

1945 **50** 1999



COUNCIL OF EUROPE CONSEIL DE L'EUROPE

CC-CULT (97) 24B
Final

Cultural Development policies in Member States

CULTURAL POLICY IN LITHUANIA

Report of the European panel of examiners
by Bill Dufton

Culture Committee
Strasbourg 1998

CC-CULT (97) 24 B
Final

COUNCIL FOR CULTURAL CO-OPERATION

**CULTURAL DEVELOPMENT POLICIES
IN MEMBER STATES**

**CULTURAL POLICY
IN LITHUANIA**

Report of a European panel of examiners
by
Bill DUFTON

CONTENTS

The Council of Europe's Cultural Policy Review Programme	3
Membership of the panel of examiners	4
Acknowledgements	5
Schedule of the examiners' activities.....	6
Introduction	7
Lithuania at the crossroads.....	7
Lithuania's European cultural identity	8
The Lithuanian diaspora.....	10
Cultural policy in transition	13
New lamps for old? Cultural policies in Europe in the 1990s	13
Lithuanian cultural policy in transition 1990-1997	15
Public financing of culture in Lithuania: a comparative overview	16
Constraints on reform	18
Some options to resolve the dilemma	20
Implementing change: new structures for new tasks	21
A Cultural Policy Unit at the Ministry.....	22
Strengthening the Culture and Arts Council	22
Creating a Museums Council for Lithuania.....	23
National Cultural Policy; regaining momentum.....	24
National, regional and local	25
Decentralisation in cultural policy: an international debate.....	25
The Lithuanian local authorities and the decentralisation of culture	25
The regional dimension in cultural policy	27
The Lithuanian Counties and Public Administration Reform	28
Principles for decentralisation	29
Culture in the cities.....	30
Local Government Collegium at the Ministry	33
Conditions for creativity: artists, cultural institutions and cultural industries	35
Support for the artist	35
Institutions: assets, problems and new directions	38
Cultural industries: assets, problems and new directions	39
- Cinema	
- Book publishing	
- Audio and visual recording	
- Radio and Television	
- A comprehensive audit of the traditional cultural industries	
Conditions for creativity	42

Participation and access	43
Audiences, visitors, readers and viewers.....	43
Lithuanian traditional culture.....	43
National minorities.....	44
Amateur activities.....	45
Cultural centres.....	45
Youth initiatives.....	46
Culture and disabled people.....	46
Participation in cultural policy.....	47
Cultural publications.....	48
New ways of working	49
Entrepreneurship in the arts and culture.....	49
Cultural management training.....	50
Lithuanian In-Service Centre for Cultural Workers.....	50
Trusts and foundations.....	51
The Open Society Fund -Lithuania.....	52
Cultural tourism.....	53
Cultural tourism and museums.....	54
Museums education.....	54
Recent international exchange initiatives.....	55
Plural funding and business sponsorship.....	56
Recommendations	59
Appendices	
i List of contacts and interview partners.....	67
ii Lithuania: history, geography, economy.....	73
iii Spheres of cooperation.....	76
iv Public expenditure on culture in selected European countries.....	79
v Public expenditure on culture in Lithuania.....	80
vi Role and responsibilities of Boards of Management and Board members.....	81
vii Selected bibliography.....	83
viii Debate at the Culture Committee.....	85
ix Issues for the Culture Committee debate.....	93

THE COUNCIL OF EUROPE'S CULTURAL POLICY REVIEW PROGRAMME

The review programme undertakes the international examination of national cultural policies in member states of the Council of Europe.

The review is initiated by the national authorities of the country concerned, at the request of the Minister of Culture. Key stages are,

- the preparation by the national authorities of a background report on the areas/topics for consideration; this "national report" is presented as an act of self-assessment and follows agreement with the Council of Europe on the timing and scope of the review.
- the appointment by the Council of an international team of European experts/examiners who visit the country for discussions with officials and to take evidence from key informants; this leads to the drafting of the "examiners' report" which poses questions for the national authorities.
- a formal debate between the national authorities and the examiners on the basis of the questions in the examiners' report, at a "review meeting" held in the Council's Culture Committee.
- both "national" and "examiners" reports are published and widely distributed, together with a record of the "review meeting".

The programme aims to achieve benefits both for the country under review and for the other member states in the Council of Europe. The European experts bring international perspectives to bear on an assessment which assists the country under review. Equally the review programme builds the systematic knowledge of national cultural policies at the European level, and identifies points of interest which can assist the policy process in the rest of Europe. The focus is on policy, not on cultural life.

Reviews have been carried out in the following countries: France (1988), Sweden (1989), Austria (1993), the Netherlands and Finland (1994), Italy and Estonia (1995), the Russian Federation and Slovenia (1996), and Bulgaria (1997). Reviews are currently under way in Latvia, Croatia and Portugal.

The original review programme could not have foreseen the specific needs of those Central and Eastern European countries now undergoing structural transformation following the collapse of the Soviet Union. However, the Council has sought to respond flexibly to their requests for assistance, by adapting the programme and providing some additional technical and financial support, while also maintaining a common frame of reference, a degree of comparability, and some element of evaluation.

MEMBERSHIP OF THE PANEL OF EXAMINERS

Dr. Peter Kron, Chairman of the Panel (Austria)
President of the Salzburg Arts Association, Honorary Consul of the Republic of Lithuania in Salzburg, former Director of Culture and Sport Salzburg Land

Mr Bill Dufton, Rapporteur of the Panel (Great Britain)
Freelance consultant, former Executive Director Southern Arts Board

Ms Ruta Caupova, (Latvia)
Chairperson, The Council of the Creative Unions of Latvia

Professor Ilkka Heiskanen (Finland)
Professor of Political Science, University of Helsinki

Mr Aidan Walsh, (Republic of Ireland)
Director, Northern Ireland Museums Council, former Chairman of the Irish Museums Association

For The Council of Europe

Ms Ritva Mitchell
Programme Adviser Cultural Policy and Action Division

Ms Evelyne Porri
Assistant

ACKNOWLEDGEMENTS

As our starting point for this review we had the very full Lithuanian National Report which is the work of a team of independent researchers coordinated by Mr Viktoras Liutkus, who was Head of the European Integration Division at the Ministry of Culture at the time of our visits to Lithuania. The report maps the entire territory of contemporary Lithuanian cultural policy in transition for the first time and is a landmark document for anyone who is concerned for the future of Lithuanian culture and its development. Our first recommendation is that the Ministry of Culture should ensure that the National Report is made widely available, coordinate responses to it and actively encourage an ongoing debate about the issues raised in the report.

On our two visits to Lithuania we could not have had more expert guidance, a better organised programme, or a greater opportunity to meet so many people closely involved in the cultural life of their country. Of course we could not see, and still less fully understand, every aspect of Lithuanian cultural life in two weeks; Lithuania is a small country but the cultural map is rich and densely populated. In Vilnius and Kaunas, and in the other cities and towns we visited - Jurbarkas, Klaipeda, Nida, Kretinga, Siauliai, Panavesys, Anyksciai, Trakai - and in the countryside, we received a very positive impression of the importance of cultural heritage and cultural activity in the Lithuanian way of life. We were able to appreciate for ourselves the good work and positive achievements resulting from the determination of artists, cultural managers and the central and local authorities to overcome the problems discussed in the National Report, and to build on success.

For all this we are grateful to the Minister and his colleagues, to the Chairman of the Seimas Committee for Education, Science and Culture and his colleagues, and to the Mayors, artists, cultural workers, administrators, local government Members and officers, entrepreneurs, private individuals and organisations who took time to talk with us and who answered our questions so frankly. Our special thanks are due to Mr Viktoras Liutkus and to our tireless interpreter Jurate Mazulyte who are in no way to blame for any errors or omissions on our part.

SCHEDULE OF THE EXAMINERS' ACTIVITIES

16 - 17 December 1996

Preliminary meetings in Vilnius by the President, Rapporteur and Programme Adviser with the Minister and his officials and with authors of the National Report.

