt. According to Nada Švob-Đokić, "transformation represents an interactive social change that may (but need not) involve system change. It is confined to the elements of the system and to different specialized activities, that may, by being transformed, reach the point at which they are transferred from one (established and known) system to the other system (unknown, not clearly structured and being just made up)¹⁷". This definition perfectly suits our purpose of finding out what the key features of the process of socio-cultural change are that has been going on in Ukraine during the last 15-20 years.

¹⁵ Taras Kuzio, 'The national factor in Ukraine's quadruple transition', *Contemporary Politics*, Vol. 6, No 2, 2000.

¹⁶ The Croatian sociologist Nada Švob-Đokić defines transition as "a major social change that occurs when a social system is deeply and radically transformed, so as to acquire characteristics which make it distinctly different from the one that existed at the beginning of the transition process". - Nada Švob-Đokić, *Cultural Contexts in Transition Processes* - in: Cultural Transition in Southeastern Europe, Zagreb, 2004, p. 9.

¹⁷ Nada Švob-Đokić, *Cultural Contexts in Transition Processes* - in: Cultural Transition in Southeastern Europe, Zagreb, 2004, p. 9.

Ideological (value) transformation

It includes a shift from collectivist to individualist values, from the *Weltanschauung* shaped by Soviet egalitarianism and the 'shortage economy' towards the values of a Western-type consumer society. Ideally, this kind of transformation is supposed to bring about the ideals of liberal democracy and free enterprise to replace the values of the *ancient regime*. In reality, however, value transformation in Ukraine has been socially and demographically fragmented and regionally diverse. Moreover, it is quite likely to be what professor Kazimierz Krzysztofek once called 'negative convergence' (that is, a situation when predominantly negative features are borrowed from both the 'old' and the 'aspired for' cultures¹⁸): while younger generations of Ukrainians (especially in big cities) embrace individualism and consumerism, the elderly people (especially in the countryside and in the economically depressed, de-industrialized Eastern Ukraine) are often frozen in their post-soviet consciousness, in their cultural nostalgia for 'good old' Soviet songs, films, books, egalitarian lifestyles, etc.

It is well known that national 'high' culture and national heritage can play an important role in the shaping of a system of spiritual values of the young people. An attractive, modern, vibrant and dynamic national culture is able to serve as an 'antidote' against many post-colonial and post-totalitarian cultural illnesses.

It should be noted that modern Ukrainian culture does play such a role to certain extent, but its creative and formative potential is not used enough.

Symbolic changes

According to semiotic concepts of culture, the latter is, first and foremost, a system of symbols and communicational codes. This arguably means that cultural transformation is unconceivable without substantial changes in the culture's codes/ symbolic systems. These changes are especially visible in the symbolic use of objects and icons of national heritage and history as a means of national consolidation and identity-shaping.

In independent Ukraine, national history, culture, humanities became fields of symbolic conflicts and changes. Specifically, the so-called canon of texts and names of Ukrainian literature and the arts has been transforming remarkably.

If we turn to culture in its narrow, sectoral meaning, we can find manifestations of symbolic changes in the removed monuments (again, only in some regions of the country), in reformed expositions of museums, renamed streets and towns, etc.

This process, like many other cultural processes in Ukraine, has had a regionalized, fragmentary and inconsequent character.

Still, one should admit that the process of symbolic transformation of the 'population of the Ukrainian Soviet republic' into a modern political nation already passed a long way, although it is still far from completion. Neither it looks like an active policy of a 'nationalizing state' (as some liberal Western analysts have argued).

Institutional changes

Speaking about institutional changes in the cultural sector, one should not only look for some radical reforms of a system of sectoral public administration, or of the network of public cultural organisations (since there have been no such radical reforms in Ukraine, as a matter of fact), but also at the economic transformation of the cultural sphere, the development of market structures and not-for-profit organisations there, facilitated by the introduction of more modern sectoral legislation, by the restriction of the state's intervention in cultural sphere, etc.

¹⁸ Krzysztofek K. 'Patterns of cultural change and cross-cultural communication in post-1989 Europe. Implications for cultural identities', In: Council of Europe, CMC (95) 3 Prov., p. 187-188.

Indeed, comparing to the Soviet era, the Ukrainian state remarkably limited its intervention in cultural matters, and provided a legal framework for private as well as non-commercial, non-government initiatives in the cultural sphere.

It is also worth mentioning that public cultural organisations were in deep crisis in the 1990s, caused i.a. by rather ineffective decentralisation of the cultural sector which resulted in a general decline in the provision of cultural services to the society.

Under such circumstances, the preservation of the network of public cultural organisations can be regarded as a positive moment in the state's cultural policy at that time.

Still, the process of institutional transformation (or rather reforming) of the cultural sector is far from complete: for instance, no stable structure of public-private partnership in culture has been created so far. Neither can national cultural industries boast that they have as much attention and support from the state as they really need in this globalized world.

Since the principles and schemes of public financing in Ukraine's cultural sector have not changed much since early 1990s, this could be regarded as the reason why many public cultural institutions (and even whole industries, like for instance the filmmaking) have been hardly able to effectively utilize the substantially increased budget funds in 2005 and 2006. These bottleneck effects put the improvement of the legal framework to cultural financing (particularly, of the existing procedures of utilisation of the already earmarked budget allocations) among top cultural policy priorities for the nearest future.

The goal of such improvement is to secure a more efficient and effective use of public money in the cultural sector, so as achieve more concrete effects in cultural development with the already available resources.

Transformation of cultural practices

This kind of transformation has been determined by socio-political changes (the collapse of the Soviet ideology-dominated system of 'cultural supply', the arrival of Western mass culture in independent Ukraine) as well as by the spread of the new technologies (home video, personal computers and the Internet, etc).

Sociological studies have shown that the changes in cultural practices are rather widespread and fast in contemporary Ukraine, encompassing both arts-related activities and everyday leisure practices of the people.

Many popular cultural practices that once were widespread because of artificially low prices, have declined in the 1990s. On the other hand, several new elements of the cultural sphere (such as the show business, music recording industry, other commercial entertainment industries) have been developing in a rather elemental mode, with quite little control of the state. Some developments even seemed to be evolving according to the scenarios drafted outside Ukraine. As a result, these new developments brought about rather few incentives and investments for Ukrainian culture as such.

Also, a threat arose that the wealth gap between upper and lower social strata in Ukraine will be complemented by a cultural gap, that is, if no cultural affirmative action is undertaken, 'high' arts (such as visits to opera, concerts of prominent artists, comfortable modernized cinemas, fashionable jazz clubs, etc.) will soon become a 'culture for the rich', while the worse-off majority will be satisfied with watching TV and with free access concerts at city squares during election campaigns.