1 - 6 April 1997

First visit by Panel of Examiners: Vilnius

25 May - 1 June 1997

Second visit by Panel of Examiners: Kaunas, Jurbarkas, Klaipeda, Nida, Kretinga, Siauliai, Panavesys, Anysciai, Trakai, Vilnius

18 -19 July 1997

Meeting of Panel of Examiners in Paris

18 - 19 August 1997

Meeting of Panel of Examiners in London

30 September 1997

Debate in the Culture Committee, Strasbourg

INTRODUCTION

Lithuania at the crossroads

In the twentieth century, and not for the first time in her history, Lithuania has paid a heavy price for her position at the crossroads of Europe. During half a century of Soviet occupation, a remarkable language and a remarkable culture sustained her independent identity, as they had done in previous periods of oppression: against all odds a small nation has survived to rise again. Having regained independence on 11 March 1990, Lithuania is now undergoing a period of transition towards a free market, an open society and closer ties with European policies and institutions to which she will have a great deal to contribute. In the country's cultural life, as in every other aspect of society, this is a difficult and also exciting time of choice, decision and change: Lithuania again finds herself at the crossroads and ready to make her own way in the world.

This review of national cultural policy is the result of two very intensive visits to Lithuania of one week each in April and May 1997 when we were able to meet a wide cross-section of the people who have day to day responsibility for many aspects of cultural policy and for the management of cultural institutions at national, regional and local level. Towards the end of our second visit we were asked at a press conference in Panevėžys what could we possibly hope to know about cultural policy in Lithuania after only two weeks investigation in the country? It was a fair question to which this report must now stand as our answer.

In our report, we endorse the need to:

- modernise the cultural institutions and networks;
- understand the economic importance of the arts and cultural activities;
- give greater attention to the needs and potential role of the professional artist in the open society;
- assert diversity and encourage new ways of working;
- bring all members of the community into the emerging market for cultural goods and services.

We also recognise that cultural policy cannot make real headway in isolation from key pressure points:

- in the country's economic and social policy,
- in the legislative programme,
- in the reform of public administration in the deconcentration and decentralisation of government
- in the structure of government and the jurisdictions of the relevant ministries.

Our overall conclusion is that the "Lithuanian model of cultural policy" should therefore be designed for integration, diversity and innovation as well as for continuity and authenticity.

We have not attempted to describe in detail everything we saw or to discuss every issue. To a great extent, the issues we have chosen to discuss - whether they are to do with policy

formulation and implementation, decentralisation, institutional structures, or alternative resources - are the same in most European countries today. The purpose of our review was not to pass judgements on situations with which our Lithuanian colleagues are already familiar or on the difficulties which they understand only too well; our purpose is to encourage the sharing of experience, ideas and examples of good practice both in Lithuania and throughout Europe. In the same spirit, our specific recommendations and suggestions are not intended to be prescriptive but to provide starting points for further debate and consultation.

Much of our culture and the values it represents are inherited and, across Europe, much effort and resources are rightly devoted to preserving and reinterpreting that inheritance and transmitting those values to the next generation; but culture is also, by definition, an organic and incremental process and perceptions of its particular value in society can also alter over time. In a year or two at most many aspects of the situation we observed in Lithuania will have changed: the society itself is undergoing rapid transition and structural change and the place of culture in relation to society is inevitably changing with it. Our report can therefore present no more than a snapshot in time; but our hope is that many people will find it useful, particularly in Lithuania, while we do not necessarily expect everyone to agree with everything we have to say.

We do not underestimate the magnitude of the challenge for cultural policy in Lithuania. There are many difficulties to overcome and no guarantees that every change will always be for the better. If we remain optimistic, it is because of our sense of the importance that the people of Lithuania have traditionally attached to cultural values as a measure of their quality of life and of their standing in the wider world, and because of our abiding respect for the dedication and professionalism of the people we met and their instinctively sure sense of direction. Our host in one local authority department told us that to be a cultural worker in Lithuania today one had to be either an idiot or a patriot: our privilege was to meet only patriots.

Lithuania's European cultural identity

There are perhaps three principle dimensions to Lithuania's cultural identity: Lithuanian, Baltic and European. As to the first, it is important to mention at the outset that 1997 marks the 450th anniversary of the publication in Koenigsburg of the first book in the Lithuanian language, the *Katekizmas* of Martynas Mazvydas, an event celebrated around the world wherever Lithuanian is spoken.

As to the second, we should briefly mention the principle Baltic networks for cultural and economic cooperation in which Lithuania has become an active participant since 1990. The Baltic Sea Region comprises approximately one third of the geographical area of Europe and more than 50 million people live in the Region. Since the accession of Finland and Sweden to the European Union in 1995, the Region has gained a new importance and the Baltic Sea is practically an inland sea in the European Union.

Since 1990, cooperation between countries in the Region has gained a new momentum. The principle networks include, *The Baltic Assembly* (established in 1991), *The Union of Baltic Sea Cities* (also established in 1991), *The Council of Baltic Sea States* (founded in 1992), and *The Nordic Council of Ministers*. At a number of points in our report we shall refer in particular to the *Ars Baltica* seminar on *The Cultural Responsibility of the State* that took place in Stockholm in 1994.

The Baltic Assembly is formed by the delegations from the Estonian, Latvian and Lithuanian parliaments with 20 deputies from each. Each of the parliamentary delegation members is involved in one of six working committees, including one for Science and Culture. Two important developments during the Assembly's fourth and fifth sessions held in 1994 were the formation of the Baltic Council of Ministers and the establishment of the Baltic Assembly Prizes for literature, art and science.

A trilateral agreement of cultural cooperation between the Ministries of Culture of Estonia, Latvia and Lithuania was signed in Vilnius in 1994. A programme of cultural cooperation was signed in Riga in February 1997, including guidelines for cultural cooperation, the exchange of information about cultural events, legislation, exchanges of delegations, contacts between artists, and encouragement for the work of the Baltic Heritage Committee. A trilateral conference on Baltic Cultural Cooperation will be held in Tallinn in October 1997.

A more detailed account of the principle Baltic and European networks for cultural and economic cooperation in which Lithuania is involved is provided in Appendix iii. In this section we attempt to describe the European dimension of Lithuanian cultural identity from an historical perspective.

Lithuania stands at the geographical heart of Europe and a very important part of Lithuania's cultural heritage is also essentially and immediately recognisable as European. We are more specifically reminded of this in the heritage of the baroque era: in the painting, sculpture, literature and, above all, architecture which represent Lithuania's position in the 17th century at the centre of the multinational and multireligious Grand Duchy.

In her introduction to an excellent guide to the Council of Europe Baroque Route in Lithuania, Irena Vaisvilaite points out that one of the distinctive features of Lithuanian Baroque is its success in fusing different ethnic and religious elements, without unifying them, and she suggests that this results directly from the Grand Duchy's openness to expressive motifs and foreign influence. She also points out that Lithuania's openness to other cultures is a still older tradition that can be traced to the second half of the fourteenth century, when large numbers of foreign craftsmen and merchants - Germans, Russians, Armenians, and Jews - emigrated from Western Europe in the wake of the Black Death and settled in Lithuania's towns.

"In a certain sense, baroque Europe and the greater baroque world are the Europe and the world of our dreams: multi-national and multi-faceted, sometimes rich, sometimes poor, but homogeneous from the Mediterranean to the Baltic and Black seas, from the Ukraine to Brazil. It is a Europe and a world in which one feels at home, a Europe and a world capable of maintaining a balance between variety and homogeneity..."

Anyone visiting Lithuania for the first time can readily appreciate this perception for themselves.