The situation regarding provision of cultural services is especially dramatic in small towns and villages. There, it is not only hardly possible to visit a theatre, a museum, or a concert of 'serious' music, but even to buy a newly published book or go to a cinema.

In other words, with regard to *access to culture* in Ukraine, the goal is to radically improve this access for the low-income groups of the population, especially for those living in small towns and villages.

To do so, much more funds and efforts should be directed to the replenishment of public libraries with new Ukrainian books, promotion of reading among the young people, support of the Ukrainian film production and promotion of new Ukrainian films and more grants should be given for music albums and tours of Ukrainian musicians through Ukraine, etc.

Besides this very brief summary of 15 years of cultural transformation in Ukraine, it seems also appropriate to summarize the results and effects of public support to the basic elements of the national culture, as well as outline the main cultural policy tasks for the near future.

1) The situation with the arts

As Chapter 3 of this report has shown, the development of Ukrainian arts during the previous 15 years has been proceeding in two channels, so to speak: on the one hand, the mainstream genres and branches of the arts, represented predominantly by public artistic organisations and national artistic unions, have enjoyed stable (if not lavish) financial support from public budgets; on the other hand, many modern (and post-modern) artistic forms have been developing mainly within the independent artistic organisations (in which mainly younger generations of artists have been taking part), without administrative or political restrictions, but without much financial support, too.

With regard to the new, broader role of the arts and creativity in general in the life of modern information societies, the development of creativity in contemporary Ukrainian society, i.a. through the support of creativity among young people, becomes an important cultural policy issue.

The Ukrainian state is doing much in this direction: there are a special targeted *State programme of support of creative artistic youths*, the President's grants for talented young artists, numerous artistic contests and festivals of young artists get financial backing from the Ministry of Culture and Tourism every year, and so on.

However, the ongoing (although somehow diminished) 'talents drain', both to the West and to the more lucrative, non-artistic occupations, signifies that the climate for the arts is still not very favourable in Ukraine.

Artists' associations, most importantly the national artistic unions of Ukraine are supposed to contribute substantially to the process of the formation of an arts-friendly socio-economic climate and a genuine, not just formal national artistic elite. However, the tendency of ageing (in both physical and artistic meaning) still seems to dominate most of these venerable organisations, which causes a certain alienation and apathy towards them among younger generations of artists and writers. It is quite urgent therefore for the Ministry of Culture and Tourism, on the one hand, and artistic associations (both 'old' and 'new'), on the other hand, to intensify their dialogue and partnership, as well as to pay much more attention to those modern forms of artistic expression in which young artists prefer to engage nowadays.

2) Development of cultural industries and the integrity of the national cultural space

The vibrant albeit controversial process of development of commercial cultural industries in Ukraine was already described in this report (Chapter 5). By now, the private sector dominates many cultural industries and activities (the media, book publishing, show business, etc.). On the other hand, imported products of mass culture still dominate Ukrainian markets, despite a substantial growth of domestic cultural production in recent years.

The state's policy with regard to cultural industries, however, has been focused mainly on direct financial support to public sector enterprises, while other sectors received relatively little attention. The instruments of the state's influence on commercial cultural industries remained rather old-fashioned and ineffective.

A number of positive changes occurred in the recent years, however: tax exemptions for national book publishing were introduced, the struggle against copyright piracy became much more effective than in the 1990s, budget expenses for the purchase of books for public libraries grew remarkably, etc.

But to undermine the dominance of imported mass culture in Ukrainian culture markets, to secure a respectable place for Ukrainian cultural industries in these markets, and to supply the Ukrainian public with diverse and affordable domestic cultural produce of good quality, still more positive changes must happen.

State support to national cultural industries should not just become more substantial in its amount, but also be more diverse in its forms, effect-oriented, and responsive to the needs of the public.

On the other hand, state intervention in national cultural markets, however desirable for a relatively poor country in the globalized world, should be careful, moderate and balanced, preferably limited to so-called *affirmative actions* in favour of Ukrainian national culture (grant competitions for the creation of Ukrainian films, artistic TV programmes, non-commercial books, etc., as well as quotas for national artistic products in the electronic media programming).

A policy problem of great importance is the combination of the preservation of the existing ethno-cultural diversity of the contemporary Ukrainian society with the securing of the integrity of the national cultural space.

The latter can be defined, based on Juergen Habermas's concept of the public sphere, as a totality of spheres of public cultural activities which, taken together, are able to satisfy all basic cultural, linguistic, informational needs of the Ukrainian society.

The national cultural space covers the spheres of artistic and entertainment activities (professional and amateur), cultural enlightenment activities, national electronic media space, Ukrainian Internet resources, national markets of books, the press, recorded music, film and video, as well as the neighbouring spheres of education, academic research, humanitarian civic activities, etc.

When particular regions of the country, or particular (and sizeable) groups of the society are not integrated into the national cultural space, being instead either focused on regional communication or perhaps more integrated into cultural space(s) of neighbouring countries, it makes the national cultural space lack integrity, and vulnerable.

On the other hand, the national cultural space can be called integrated and complete if, first, it possesses well-developed shared symbolic systems (language, a system of values, cultural heritage) which serve as a communication base for the whole society; second, if basic cultural needs of all major groups within the society are served chiefly by national cultural produce and through national channels of cultural communication; third, if there are no major groups within the society that exist permanently beyond national spheres (channels) of cultural communication, relying instead on (and being served by) other national (or regional, or global) cultural spaces.

A permanent major breach of the integrity of the national cultural space may cause sharp distinctions in value systems, ideological orientations and cultural information sources among the population of different regions, or among different ethnic, linguistic, social, or religious groups. Such a situation may produce substantially different visions of the past and the future of the country, may facilitate the shaping of the image of the 'alien Other' projected on stereotyped residents of 'other-than-ours' regions of the country, or other ethnic groups, hereby creating the ground for possible violent inter-ethnic, inter-regional conflicts.

Therefore, the task of consolidation of the national cultural space belongs in a natural way to the cultural policy priorities in such a culturally, linguistically, ethnically heterogeneous country as Ukraine. The means of such consolidation can be the following:

- development of attractive national broadcasting networks;
- improvement and enforcement of national media legislation;
- protectionism (affirmative action) for national cultural industries, so as to increase the presence of domestic cultural products and services in national markets;
- active treatment of post-colonial cultural illnesses through integration of the national culture into the European and international cultural space.

3) National heritage protection: caring about 'dead culture' or converting the cultural capital into human development?

Ukraine possesses a rich and diverse cultural heritage, tangible (cultural monuments, museum collections) and intangible (traditional folk culture has been preserved in Ukraine perhaps to greater extent than in most European countries).