A few years ago Lithuania symbolically recaptured this dimension of its cultural history by joining the Baroque Route as part of the Council of Europe's Cultural Routes programme. In 1996 that decision was celebrated in a programme of major exhibitions, events and publications, with the following aims:

- to familiarise European society with the heritage of Lithuanian Baroque culture
- to bring the baroque heritage to life
- to protect and preserve the legacy
- to develop cultural tourism

It was also a timely reminder, as Irena Vaisvilaite writes, that a route of "devastated baroque" also exists and that "some elements of this three-hundred-year-old reality in Lithuania survive only in street and district names, leaving us today with a sense of loss and guilt. We can only try to imagine towns with large Jewish communities, and Tartar, Karaim and German neighbourhoods as a reality rather than a vague memory." In spite of this painful and quite recent history she believes that "an acquaintance with Lithuanian Baroque undoubtedly helps us to better know Lithuania itself, to reveal the scarcely visible but existing theatrical and mysterious elements of its culture. The baroque vision of the world still glimmers under a veil of northern restraint and comes to the surface in numerous manifestations of contemporary artistic culture."

After 40 years of isolation from the rest of Europe, Lithuania has begun to recapture a full sense of her threefold cultural identity and of the historical continuity of Lithuanian culture in Europe. Lithuania joined the European Cultural Convention in May 1992 and became a member of the Council of Europe on 14 May 1993. Since regaining independence, Lithuania has again opened her doors to outside influences on the development of contemporary Lithuanian culture across a wide range of activity. Nor is this a one way process: Lithuanian contemporary culture is not yet as well known outside Lithuania as it deserves to be, but international exchanges, including artist-led projects, institutional links and training initiatives, are already making an important contribution to the government's European integration policy. In the cities, this is reflected in a growing number of international mixed programme arts festivals and joint ventures in partnership with foreign governments or their agencies, with independent foundations and the Council of Europe.

On regaining independence Lithuania moved with commendable speed to reassert the multi-national and multi-faceted cultural values on which her Baroque heritage was created, by passing an enlightened citizenship law and by establishing a Department for Minorities directly responsible to the Prime Minister and with access to all government departments. As yet there are few signs in Lithuania today of multi-cultural initiatives as distinct from multi-national ones. However, we confidently predict that these too will become an accepted and welcome dimension in cultural life in Lithuania, as they already are in many other European countries, and with similarly profound implications for cultural policy and for the way in which cultural institutions develop their programmes and approach their audiences.

The Lithuanian Diaspora

The National Report reminds us that about one million people of Lithuanian origin live abroad, the largest and most active groups in the USA and Canada. For a small nation, these are large numbers of people who constitute an important diaspora which bears witness to the homogeneous nature of Lithuanian society and sustains a strong interest in Lithuanian language and culture, particularly for the younger generation. During the years of soviet occupation in Lithuania, they played a significant role in speaking openly about historical events and issues of national identity, and by continuing to promote the values of traditional Lithuanian culture in the authentic forms censored by the soviet authorities.

In Kaunas we heard that the American Lithuanian Foundation in Chicago has agreed to contribute \$300,000 towards the cost of installing modern lighting, humidity and security systems at the MK Ciurlionis Gallery. We doubt if this is an isolated example of such generosity and we feel sure that Lithuanians in exile will continue to support the development of culture in Lithuania as well as being among its most effective ambassadors abroad.

Among the diaspora can also be found a generation of Lithuanian artists who have worked in the West for many years and who understand the very different challenges that confront the artist in a market economy. In 1982 the theatre director Jonas Jurasas wrote to the distinguished critic Irena Veisaite from New York,

"There are no obvious enemies here. It is easier to go limp, to disintegrate, having escaped that familiar pressure-cooker effect. It is more difficult to deliver one's vision across an amorphous space, because here a different kind of despotism prevails - not crude coercion but a sophisticated lulling temptation to yield to 'market' demands."

Jurasas recently returned to Lithuania to direct a striking new production of Aida for the Opera and Ballet Theatre in Vilnius in which the doomed lovers are finally crushed by Verdi's grand piano.



New lamps for old? Cultural policies in Europe in the 1990s

Since the days of *perestroika* in the mid-1980s, the arts and cultural sectors in the Baltic Sea Region have been among the first to initiate new forms of cooperation. The first Ars Baltica symposium was held in Kiel in 1990 and the Ars Baltica network has rapidly developed to become a platform for cultural cooperation and debate. The network is maintained by the representatives of nine countries - Poland, Lithuania, Latvia, Estonia, Russia, Finland, Sweden, Norway, Denmark and the two German States of Schleswig-Holstein and Mecklenburg-Vorpommern. It coordinates contacts and facilitates exchanges between artists, and organises events and touring exhibitions as well as seminars and conferences.

In August 1994, representatives from the ten Ministries of Culture in the network met outside Stockholm to discuss *The Cultural Responsibility of the State*. This seminar, funded by the Council of Europe, generated a lively debate, and provided a valuable exchange of experience and information between European countries experiencing very different social, economic and political circumstances. It was also the first occasion since independence when Lithuanian cultural policy was discussed in an international context. The seminar reflected a mutual interest in addressing a number of issues for national cultural policy which are of continuing interest and concern not only in the new democracies but across Europe: these include,

- the balance between public responsibility and the market
- the relation between central authorities and regional and local authorities
- what tasks should be left to the state?
- the organisation of state cultural administration
- the state's special responsibility in relation to the international community

The seminar confronted the major difficulty that in the search for a new model of cultural policy and cultural administration international comparisons are at present of little value. National cultural policies - or, more generally, models for guiding cultural development - have in recent years been in flux in all Western democracies. Some years ago it was still sensible to make a distinction between two Western cultural policy models, that of the Facilitator State (ie an American type of liberalist cultural policy relying to a great extent on private charitable financing and sponsorship) and that of the Architect State where cultural policy was considered a part of the overall social security and public services policies of the welfare state. These models, developed as they were by researchers, never provided much guidance for practical cultural policy decision making and administrative systems and during the past ten years or so the distinctions they propose have become increasingly meaningless.

The failure of such general models has been due to the changing national and international contexts for cultural policy and administration. Enhanced international competition and transnational and global integration in the world economy have been feeding instabilities to national economies. Even in the so-called welfare states, public policy makers have responded to these instabilities by stringency measures which have increasingly come to

resemble those adopted earlier by the proponents of neo-liberalist ideologies. Such instruments as *new flexible redistribution of financial responsibilities between different sectors and tiers of public authorities and financing based on performance assessment, tenders and contracts* are now widely used in most Western European countries.

On the other hand, the economic, political and social importance of culture is now recognised even by the implementors of neo-liberalist policies, who have started to provide culture with both *increasing indirect support (eg through tax reliefs)* and *direct support from earmarked funds (eg lottery revenues)*. In all Western European Countries - and especially in the policies of the EU - *funding of cooperative projects, financed jointly from diverse public and private sources* - is emphasised, and *the applications of new information and communication technologies* are used to make project planning, monitoring and assessment more effective. In policy planning and implementation the role of the *multi-level hierarchical bureaucracies* - be they national or international - is receding and the role of *free-floating expertise and networking* is increasing.

In the light of the very rapid and fundamental changes - political, social, economic, technological and cultural - that have been taking place in Europe and across the world during the 1990's the challenge to evolve new models of cultural policy is to say the least considerable. Two recent reports which take up the challenge should be mentioned here. UNESCO's report, *Our Creative Diversity*, was published in 1995. It takes a global view of the increasingly complex and problematic interactions between culture and development.

The report considers the issue of how the world's people can be helped to forge their own paths without losing their cultural identity and sense of community and makes a passionate plea for culture to be recognised as a positive and creative force at the heart of sustainable development policies:

"...culture shapes all our thinking, imagining and behaviour. It is the transmission of behaviour as well as a dynamic source for change, creativity, freedom and the awakening of innovative opportunities. For groups and societies, culture is energy, inspiration and empowerment, as well as the knowledge and acknowledgement of diversity...the challenge is...to promote different paths of development, informed by a recognition of how cultural factors shape the way in which societies conceive their own futures and choose the means to attain those futures."

The Council of Europe Report *In from the Margins*, published in 1996, also takes up the theme of culture and development, and places it in a European context. The report questions the relative isolation of culture at the margins of public policy, advocates the integration of cultural policy at the heart of government, and urges that millions of dispossessed and disadvantaged Europeans must be brought into the cultural debate from the margins of society. The report argues that culture has both an intrinsic value and that it can or does make an impact on economic and social development, communications, leisure and tourism, urban and regional planning, education, minority rights, and international relations. However, the report concludes that culture must now be brought into the heart of government if the most is to be made of these multiple interactions and if culture is to become a consistently effective instrument of public policy.

We might call this the "integrated" approach to cultural policy development - not so much a model, more a habit of lateral thinking. At a national level the basic requirements are: clearly articulated goals and strategies plus the means to ensure effective cooperation between all

the relevant ministries to enable governments to take account of the cultural implications of their decisions. At the regional and local levels, a systematic process of integration is also needed: with local and regional authorities taking responsibility for establishing cultural strategies linked to planning, economic and social development, and education, and for involving artists and cultural institutions in the decision-making process. Finally, it will be obvious that the "integrated" approach creates a need for new ways of working and a reconsideration of the structures required for the implementation of policy at all levels in the system - governmental, institutional, national, regional and local. We examine these issues in more detail elsewhere in the report.

In attempting to précis these two substantive reports it is important to avoid any suggestion that a successful cultural policy can be devised or imposed from above. In fact the reverse is true; the development and evolution of cultural policy has to be a bottom-up process involving wide-ranging consultation, research and analysis in order to identify the needs and aspirations of all sectors of the community, including artists and cultural institutions, and to achieve a consensus in society.

In conclusion it must be said that there cannot be a single model or any overall development formulas for reforming cultural policies and cultural administration in the new democracies - or, for that matter, in any democratically ruled country. The reforms must be tailor-made taking into account both the unique historical features of the given country and the universal modernising pressures stemming from the changes in international economic, political and technological systems.

Lithuanian cultural policy in transition 1990-1997

The new Lithuanian constitution provided important guarantees for freedom of expression in general and state support for culture in particular, including support for ethnic minorities. The Lithuanian Government's 1991 programme *Market, Democracy Freedom* set out a new direction for cultural policy and included, as a specific objective, the development of a Lithuanian Cultural Policy Model. The National Report tells us that the government's commitment to this reflected ideas that had been raised during the first Congress of Lithuanian Culture in 1990, and that it looked in particular to Scandinavian models.

Such a model would imply - in very general terms - a welfare oriented approach to cultural policy in which the Ministry retains a strong role in policy-making but delegates much of the detailed implementation of policy to a structure of boards and councils which operate more or less at "arms length". It will become apparent that this fairly clear separation between policy-making and policy implementation which is a characteristic of the Scandinavian models has not so far been adopted in Lithuania. It will also become apparent that the complex issues in relation to the decentralisation of cultural resources and decision-making to the regional and local levels, which have also been a feature of debate in the Scandinavian and Nordic countries during the 1980s and 1990s, are proving to be even more problematic in the new democracies.

In 1991, the Lithuanian government based its programme objectives for culture on freedom of expression, the democratic process, and the so-called arms-length principle. According to this principle, the government would provide a policy framework and financial support for culture but distance itself as far as practicable from the detailed allocation of funding, and from the day-to-day administration of cultural institutions. Financial decisions would be reached through independent and publicly accountable executive structures; progressive

decentralisation to the local authorities would be guided by the principle of subsidiarity in order to bring decisions as close as possible to the point of delivery. The development of fully independent self-governing cultural institutions, and their involvement in developing cultural policy, would be encouraged. The principle of plural funding would be promoted in order to expand opportunities and limit the burden on the public sector. Maximum integration would be encouraged between the government's cultural, education and social policies, and be reflected in practical collaboration at the institutional level throughout the system.

It was not expected that all this would happen overnight but a determined start was made. The Ministry established Expert Commissions to advise on each of the main areas of cultural activity, led by an umbrella Council of Culture and Art. The Government clearly intended this structure to work at arms length with a large measure of independence to determine priorities and decide on the detailed allocation of grants. The Ministry also began the process of decentralisation to the democratically elected local authorities. A growing number of independent organisations were set up, and the principle of plural funding was introduced. The combination of Culture and Education under one Ministry in 1990 encouraged an integrated approach to the development of cultural policy between the two departments, with particular reference to the value of collaboration between museums, schools, libraries and other cultural and educational institutions.

The National Report tells us that following the elections in 1994, there were no major changes in the general direction of these objectives under the new Government, although it is possible to discern in the revised government Programme a certain emphasis on the heritage, on historical continuity and on national cultural identity. In 1996, following a further change of Government, the new Minister told us that he too did not foresee any major change in the existing policy objectives. This might suggest a welcome measure of consensus on cultural policy between the main political parties. However, by 1996, it had already been apparent for some time that the process of reform and development begun in 1991 had lost much of its initial momentum.

It is difficult for us to judge whether cultural policy fell victim to the pace of change in the economy generally, or the financial crisis of 1994 in particular, or whether specific responsibility for the loss of momentum can fairly be laid at the door of the Seimas or of successive Ministers of Culture. The fact that the Seimas debated cultural issues only once, in 1993, and then reached no conclusions, is not an encouraging sign. As to the Ministry, the indications are that a number of key operating principles have become blurred. Policy formulation and policy execution are not clearly separated in practice and the Minister retains the power of decision on grants. In general there appears to be a good deal of improvised decision-making and not enough emphasis on objective evaluation. Similarly, the process of decentralisation appears to have lost impetus, if it has not actually gone into reverse, as a result of the initial difficulties encountered, which have not been inconsiderable.

Public financing of culture in Lithuania: a comparative overview

The Lithuanian National Report gives a good overview of the most recent developments in the public financing of culture. Its review of the 1989 report *Economic Functioning of the Cultural Sector in the Republic* provides historical background material about developments before liberation. Before turning to interpret this data, we can make some comparison with data for other European countries. (Appendix iv) Although this data is by no means entirely

reliable, and does not cover the situation in the later years of the 1990s, we can still make some inferences which help us to interpret the Lithuanian figures.

1. It is exceptional that cultural outlays/expenditure should exceed 2% of the total public budgets (final column). Where this occurs the reason can be exceptional public interest to support culture (as in France) or a "broad" definition of culture (eg in Germany the spend on adult education probably boosts the local authorities' spend on culture) It should be noted that a high share can also be caused by economic instabilities: for example, sudden overall cuts in public budgets where the spend on culture has been inelastic - or too insignificant to be even noticed.

2. Despite the economic problems and the imposition of stringency measures at the turn of the decade, the % share on cultural outlays/expenditure remained rather stable in Western European democracies. Nor can significant changes be detected in the division of financing responsibilities between the tiers of government.

3. Three new democracies, Bulgaria, Czech Republic and Poland, are included in the comparison. In the case of the latter two the signs of liberation and related changes in the financing of culture can be easily detected. The share of financing for culture has significantly fallen and a considerable amount of financing responsibility has been transferred from central government level to local government level. This is all very much what could be expected as a consequence of the privatisation of the media and cultural industries, the strictures set on the state budgets and the sudden reform of the lower tiers of government. Bulgaria seems to display still in 1992 a rather centralist approach to financing culture; the state still bears the main financing responsibility and has increased its relative share of total public financing.

Tables 2 and 3 (Appendix v) summarise the information on overall public financing in Lithuania contained in the National Report. Although the periods of time and the breakdown by central and local government differ, the comparison of the Lithuanian data with that in Table 1 offers a basis for three main observations:

1. The present overall level of public financing of culture in Lithuania has remained relatively high and, despite a minor fall in 1995 from the previous year, was 2.22% of the total public budgets (ie the State budget plus the aggregated budgets of the local self-government units). It is also high as a ratio of the GDP - close to 0.50% which, of course, is partially due to the fall in the national domestic product in the early 1990s.

2. Central government financing (through the Ministry of Culture, measured as a ratio of the total state budget) seems to have fluctuated in the early 1990s, but has now stabilised at the 1990 level. The growth from 1994 to 1995 (45.3%) was somewhat higher than the actual rate of inflation (35.7%) in 1995: however, this was mainly due to new appropriations for third sector "projects and programmes" (eg 3.5 million Lt to be allocated as aid to projects and programmes of non-profit "public" organisations). Comparing the growth rates with the rate of inflation does not tell the whole truth: under the conditions of transition the capital costs (rents, repairs, energy, maintenance and acquisition of facilities) have escalated much faster than the average inflation rate.