Fortunately, the grim times of totalitarianism when thousands of monuments, temples and palaces, as well as thousands of works of 'politically alien' artists were destroyed, are well over. However, there are numerous serious problems both in heritage protection and in the access to national heritage in Ukraine. More importantly, the task of heritage protection transforms nowadays into a much broader issue of the impact of cultural heritage on human development, on sustainable economic development of heritage rich regions in particular. What also matters is the nation's contribution to the cultural diversity of humanity.

Therefore the attention for cultural heritage in Ukraine, articulated as the task of *making it actual*, which basically means proper use of the country's cultural resources in the development of cultural industries, education, tourism and, most importantly, in the social and economic revival of many heritage-rich (but economically depressed) towns and villages, is in fact a justified policy priority.

It is not about giving preference to 'dead culture' at the cost of so-called 'actual culture', it is rather about recognition of the actuality and potential of Ukraine's cultural heritage, but also about paying back the enormous debt of support and care to the national cultural heritage accumulated during the previous decades of neglect.

So far, unfortunately, the vast cultural capital of numerous heritage-rich places (like for instance Lviv, Odesa, Chernihiv, Kamianets as well as hundreds of other historic towns) is seldom considered and used in social development projects.

Therefore, a task of major importance is, alongside the improvement of the conventional heritage protection, to transform the national heritage into a key factor of shaping national identity as well as of social and economic regeneration of many regions of Ukraine. This task envisages:

- proper protection of heritage objects, enforcement of heritage protection laws;
- further development of the network of museums and historic reserves, i.a. through fundraising among private donors;
- formation of a favourable fiscal climate for investments in the heritage-related industries (crafts, cultural tourism, hotel business etc);
- active promotion of the national cultural heritage both in Ukraine and abroad.

Cultural tourism is yet another promising although somewhat neglected dimension of the actualisation of the national heritage. Ukraine's considerable tourist potential has been used to a much lesser extent than that of its Eastern-Central European neighbours. One of the reasons, as is shown in Chapter 5, is the underdeveloped tourist infrastructure of Ukraine.

Another underestimated cultural resource of Ukraine is its ethno-cultural diversity. The preservation of this diversity, the securing of proper conditions for cultural, spiritual, religious activities of Ukraine's minorities should also belong to the key priorities of Ukraine's cultural policy. In this regard, the main task is to build up an effective partnership between the government and the minority communities and assure public support of their cultural and artistic initiatives.

4) International cultural co-operation, promotion of Ukrainian culture in the world

As chapter 7 has shown, Ukraine became a full-fledged actor in international cultural co-operation only after it obtained state independence in 1991. No wonder its experience and achievements in this field are relatively modest.

Neither can its major goals in this realm be regarded as fully attained. These goals are: the integration of Ukrainian culture in the international cultural space; the shaping of an attractive, positive image of Ukraine and its culture in the world; the consolidation of cultural and human

contacts with the Ukrainian diaspora; the achievement of a substantial (or at least noticeable) presence of Ukrainian cultural products in international cultural markets.

Today, Ukraine carries out its international cultural contacts mainly through bilateral programmes of cultural co-operation with foreign countries, predominantly with European countries and former Soviet republics. Its participation in cultural programmes of the Council of Europe and UNESCO, on the other hand, is not very intensive so far. The participation of Ukrainian artists and cultural organisations in major international artistic actions (festivals, exhibitions, other international forae) also needs intensification. The state's support of foreign tours of prominent Ukrainian performing artists is today even smaller than it used to be in the Soviet times.

It is only last year that the formation of a network of Ukrainian cultural centres in foreign countries began. Ukrainian artistic products (films, music, books, works of crafts, etc.) very seldom show up in foreign cultural markets.

The task, therefore, is to achieve substantial progress in each of the mentioned directions of international cultural co-operation in the near future.

Summarizing, we will attempt to define the main features of an adequate and effective strategy for Ukrainian public cultural policy.

In the first place, such a strategy should be systemic and comprehensive, that is, it should take all elements of contemporary culture into consideration, not just those that the Ministry of Culture traditionally cares about. In such a strategy, positive national experience accumulated during the previous years should be combined with the adoption of effective cultural policy instruments tested in other countries, especially in post-communist countries of Eastern-Central Europe.

Such a systemic strategy arguably should:

- combine the increase in public funding of the cultural sector with the encouragement of charities as well of commercial enterprise in the cultural sphere;
- combine the institutional reform of the sector with the introduction of diverse and transparent competitive instruments of support of artistic projects;
- combine protectionism for national cultural industries with preservation of the openness and diversity of cultural life in Ukraine, as well as with the integrity of the national cultural space.

APPENDIX – Road map for the cultural development of the Ukrainian Society

Action fields

The programme actions will be focused on the following sectors in the cultural sphere which are of key importance for human development and nation-building:

- *National cultural and linguistic environment;*
- *National heritage and folk culture;*
- *National cultural industries and popular culture;*
- *Contemporary Ukrainian art;*
- *Culture animation and amateur artistic activities;*
- *Ethno-cultural and confessional diversity;*
- *Ukrainian culture in the global context.*

Phases of the mapping process:

- **Background and strategic priorities:** brief analysis of strengths and weaknesses in each of the defined fields of cultural activities as well as of the state's policies in these sectors; determination of strategic priorities for the Ukrainian state in the cultural sphere;
- **Goals, strategies, and tasks:** projection of the determined strategic priorities into goals and concrete tasks for the government and cultural community in each area; definition of the strategies for the attainment of the goals set;
- **Immediate steps:** breakdown of the assigned tasks into specific measures aimed at their fulfillment, with all the necessary resources (financial, institutional, etc.) clarified.

National cultural and linguistic environment

Background analysis:

| | Strengths | Weaknesses |
|--|--|--|
| Cultural and linguistic environment | <ul style="list-style-type: none"> - Ukrainian language, albeit oppressed in the Soviet Union, re-assumed its leading role in politics, the media, education and the academy; - The number of people who claim Ukrainian their native language grew up substantially since 1991; - The state patronage for national culture industries (film, publishing) is increasing. | <ul style="list-style-type: none"> - The share of Ukrainian language in the media is less than that of Russian; - Russian products still dominate Ukraine's cultural and entertainment market; - The biased view of Ukrainian language as inferior to Russian still holds currency in mass consciousness; - The control over the quotas for Ukrainian cultural products in TV and cinema remains weak and inefficient. |
| Language policy | <ul style="list-style-type: none"> - The legislation was adopted affirming Ukrainian language in the media, film, advertising; - The number of schools with Ukrainian language of instruction is growing, as well as the number of schools with instruction in minority languages; - The national programme of promotion of Ukrainian language in 2004–2010 is carried out. | <ul style="list-style-type: none"> - The 1989 Law on Languages is obsolete and deficient; - Insufficient control over the adherence to the regulations on language norms, quotas in the media and cinemas; - Budget subsidies for Ukrainian book publishing and, in particular, for library replenishment are meagre and insufficient. |

National heritage and folk culture:

Background analysis:

| | Strengths | Weaknesses |
|--------------------------|---|---|
| National heritage | <ul style="list-style-type: none"> - Ukraine holds more than 130,000 objects of immovable heritage, including nearly 5,000 sites of national importance. There are in particular: <ul style="list-style-type: none"> • 57,200 archaeological monuments, • 51,300 historical sites and monuments, • 5,900 objects of monumental art, • 16,200 monuments of architecture and urban planning, • 61 historical and cultural preserves, 394 museums with 11 million displays listed in their stocks; about 50,000 rare books, - 401 settlements are included in the List of Historical Settlements of Ukraine; - More than 70,000 objects and sites of heritage still await for registration and scholarly research; - Two dozens of national and international folklore festivals are held in Ukraine on a regular basis. | <ul style="list-style-type: none"> - The condition of heritage objects have been deteriorating; nearly half of them (including 300 monuments of national importance) are in unsatisfactory condition; - Illegal activities that damage cultural and historical heritage are not effectively curbed ('black' archaeology, illegal construction on heritage sites, etc.); - Unsatisfactory technical maintenance of museums and preserves; - Scarcity of gallery space for exhibitions; - Absence of a national museum of contemporary art; - National heritage is hardly taken into account in the development of tourist industry; - Decline of some centres of traditional crafts, of folk customs and rituals. |
| Cultural policy | <ul style="list-style-type: none"> - The state maintains the network of museums and preserves; - It also carries out the registration of heritage objects and controls their proper preservation; - A modern legislation for heritage is being formed; - Ukraine became a member state to all main international conventions on heritage protection; - The state supports traditional culture, crafts, folklore. | <ul style="list-style-type: none"> - Insufficient funding of heritage preservation and museum network; - Ineffective law enforcement in the field of heritage protection; - Slow development of the designated public bodies for heritage protection; - Insufficient work on registration and research of the heritage; - Unresolved legal problems of ownership of movable and immovable heritage objects. |

Cultural industries and popular culture

Background analysis:

| | Strengths | Weaknesses |
|--|---|--|
| Cultural industries and the market of cultural goods and services | <ul style="list-style-type: none"> - Relatively good infrastructure for book publishing and film production; - Rapidly growing network of modern cinemas in large cities; - Gradual revival of book publishing (from 22 million copies in 1999 to 53 millions in 2004-2005); - The national music TV and music recording industry have been created virtually from scratch; - For the first time, Ukrainian popular music and literature set foot in some European markets. | <ul style="list-style-type: none"> - Imported, primarily Russian cultural products still dominate the market; Ukrainian films, books, and audio records are not available in too many places; - In many cases, book publishing and film production still rely on outdated technologies; - Collapse of book trade and film distribution in the province, complete decline and disappearance of provincial book stores and cinemas; - Underdevelopment of free market structures in the sphere of culture and leisure; - Copyright piracy not exterminated yet. |
| Government policy | <ul style="list-style-type: none"> - Tax reliefs for national book publishing established; - Laws adopted that regulate film production and distribution, book publishing, CD production and sales, and artistic touring; - Minimum quotas established for national film and TV programming; - The National Programme of Development of Ukrainian Film Industry for the period of 2004-2007 launched; - Budget subsidies for national film production and book publishing increased; - The Department of Cinematography was created in the Ministry of Culture. | <ul style="list-style-type: none"> - Poor funding of national film production, libraries; - Ineffective distribution of endorsed funds; - Insufficient support for the promotion of Ukrainian culture abroad; - Unfriendly tax regulations for national audio- and film production; - Insufficient fighting against copyright piracy; - Weak control over the content quotas on TV and in the cinemas. |

Contemporary Ukrainian art

Background analysis:

| | Strengths | Weaknesses |
|--------------------------------------|--|---|
| Ukrainian 'high' arts | <ul style="list-style-type: none"> - Dense network of state-supported and communal artistic institutions and artistic collectives; - International fame of some Ukrainian artistic schools and performers; - Survival and further development of all public cultural/artistic educational institutions. | <ul style="list-style-type: none"> - Cultural products became unaffordable for a great number of low-income consumers; - Logistics and technical infrastructure of most public artistic institutions has deteriorated; - Artistic 'brain drain' abroad or into other fields of activity still goes on; - There is a decline in touring activities of Ukrainian artists, especially within the country; - Low tax incentives for art patronage and sponsorship. |
| Government policy | <ul style="list-style-type: none"> - Supportive legislation for artistic activities created; - Budget subsidies for national artistic institutions increased; - A reform in the system of artistic touring has begun; - Dedicated tax on commercial performances is introduced to subsidize touring of national artists. | <ul style="list-style-type: none"> - Legal base for the art activity remains inadequate; - Budget subsidies for the national art institutions are still insufficient; - State support for non-state collectives and institutions is virtually absent; - Some art projects are still supported arbitrarily rather than on a transparent competitive basis. |

Culture animation and amateur artistic activities

Background analysis:

| | Strengths | Weaknesses |
|--|---|---|
| Grassroot cultural institutions and amateur artistic activities | <p>In Ukraine, there are:</p> <ul style="list-style-type: none"> - more than 18,000 local community clubs, - including 16,412 in the countryside; - more than 20,000 amateur collectives, with 900,000 participants; - 18,600 public libraries, including 16,200 in villages. | <ul style="list-style-type: none"> - Most grassroots cultural centres, especially in rural areas, are maintained very poorly; - Budget subsidies are insufficient, while earnings of local cultural centres are very limited; - Book replenishment for public libraries is very scarce; - Too many cultural workers are employed part time. |
| Regional cultural policy | <ul style="list-style-type: none"> - Legislation was adopted to facilitate the work of the grassroots network of cultural centres and institutions, and to provide customers with proper cultural and leisure services; - Budget subsidies are provided for many folklore and amateur art festivals and contests. | <ul style="list-style-type: none"> - Central authorities exert little influence on cultural developments in the regions; - The Budget Code and tax regulations are not culture-friendly; - Local budgets are too constrained to support local cultural development in the regions effectively. |

Ethnocultural and confessional diversity

Background analysis:

| | Strengths | Weaknesses |
|---|---|--|
| Minority cultures, inter-ethnic and inter-confessional relations | <ul style="list-style-type: none"> - In Ukraine, various ethnic and confessional groups managed to co-exist peacefully despite economic hardships and cultural and religious tensions inherited from the Soviet Union; - More than 1,200 ethno-cultural associations and other minority organisations operate in Ukraine, including 30 regional centres of minority cultures; - More than 9,000 minority art collectives function under the auspices of minority cultural associations; - The network of minority schools is being developed. | <ul style="list-style-type: none"> - Many Ukrainians still do not fully understand the importance of ethnocultural diversity for the country's development; heterogeneity still is perceived as a problem rather than as a resource; - The conflict potential for inter-ethnic and inter-confessional conflicts is still not fully eliminated. |
| Government policy with regards minorities and religions | <ul style="list-style-type: none"> - Government subsidizes minority education and book publishing; - National laws on minorities and religions, for the most part, correspond to international standards; - The European Charter on Regional and Minority Languages was ratified by Ukrainian Parliament; - Government subsidizes numerous ethnic cultural festivals and festivities. | <ul style="list-style-type: none"> - Some daunting problems are not resolved yet, primarily the problems of Crimean Tatars and other groups deported by Stalin from the Crimea; - Tensions between some religious confessions remain very high and sometimes abused in political struggle. |