3. As to the division of financing responsibility between the two main tiers of government, the share of local government as a final user of the total public financing of culture was 53.3% in 1995, down from 54.3% in the previous year. (Even this fall is due to

the increased central government spend on projects and programmes. However, it should be remembered that out of the 56 local self government units only 12 (six cities and six district units) are able to cover their own expenses. The remainder receive subsidies in the form of a "lump sum" from the state budget for different sectors of activity, sports and culture being one of these sectors. In the case of culture the lump sum compensates at best for salaries and some of the capital costs of cultural institutions; the local government units themselves must find the resources for institutional activities, projects, special programmes, events and festivals etc.

Differences in the relative burden for financing culture are also pronounced. The spend on culture in major cities (like Vilnius), having national ("republican") institutions, are only some 1-2% of the total budget, while in other local authorities (like Klaipeda) trying to maintain high level diversified cultural services, the share is 3-4 %. It is obvious that the poorest local authorities have no flexibility and are able to maintain only minimum cultural services.

If we look at the present "Lithuanian model" from the comparative perspective of Table 1 above it does not seem to follow either of the financing patterns of the new democracies. The central government (more specifically the Ministry of Culture) is still the main centre giving direction to public financing, but there has been a definite turn to a new course with a focus on projects, programmes, support for artistic creation and greater third sector (non-profit) involvement. Furthermore, the main brunt of keeping cultural services and activities going across the country has been handed over to the units of the new system of local self-government.

Thus the "Lithuanian Model" comes closest to the Nordic welfare state model, functioning under conditions of extreme economic stringency, as was the case in Sweden and Finland in the early 1990s. The differences are of course also very pronounced: the two Nordic countries had a very modern structure of cultural institutions and service systems, they had a long tradition of local self-government accustomed to taking care of people's basic cultural needs and, despite the economic stagnation of the time, the basic social security system did prevent the exclusion of any section of the community.

Constraints on reform

There are several constraints which prevent the present Lithuanian cultural policy model from evolving in a modern direction and functioning effectively. The main ones are:

- the lack of money, especially under conditions in which capital costs are escalating
- the outdated basic infrastructure (aggravated by problems related to the restitution of property)
- the lack of a tradition of local self-government
- the exclusion of certain sectors of the population (eg lower income groups, pensioners, the unemployed, from any normal social life, including cultural consumption and participation in cultural activities)
- contradictions in legislation

These constraints prevent modernisation in the institutional sector and the introduction of new modes of resource allocation and management. The effects appear in two areas.

First, the lion's share of the financing by both the central government and local authorities goes at present to cultural and art institutions. In the case of central government financing the share of these institutions (libraries, museums, theatres and concert organisations, cultural centres) was 69.9% in 1995 (down from 72.3%, because of increased spending on projects and programmes. Local authority spending on institutions (libraries, museums, cultural centres, cinemas and theatres) was even higher in 1995, more than 99%, if the investments and capital costs (accruing mainly from the institutions) are included.

Second, as the National Report indicates, the share of self-financing in the performing arts (service fees, ticket revenues) has been steadily declining. This is due to a sharp decline in audiences and also to an overall decrease in the numbers of performances. It has been pointed out that this has led to a sharp increase in the public subsidy per ticket sold for theatre and concert performances; yet these increases have been less than the rate of inflation: the institutions and the audiences have thus borne a part of the brunt both of inflation and of the additional escalation of costs over and above the inflation rate.

These effects have led to an insoluble dilemma or catch 22 situation. There is a need to start building a new, business-like and more self-financing institutional network less dependent on public financing. This, however, cannot be done, because it would require considerable new initial investments and these, in turn, cannot be financed because of the tendency to maintain the old institutional structure for minimum basic services.

It should also be remembered that under the Soviet system political and ideological control was exercised through complex and often apparently decentralised structures: the interlacing party, trade union, professional and government organisations and the great variety of home organisations - districts, trade unions, collective farms, schools etc - which were reflected in turn in the operation of cultural service units such as libraries and cultural centres. This structural complexity also meant that public funding for the arts and culture was channelled to the service organisations, institutions and artists through a variety of intermediate organisations; but this was generally overlooked in the first flurry of liberalisation and reform, so adding to the complications of the subsequent transition processes. These processes were seen as straightforward tasks of reorganisation, whereas they should have been recognised as an immense jigsaw puzzle.

This oversight was also apparent in Lithuania's post-liberation cultural policy and administration. Hasty decisions on the higher executive level cut off important channels to creative work and also led to disintegration and unsystematic "thinning" in service networks (eg local libraries.) Attempts have been made to correct these mistakes and to prevent new ones by means of sectorial legislation - the Seimas and the government between them have passed some 50 laws and legal acts which directly or indirectly affect cultural activity - but gaps and inconsistencies remain serving only to increase confusion on the level of local authority funding, the economic status of artists and the functioning of service networks.

In the final analysis, the ensuing practical problems had to be solved by the Ministry of Culture - or, as a last resort, by the Ministry of Finance - on an ad hoc basis. The machinery of the Ministry of Culture had not yet been tuned to do that and difficulties were accentuated by the frequent changes and restructuring of the cabinet. Problems were not made easier by the territorially deconcentrated nature of Lithuanian cultural life and they have been accentuated by the instability of ministerial jurisdictions and areas of responsibility. In cultural affairs this instability has been especially reflected in the decisions concerning the relations between education and culture: whether to keep them under the

umbrella of one minister or to have two separate ministries. It should also be noted that national minority issues, including cultural rights, belong to the jurisdiction of a special agency, the department of National Minorities and Regional Problems, which is directly accountable to the Prime Minister.

Some options to resolve the dilemma

It has been noted above that the government and the Ministry of Culture have been trying to steer financing in a new direction by favouring new programmes and projects and enhancing third sector (NGO) participation. This is of course laudable but these efforts can lead at best to the provision of complementary activities to those carried out within the more traditional framework. In order to resolve the above catch 22 situation, there is a need to begin building a more permanent and gradually expanding network of activities partly outside, partly alongside the present network of institutions. During our visits in Lithuania we could see the embryos of such a network in the form of private galleries, artist-led schools of visual education, new theatre groups, business-sponsored permanent exhibitions, jazz clubs and bands etc. However, there is no system for monitoring the emergence, quality and commercial success of these new elements and between them and the more traditional cultural institutions.

Much of the efforts of post-liberation governments in the field of cultural policy and cultural development have been directed to defining the basic principles and providing the overall legislative framework. These efforts have been laudable, and some of them have resulted in good legislation stabilising the situation and laying a foundation for expanding the financial base. However, there is a need for more concrete action, both in terms of financing and strategies aimed at institutional changes.

As to financing, one option which the government is contemplating is to create a system of public earmarked funds for culture from such sources as lottery or excise duties on tobacco, alcohol, gambling etc. This may be an unavoidable course of action but it also has its inherent dangers which should and can be avoided.

- First, due to strong corporatist and political pressures the main financing flow from the new sources could after all be diverted to maintain the old institutions, while the new activities aiming at self-sufficiency are given only crumbs or are left to make their way alone as before
- Second, new funds are often channelled to to visible, emblematic projects and programmes which easily contract "Baumol's disease" (the escalation of costs and debts) and exhaust the new sources of finance.

Thus, whether such new sources of financing are created or not they do not absolve public cultural policy makers and administrators from strategic planning aimed at bringing about institutional change and more effective management. In order to do that there is a need

- First for systematic monitoring and assessment of "prospective" or "innovative" activities in the manner referred to above.
- Second to reassess the legislative framework and the system of taxation and revise it in a manner which favours - or at least does not penalise these activities.