Ukrainian culture in a globalised world

Background analysis:

| | Strengths | Weaknesses |
|--|--|---|
| International cultural contacts | <ul style="list-style-type: none"> - A substantial number of outstanding artists/ performers and art schools of the highest international level; - Successful albeit limited experience of participation in international artistic contests, festivals, and exhibitions; - Some experience of international touring. | <ul style="list-style-type: none"> - Low international visibility of Ukrainian culture and arts due to colonial legacy and postcolonial inequality of global cultural exchange; - Limited participation of Ukrainian culture in global processes, its poor representation in the world-wide web; - Insufficient use of market mechanisms for the international promotion of Ukrainian cultural products. |
| Government policy | <ul style="list-style-type: none"> - Experience of international co-operation with and within UNESCO, the CoE and other organisations; - Membership in many key international conventions on culture and heritage; - Experience of bilateral cultural exchange and cooperation with many countries; - Ukrainian cultural centres have been created in a number of countries. | <ul style="list-style-type: none"> - Insufficient support for international contacts and promotion of Ukrainian artists; - A vibrant network of Ukrainian cultural centres abroad is still a matter of future; - Cooperation with international cultural organisations lacks intensity and consistence; - Ukraine still does not participate in many cultural networks and foundations; - Poor coordination of the actions of different government departments hampers international cultural cooperation. |

The analysis of strengths and weaknesses of contemporary Ukrainian culture helps us to determine the three strategic priorities:

- *Integrity of the national cultural and linguistic space;*
- *Actualisation of the national cultural heritage;*
- *Protectionism for national cultural industries.*

The implementation of these priorities would mean a breakthrough development of Ukrainian culture, strengthened national self-awareness of Ukrainian citizens, and assuming by culture a key role in Ukraine's human development.

Integrity of the national cultural and linguistic Space

Stands for: Promotion of Ukrainian language as the main vehicle of communication in all spheres of social life; ensuring the leading role of national (rather than foreign or regional) mass media in serving both information and entertainment needs of Ukrainians all over the country.

Requires:

- Improvement of the legislation on languages and mass media and its strict enforcement;
- Greater government support for all kinds of Ukrainian informational, cultural, and educational activities;
- Development of Ukrainian Internet resources as well as of the nation-wide TV and radio broadcasting.

Actualisation of the national cultural heritage

Stands for: A synergy of the preservation of the national heritage, and of intensive, yet responsible use of the heritage as a cultural capital and a resource for the strengthening of modern national identity and for the human and economic development of the country's heritage-rich regions.

Requires:

- Substantial Improvement of heritage protection and investment in development and modernisation of public museums and reserves;
- Intensified efforts on the promotion of national heritage both domestically and internationally;
- More favourable taxation and investment conditions for the development of heritage-based industries (crafts, tourism, spa, recreation and hotel industries).

Protectionism for national cultural industries

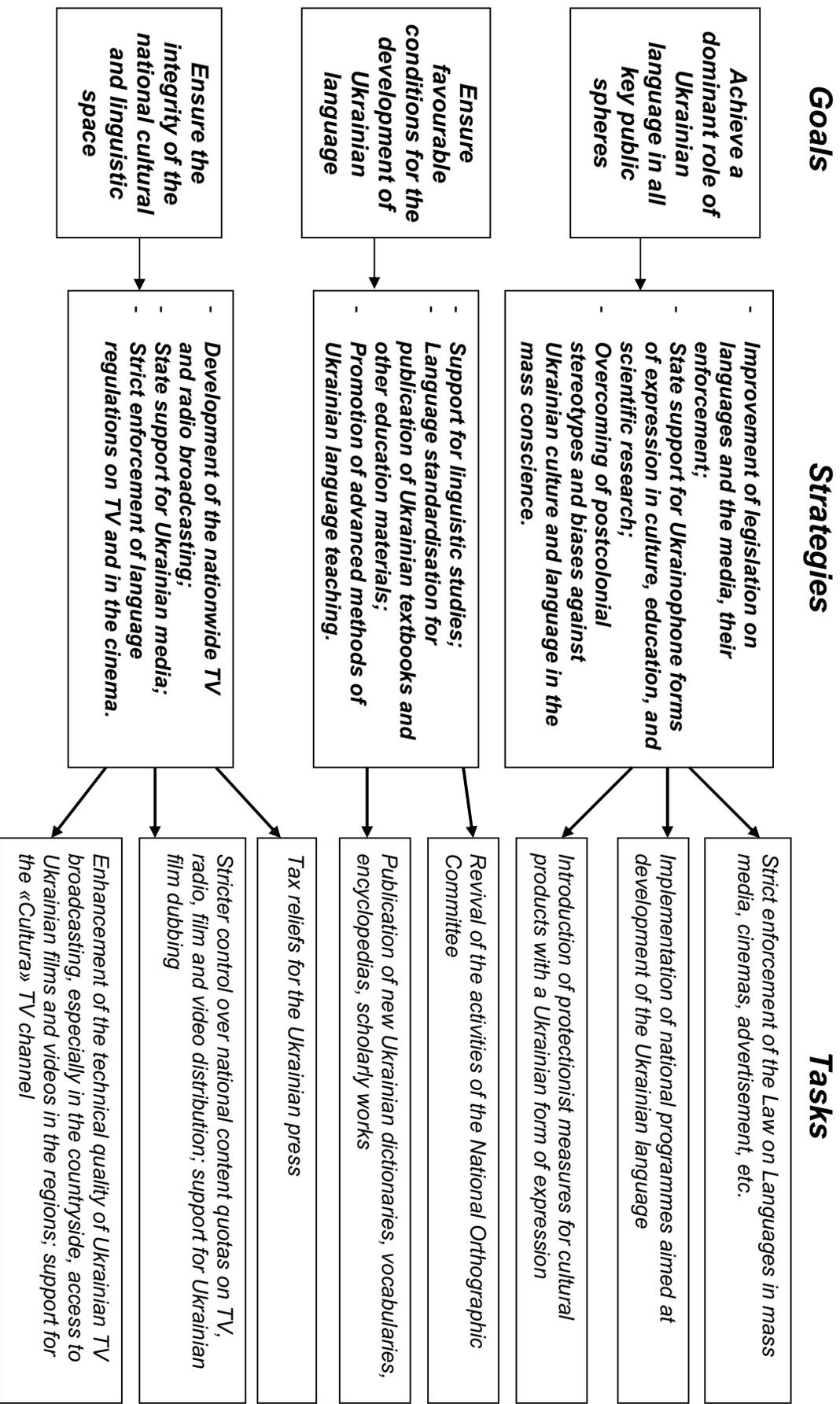
Stands for: Affirmative action (tax incentives, encouragement of investments, etc.) aimed at the accelerated development of Ukrainian book publishing, film production, music industry, fashion design, etc., so as to assure saturation of the cultural market with competitive domestic products.