- Third to set aside a special public fund or "endowment" the exclusive purpose of which is to direct support to these activities, to provide them with infrastructure and facilities (especially in the context of privatisation and restitution of properties), and to enhance cooperation in a manner favouring greater synergy between such activities and the more traditional institutional activities.
- Fourth, to provide further and more intensive training in managerial skills, (as the Cultural Workers' In-Service Training Centre has already begun to do), including training in the use of new information and communication technologies and their application in management and in cultural activities

Furthermore, while doing all that, the decision makers and administrators should pay attention to the three main dimensions of equity: the territorial equity, the equity between different forms of art and culture, and equity in terms of open (ie non-elitist) recruitment.

Implementing change: new structures for new tasks

In the absence of a clearly defined cultural policy, transparent operating principles, and realistic targets for the Ministry itself, there is always the danger of the policy becoming simply the sum of those activities which are currently funded. The attempt to protect as much as possible of the existing cultural infrastructure has perpetuated a situation which, according to the National Report, had already been recognised prior to independence as "not positive". It has also imposed a continuing financial and administrative and policy straitjacket on the operation of the Ministry itself.

Without going into detail, the National Report makes the point that other government departments besides the Ministry of Culture have a direct and indirect influence on the cultural life of the country and on the development and implementation of cultural policy. A closer analysis could be revealing. We believe it is important to assert that a policy-led investment in culture can also contribute in cost-effective ways to the achievement of government objectives in other areas: social services, municipal affairs, urban planning, economic development, national minorities, international relations, and of course in education. Much of this potential will be lost if there are not regular, and possibly formal, links between the Ministry of Culture and the other Ministries responsible.

With the exception of the Department for Regional Problems and National Minorities and the Ministry of Education and Science, we saw no real evidence of such links and in the case of the Ministry of Education and Science we were told that the links are not considered adequate. The Department for Regional Problems and National Minorities is a special government agency directly responsible to the Prime Minister and with access to all the relevant Ministries most of which have designated liaison officers. In a more ideal world, we would like to see the Ministry of Culture in a position to operate in a similar fashion!

Our general impression is that the Ministry has become somewhat more isolated since its divorce from Education in 1994. We would not recommend a remarriage but if the Ministry of Culture is not in a sufficiently strong position to influence the larger spending departments effectively on issues of policy, and to contribute to their decisions on a regular basis, many valuable opportunities for the further integration of culture in national life will be lost, and there is always the danger that culture could be increasingly marginalised.

A critical test for success will be the willingness of the democratically elected local authorities to develop their own cultural policies, to embrace a similarly integrated approach, and to accept a genuine devolution of responsibility for those central resources, the allocation of which can best be determined at the local level. We recommend that the Ministry should vigorously pursue decentralisation to the local authorities, based on the principles of subsidiarity and devolution, and engage with the County administrative units to support this objective.

The important tasks now facing the Ministry include

- more effective policy coordination, development, and review within the Ministry of Culture
- policy-led initiatives in cooperation with other Ministries
- local and regional cultural policy development in partnership with the municipalities and counties
- deconcentration and decentralisation programmes
- third sector (NGO) development
- in-service and cultural management training
- international relations and European integration

There is a wider implication here for the role of the Ministry of Culture and for its organisation. The current organisation is based almost entirely on a vertical structure of specialist professional divisions according to subject. The longer the transitional period goes on, the more urgent it becomes for the Ministry to give a strong lead on the wide range of issues which to a greater or lesser extent affect all divisions, and the less viable the current structure appears to be without substantial modification. In order to address the tasks listed above, and other tasks, we believe the Ministry should review its internal organisation, within current budgets and staffing levels, and develop an appropriate horizontal structure. We also believe that there are three specific steps that the Ministry should take in the context of this organisation review: the establishment of a Cultural Policy Unit at the Ministry; strengthening the Culture and Arts Council; and creating a Museums Council for Lithuania.

A Cultural Policy Unit at the Ministry

We believe there is a strong case for setting up a Cultural Policy Unit within the Ministry of Culture. The unit would have a specific brief to maintain effective links with other Ministries, as well as having a wider responsibility to monitor the implementation of cultural policy, manage arrangements for its periodic review, monitor and coordinate legislation affecting culture, develop the collection and analysis of cultural statistics in collaboration with the government Department of Statistics, and coordinate the Ministry's research activity.

Strengthening the Culture and Arts Council

We recommend that the Minister should act to strengthen and extend the role of the Scandinavian-style Culture and Arts Council which was formed in 1991 and which currently functions as an umbrella body for the various Expert Commissions at the Ministry. The National Report indicates that the Council is not considered to be altogether successful in its present somewhat limited advisory and consultative role. We recommend as a way forward that the Council be given separate legal status and more rather than less responsibilities: in particular, we believe that it should have a significant grant-making as well as advisory

function. The Minister should continue to appoint the Council members, having taken appropriate advice, but criteria for appointment to the Council should be published.

As the Council gains in confidence and experience, it should emerge as a classic arms-length body, funded by but working at one remove from, the Ministry, with specific responsibility for consulting with the Expert Commissions, for detailed grant-making decisions, and for monitoring and advising on policy. We recommend that the Culture and Arts Council should be responsible for the detailed distribution of funds from the proposed Culture and Art Endowment within policy guidelines determined by the Minister.

Creating a Museums Council for Lithuania

Museums provide an invaluable resource for individuals and communities alike and Lithuania is rich in Museums. However, in meeting contemporary needs, they are increasingly required to compete with modern communication media, such as colour television, colour magazines and computer games. In order to meet this competition, museums need up-to-date advice and information about products and services, high quality training about marketing and visitor care and the stimulation of pump-priming grant-aid to help initiate and develop new ideas.

We are persuaded that the Ministry of Culture should establish an autonomous self-governing Museums Council for Lithuania which would receive government funding, and be responsible for the detailed distribution of funds from the proposed Culture and Art Endowment within policy guidelines determined by the Minister. The Council would be given separate legal status, with its own board of management and employ at least three members of staff to support its role in providing advice, information and grant-aid to all museums that are not nationally funded as budget organisations.

A large part of the Council's funding should be devoted to grant-aiding projects in the eligible museums. These grants might support up to 50% of the costs of educational, display, conservation and documentation projects. Applications which show originality and innovation would receive priority support. In this way, relatively small amounts of money could be used to raise the standards of the services museums offer to the public and the care they provide for their collections. It is worth noting in this context that the Restoration Centre undertakes free restoration work only for the 15 state museums: at present all other museums must rely on their own slim resources and in this situation important artefacts decay because their conservation cannot be afforded.

The Museums Council could also take responsibility for a small purchase fund which would allow it to support the purchase of important artefacts which increasingly will become available through the art and antiques trade.

The Museums Council could also take the lead in discussion with the Museum Expert Commission of the Ministry and the Lithuanian Museums Association on the development and implementation of a system of Museum Registration and standard setting. In due course such registered museums could be designated for priority funding from the Museums Council, so rewarding the achievement of better standards.

Museums Councils are well established throughout Europe and function in the manner described above. They have been found to be cost-effective and efficient and have significantly raised the standard of museums.

National Cultural Policy; regaining momentum

Since independence, the development of a Lithuanian cultural policy model has remained an objective which continues to prove elusive. In 1994, an independent group of artists and intellectuals, apparently frustrated by the lack of progress, drew up their own Provisions for Cultural Policy and presented them to the Seimas without reference to the Ministry which was subsequently obliged to prepare an alternative draft. In 1996 the second Congress of Lithuanian Culture called for these two separate documents to be reconciled and combined, and the task of drafting a new and unified set of postulates for cultural policy is currently entrusted to a working group which is expected to report in September 1997.

We hope that the Seimas will take this opportunity to clarify and give renewed impetus to the government's responsibility to give the lead in cultural policy based on clearly stated principles. We further suggest that the government's role should be:

-
- to provide an enabling framework which is unified but not uniform
- to identify key issues, priorities and operating principles
- to establish a principle of continuity in cultural policy
- to establish broad objectives
- to stimulate a diversity of independent initiatives
- to work in partnership, and to consult with, local government, the private sector and cultural institutions
- to direct the allocation of central resources and champion the provision of additional budget funds
- to provide benchmarks for periodic review and evaluation
- to lead on the development and delivery of in-service training
- to validate linkages between cultural and economic activity
- to lead on the cultural application of new media and technology
- to support the international dimension of national cultural policy

We hope that when the new document is ready the Seimas will debate, endorse and publish it without delay, and that its publication will mark a new beginning for the development of cultural policy in Lithuania. We recommend that the Minister should make a report to the Seimas, which should be debated, at least once a year.

Decentralisation in cultural policy: an international debate

"Regional and local authorities should be given the responsibility to establish comprehensive cultural strategies linked to their programmes of planning, economic, social, and educational development" *In from the Margins*

The report of the 1994 Ars Baltica seminar, *The Cultural Responsibility of the State*, makes clear the interest that exists in all ten Baltic Sea states in the relationship between central, regional and local authorities in supporting cultural development. In the new democracies, there appears to be a continuous debate as to what the respective roles, responsibilities, and structures should be and Lithuania is no exception. Under Soviet rule all major decisions came from the central body situated in the capital, regional bodies took orders, and local power was nominal rather than actual. In the transition to an open society the elected local authorities are looking for a large measure of self-determination in their management of local affairs. However, the widespread collapse of support for local cultural activities from state-owned collectives and industries, and from local cooperatives, which was common in soviet times, has created an additional financial burden for the state and/or the local and regional authorities to bear.

In each of the ten countries represented at the Ars Baltica seminar, central government is concerned about the issues involved in delegating responsibility to the regional and local levels and may use a number of means to achieve this objective, the main ones being:

- the establishment of norms (legislation/principles etc)
- opinion forming (information and research)
- organisational solutions (divisions of responsibility)
- financial transfers

The ten countries use these solutions in different ways and proportions. In all countries central government is still heavily involved in the permanent financing of cultural institutions and activities at the local and regional levels and, in particular, the financing of a large number of regional cultural institutions. At the same time, the number of applications seeking support for cultural initiatives at the local and regional levels is constantly increasing; and there are large and even growing differences between local authorities with respect to their cultural expenditures per capita. This situation is not unique to the Baltic Sea states: across Europe a common question in cultural policy is how the role of the state in "cultural development" at the regional level should be determined. However in the small Baltic and Nordic countries, the strength of the local level makes a clear definition of the regional dimension particularly difficult.

The Lithuanian local authorities and the decentralisation of culture

"Local and regional authorities play a vital role in the provision of artistic and recreational facilities, the promotion of cultural activities and the achievement of cultural democracy. They thus should have the right and the capacity to formulate and

implement a cultural policy, in the light of a town's specific cultural tradition and the cultural characteristics of its population as a whole" (*European Urban Charter*)

The 1991 government programme set out to decentralise more responsibility from the Ministry to the local authorities for the cultural institutions in their areas. It is not hard to understand why this policy is proving slow to implement. A lack of political continuity at both central and local levels has been a significant factor. Since independence, there have been three general elections and seven changes of government. Until 1995, local council elections were held every two and a half years, and every two years until 1997; in future they will be held every three years. In 1994, the structure of local government changed radically with the abolition of the smaller elected units (apylinkes), and the introduction of the 10 non-elected County administrations (apskritys).

According to the National Report, frequent political changes at the local authority level have resulted in short-term decisions rather than long term policies and have also been the cause of a rapid turnover in senior departmental appointments. The closure of more than 900 of the cinemas delegated to Municipalities in 1990, and the closure of smaller, but still significant, numbers of public libraries and cultural centres also undermined confidence in the decentralisation process. The government's reaction has been to oblige local authorities to obtain prior approval from the Ministry for the appointment or dismissal of senior officials, and for the establishment, reorganisation or closure of budget organisations.

In general, a balance has yet to be struck between the delegation of responsibilities to local authorities as a branch of central government administration and the devolution to them of discretionary and independent policy- and decision-making powers, and resources within their own jurisdiction.

Our visits in Lithuania included discussions with elected representatives, and/or officials in the local authorities in Jurbarkas, Neringa, Kretinga, Anyksciai and Trakai, as well as in the five city authorities. We also met people responsible for running a wide range of cultural and artistic organisations with the financial support of the Ministry and the local authorities. The populations in these local authority areas are as follows

Population in thousands

Trakai	80.6
Kretinga	45.6
Jurbarkas	40.7
Anyksciai	38.1
Nida	2.6

Source: *Statistical Yearbook of Lithuania 1996*

Throughout the country, the overall pattern of local government funding for culture is dominated by infrastructure support for the maintenance and staffing of the principal building-based institutions - Cultural Centres, Libraries, and Museums. All the local authorities face very similar problems in these areas of activity:

- the high percentage of resources absorbed by building maintenance, utilities and staffing costs
- the low levels of funding available for key items such as book purchase, the acquisition and restoration of exhibits, and the upgrading of equipment
- salaries for librarians, museum specialists and actors are the lowest in the state sector

- in the Libraries the major needs are for computerisation and for better working conditions in the smaller branches
- in many parts of the country museums have been faced with the problem of finding and equipping alternative premises as a consequence of The Law on the Restitution of Property to former owners.

Under the present system of financing, if a local authority ceases to fund a budget organisation it cannot re-allocate the funding but loses it to the Ministry of Finance. Therefore in practical terms the flexibility available to the local authorities, and their possibilities for innovation are extremely limited. In spite of these constraints, they do succeed in maintaining a degree of flexibility by retaining a % of their annual budgets for project funding and by inviting competitive bids. In Klaipeda for example, project funding represents 21% of the cultural budget and the authority uses part of this to influence the state-funded institutions to increase their involvement with children and young people.

The regional dimension in cultural policy

"...regionalisation must not be achieved at the expense of the autonomy of local authorities but must be accompanied by measures designed to protect such authorities and fully respecting what has been achieved through the European Charter of Local Self-Government" *Preamble, draft European Charter of Regional Self-Government, Council of Europe 1997.*

The regional dimension in cultural policy embraces more than a single set of issues or circumstances and can be particularly elusive. One very important aspect is people's own sense of the cultural identity and distinctiveness of where they live. Lithuania is usually described as having four culturally distinct regions - Zemaitija, Aukstaitija, Dzūkija, and Suvalkija. The westernmost area, around Klaipeda, is also usually distinguished from Zemaitija and known as Lithuania Minor - although the two have a great deal in common. As in other countries, people readily identify with cultural regions even when these no longer have any administrative significance; cultural policy on the other hand also has to work with the arbitrary convenience of the administrative boundaries prescribed for systems of regional or local government.

Other aspects of the regional dimension include the relationship between a city's cultural life and institutions and its surrounding catchment area, the "cultural" overlap between neighbouring local government areas, the effective coordination and delivery of cultural opportunities in rural areas (where the current transitional problems may be particularly acute), the criteria for the designation of regional organisations and networks, and the rationalisation and development of the cultural infrastructure as a whole. These complex issues and relationships are all involved in the regional dimension of cultural policy and we do not assume that they are capable of a single solution. In some instances a local authority may be the most effective point of delivery for particular policies. In others, it could be one of the cultural institutions; in still others, new initiatives may be taken independently by artists or groups of local people to lobby for regional services. A diversity of approach should be allowed so that the nature of the activity and the circumstances in the area determine the appropriate structure, rather than imposing a structure on the activity.

The Lithuanian Counties and Public Administration Reform

"Public responsibilities shall generally be exercised, in preference, by those authorities which are closest to the citizen. Allocation of responsibility to another authority would weigh up the extent and nature of the task and requirements of efficiency and economy"
(*European Charter of Local Self-government*)

For many people, the decision of the 1994 Government to introduce 10 Counties (apskritys) as regional units of government administration throughout the country, has complicated the issue of decentralisation to the local authorities and remains controversial. The government's stated aims are

- to ensure the transparency of public administration by bringing local people closer to government institutions and decision-making processes and
- to improve public administration so as to make it adequate to the requirements of the transitional period and long-term social, economic and political priorities.

However, there are those who claim that the new structure of non-elected Counties perpetuates old habits and assumptions and accuse the government of a centralising tendency; their concern is professional as well as political.