Requires:

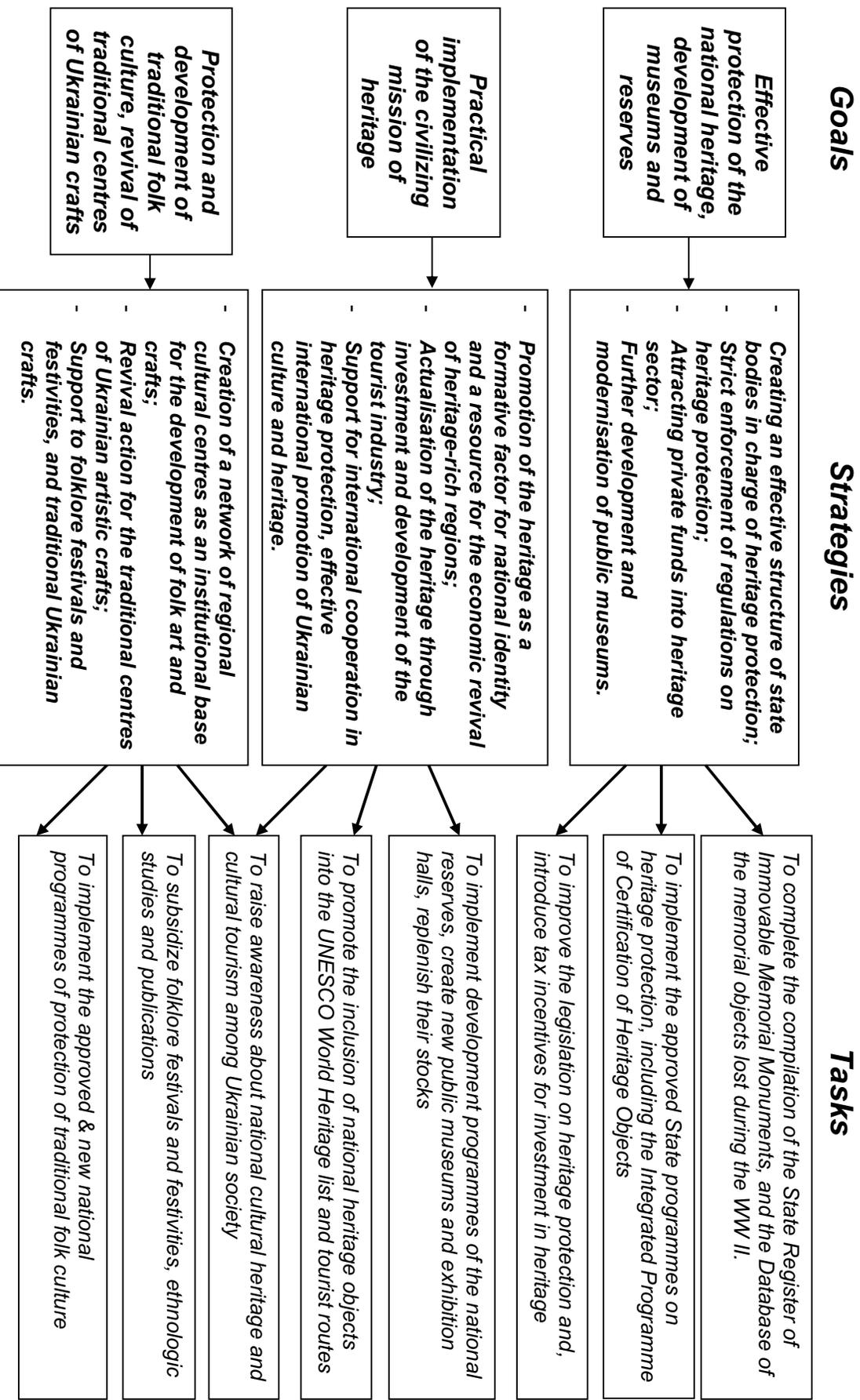
- Favourable conditions for national producers of cultural goods and services;
- Attaining accessibility and affordability of national cultural products for mass consumers through intensive development of national book trade, libraries, film and video distribution, music records trade;
- Promotion of Ukrainian culture and art within and outside the country.

Implementation of strategic priorities

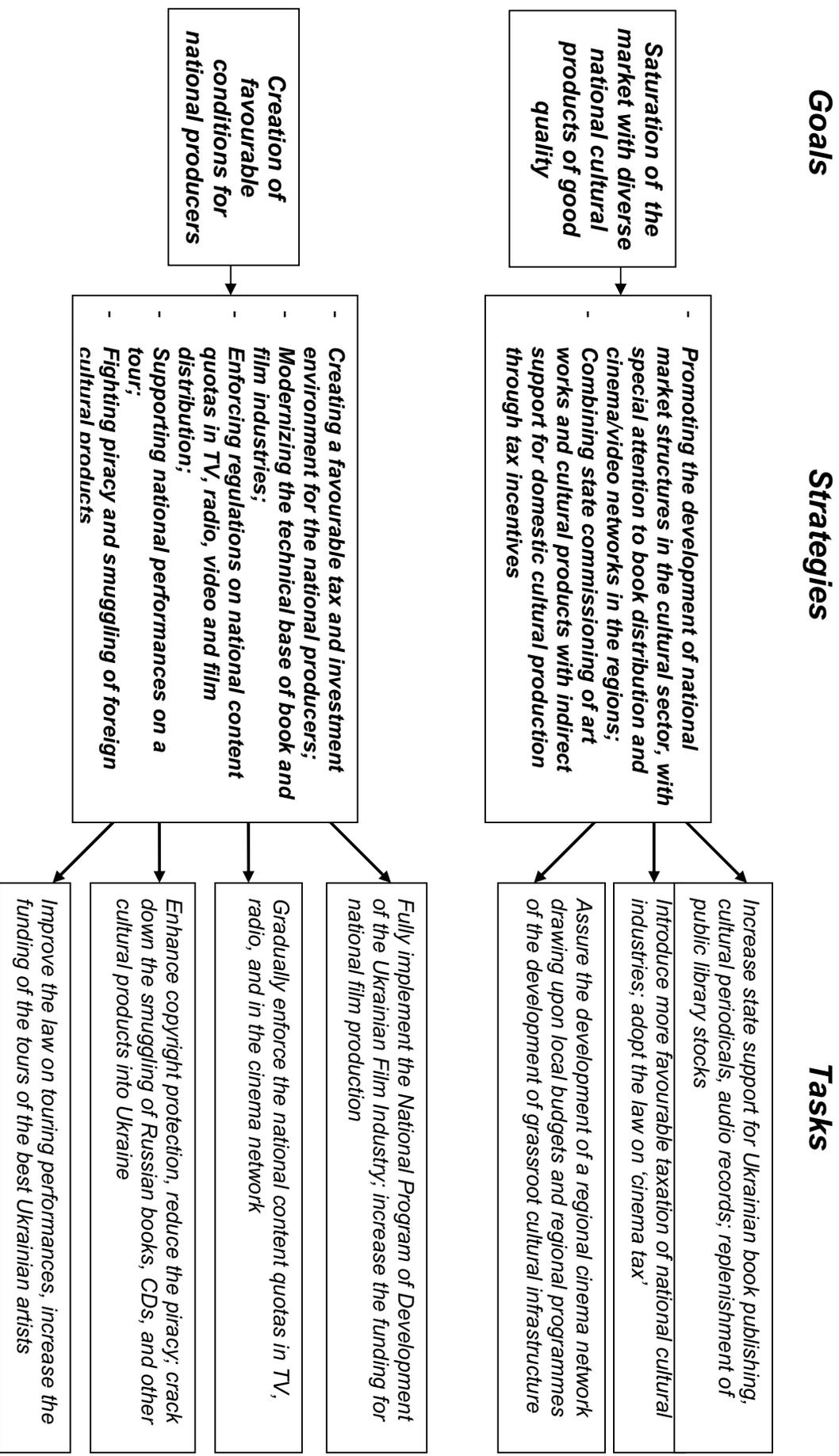
Integrity of the national cultural and linguistic environment



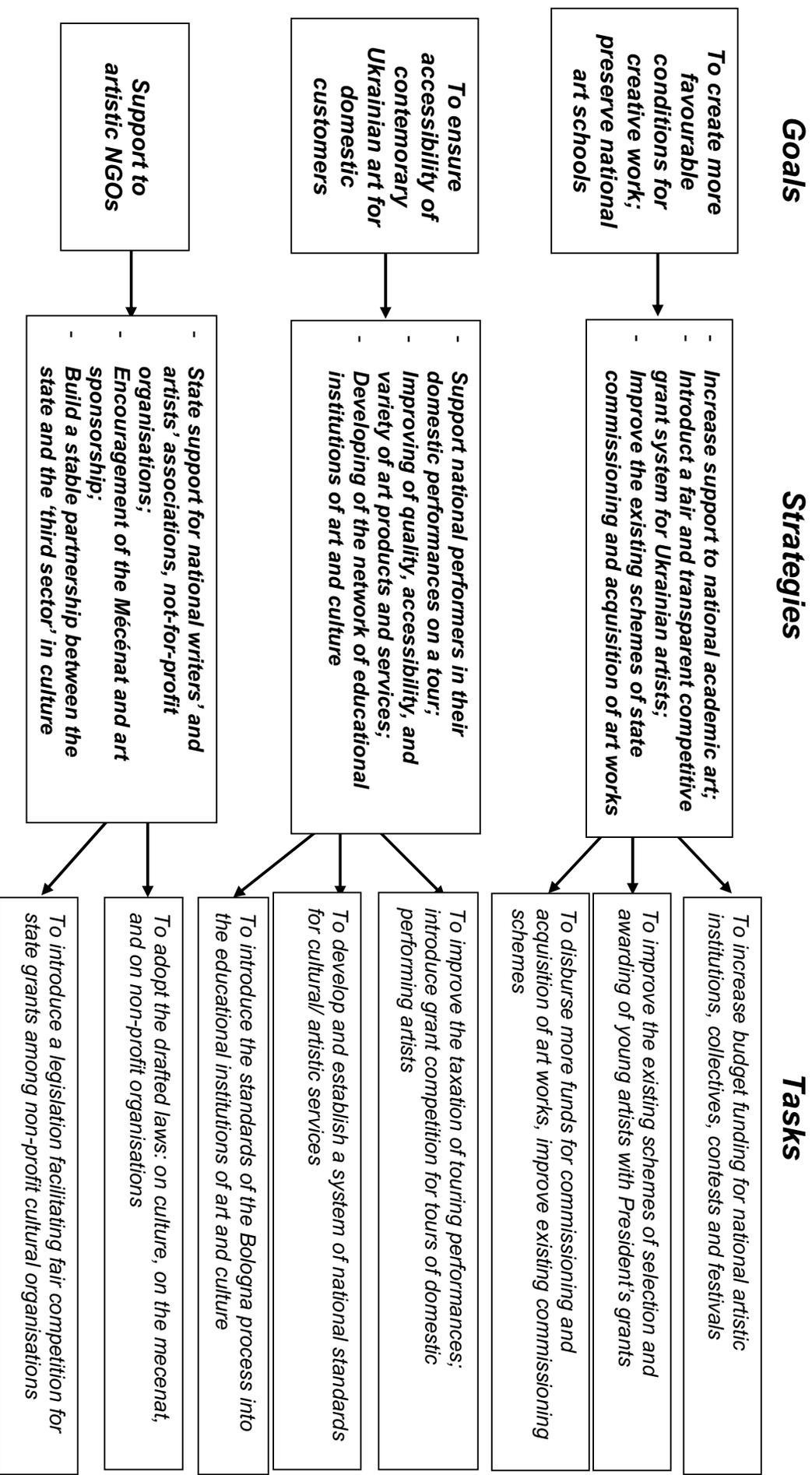
National heritage and traditional folk culture:



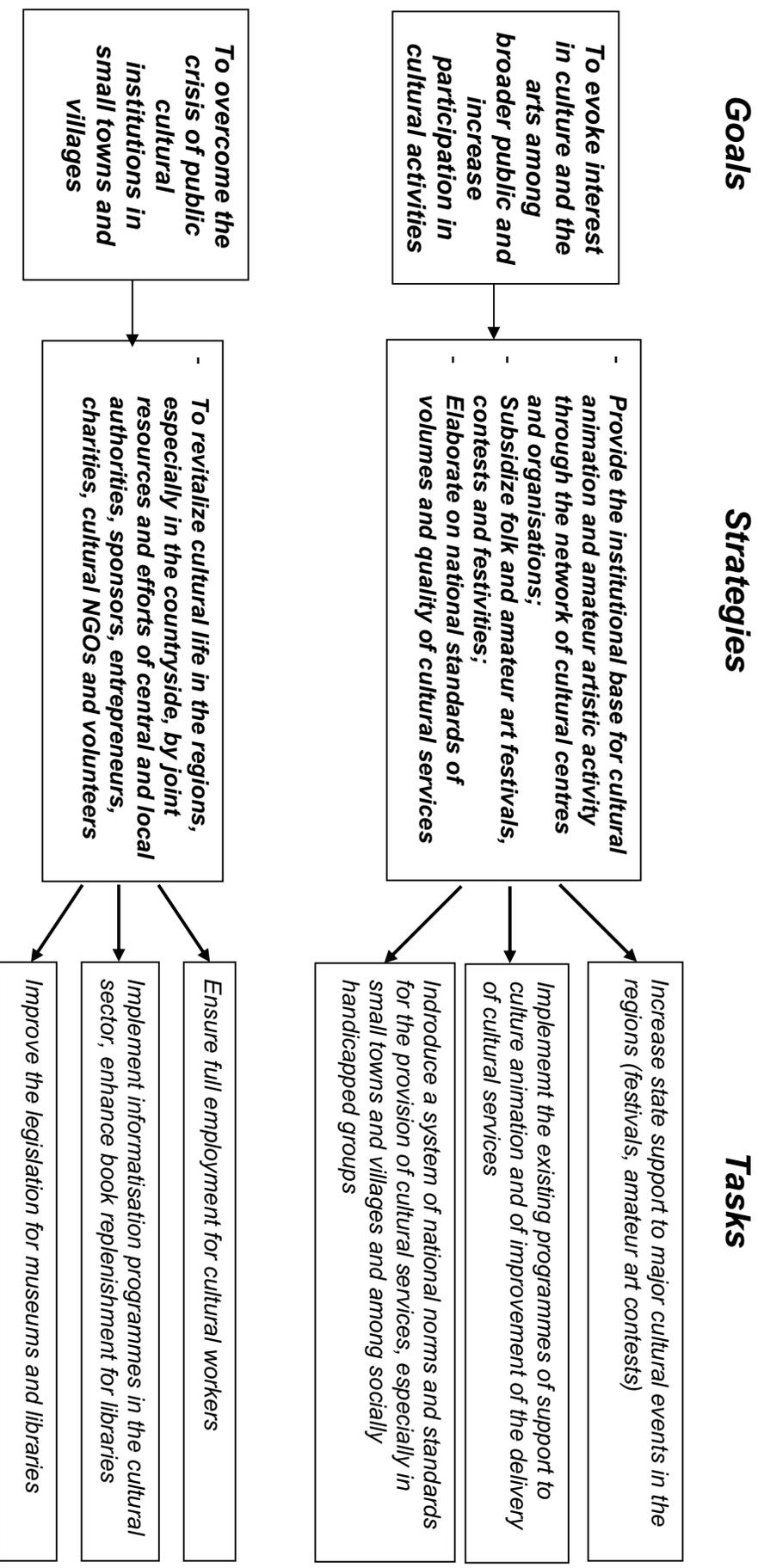
National cultural industries and popular culture



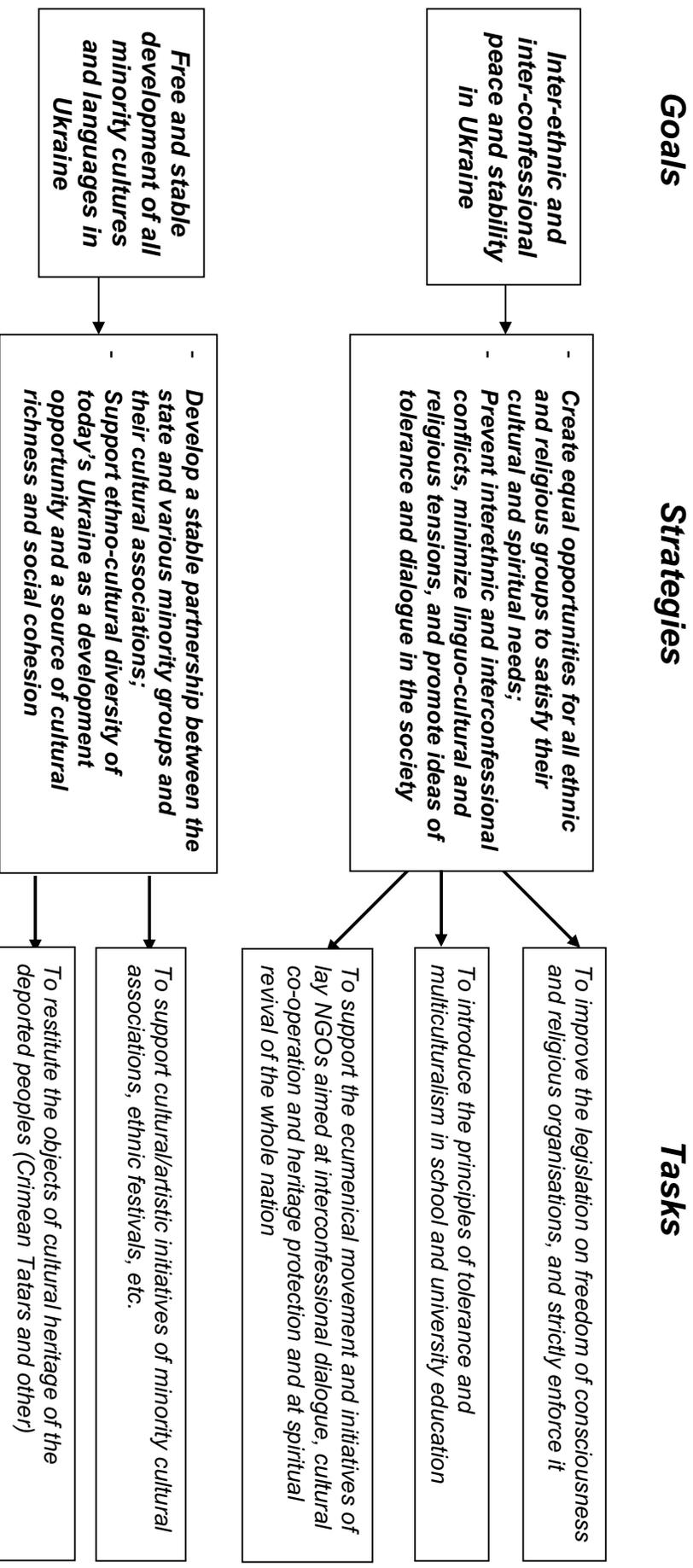
Contemporary Ukrainian art



Culture animation and amateur artistic activities



Ethno-cultural and confessional diversity of Ukraine



Ukrainian culture in a globalized world