The government's clear expectation is that the County Governors, working with the Mayors of the elected local authorities in their areas, should play a pivotal role in the general reform of public administration by,

- making possible a deconcentration of central government functions, and
- establishing the prerequisite conditions for further decentralisation.

It has been suggested that over the next two years a wide range of central functions can be transferred to the County level "which are not inherent to the Ministries as institutions controlling the formation and implementation of policies in a certain field." From the Ministry of Culture, the functions listed include cultural heritage and monument protection and "county agencies in charge of culture".

This suggests that the role of the Counties in relation to cultural policy may be developing in an almost ad hoc fashion by precedent and practice. For example, we understood in Panevezys that the museum had been designated as a County Museum, a status which gave it access to central as well as local funding. In 1997, the responsibility for the Centre for Cultural Activities in South Eastern Lithuania - an important institution for the culture of national minorities - was transferred from the Ministry of Culture to the Vilnius County administration. In the field of Libraries the responsibility for establishing County Libraries remains with the Ministry as part of the national development and modernisation plan.

In the field of Monument Protection the County role is not yet clear but the local authorities we met were concerned to avoid any unnecessary duplication of functions. The present system of monument registration in which the local authorities as well as the central Department of Monument Protection maintain separate lists is already a complicated one, even allowing for the large numbers of monuments involved and the need to classify them according to their importance. In our view a fully integrated system of protection and control is needed and we believe a centralised system to be feasible, practical and desirable.

Our general impression is that the Counties could have a useful role to play, alongside the elected local authorities, and with their support, in fostering cooperation between neighbouring authorities, providing regional coordination and in representing regional needs and priorities to the government. However it is equally clear that they have some way to go to demonstrate their effectiveness and to win public confidence. The most optimistic view we encountered is that a close working relationship between local authorities and Counties will develop over time, that they will become effective advocates for the strategic needs of their regions and, in due course, provide a means for central government to slim down its own bureaucracy. A less sanguine view is that the Counties are a largely irrelevant additional layer of central administration and a recipe for bureaucratic duplication.

We encountered some opposition in principle to the delegation of Ministry functions to Counties instead of elected local authorities as well as some suspicions about the government's real intentions. We feel it is most important that the Counties should not preempt the decision-making powers of the local authorities nor act for them except by their consent. If the Counties are to play a useful strategic, regional role in the development of cultural services they will need to create structures which are clear, relevant and complementary.

We believe it would be valuable for the Ministry of Culture to initiate a more strategic and comprehensive approach by working with each county individually to prepare a costed cultural development programme for its area for the next three years. The preparation of the development programmes would closely involve the local authorities and cultural institutions, and would take full account of the local development programmes which we recommend should be drawn up by each local authority.

The aim for both local authorities and counties would be to agree mutually on policy objectives and priorities in each administrative area of the country, based on quality, sustainability and evidence of need, and on the broad division of responsibilities. The programmes at both levels would include detailed proposals for the deconcentration and decentralisation of financial responsibilities within the overall framework of public administration reform and based on the principle of subsidiarity (even though we understand the Lithuanian government is not yet willing to subscribe to this principle in the wider context of the European Charter of Local Self-Government). These would be rolling cultural development programmes, linked to the annual budget formation process, with provision for joint review by all the partners in year two of each three-year cycle.

Principles for decentralisation

"Where powers are delegated to them by a central or regional authority, local authorities shall, insofar as possible, be allowed discretion in adapting their exercise to local conditions" *European Charter of Local Self-Government, Council of Europe 1985*

If decentralisation to the local authorities is to be a success, there has to be mutual confidence in the process and it has to be policy-led. We propose that the first step should be for each local authority to articulate its own local cultural policy and strategies for implementation. The policy should include objectives and priorities projected three to five years ahead, and be negotiated with neighbouring authorities on aspects needing mutual agreement. Provided the local authorities agree, the Counties might have a strategic role in this process: taking an overview of activities across several local authority territories,

helping to avoid unnecessary duplication, assist joint initiatives, monitor and evaluate results; and consulting regularly with the Local Government Collegium at the Ministry.

We believe it is desirable in principle for the local authorities to have some measure of involvement, reflected in a financial stake, in all the major cultural institutions in their areas. This is not to suggest that responsibility for core funding should be decentralised in every case, or that there will never be occasions when the Ministry is asked to support an organisation after it has been "decentralised". Major creative organisations - such as the State Theatres - should continue to have a direct relationship with the Ministry simply on the basis of their creative work and to avoid any danger of "locally minded" decisions. However, we are convinced that the cultural flagships themselves will increasingly want to cooperate with their immediate local authorities as they develop their core activities to reflect changes in society and as they introduce new ways of reaching and expanding their audiences, for example through education and outreach work, and marketing techniques which can compete for people's attention with alternative non-cultural and commercial leisure-time pursuits.

Our strong impression is that the process of decentralisation in the field of culture by mutual agreement with the local authorities ought to be re-invigorated without delay. It is justified by the principle of subsidiarity, by the motivation and professionalism of the elected members and officers involved, and by the quality of the programmes they are pursuing. Only the local authorities, working with the cultural institutions and artists in each area of the country, can bring about a new relationship between culture and society at the grass roots level. There is also an urgent need for the Ministry to decentralise its current burden of executive responsibilities in order to concentrate more of its attention on those issues that are truly national. Steps should therefore be taken to strengthen the advisory and decision-making roles of the Cultural Boards appointed by local authorities from among their elected Members.

Even in countries where local and regional authorities have long been committed to supporting culture, it should be remembered that it has usually taken them many years to establish a civic tradition of such support, based on a broad consensus between political groups about the nature and scope and of the programme, its policy objectives and financial limitations. Central legislation in this area - other than enabling legislation - is liable to be resented by local authorities as interference. Where a tradition of local government support for culture does not exist, it has to be developed organically "from the bottom up". The sense of ownership and local pride has to be cultivated; it cannot be imposed from above.

At the local authority, as at the national level, culture should be supported first and foremost in its own right. However its value should also be recognised in relation to other areas of policy, for example in education, social services, economic development and urban planning. We believe that an integrated approach, which consistently applies cultural solutions to policy objectives across a wide range of local authority services will bear more fruit than the isolation of culture in one department where it may become marginalised and starved of funds.

Culture in the cities

"Culture should be a cornerstone of urban planning, making a major contribution to sustainable development and the resolution of conflict, helping to preserve the essential balance between growth and conservation and to shape the physical, social, economic

and environmental structures of the city and its surrounding region" *European Urban Charter*

Considered on a European scale, Lithuania's principal cities are of small or medium size.

Population of Lithuanian Cities in thousands

Vilnius	573.2
Kaunas	410.8
Klaipeda	201.5
Panevezys	132.3
Siauliai	146.5

Source: *Statistical Yearbook of Lithuania 1996*

Each of the above cities has a vibrant cultural life, and can show an extensive infrastructure of facilities, so that there are not the imbalances between the capital, Vilnius, and the others cities which are sometimes found in other countries.

Nevertheless, Vilnius is something of a special case. Vilnius old town, so close to the geographical centre of Europe, was added to UNESCO's list of World Heritage sites in 1994. The range of cultural activities supported by the local authority appears broadly comparable to those in the other cities we visited. However, we gained no very clear idea of the City Council's cultural policy or ambitions. The Council appears to spend a smaller percentage of its budget on culture than the other cities. Perhaps this is simply because Vilnius is the capital city, and contains a high percentage of the national institutions? The city obviously benefits from their presence but the local authority may feel it has no particular reason or incentive to become directly involved.

Whatever the cause, we believe that the City Council should progressively strengthen its own cultural policy, with particular regard to the needs and aspirations of local people, including those in the region surrounding the city, and the part that culture can play in social, economic and education policy, and in international relations, as well as supporting culture for its own sake.

In five years' time we would hope to find the City Council itself adopting a higher profile and a more distinctive role in cultural issues than we were able to observe in the course of our brief visit. Perhaps the presence of so much state-supported activity is actually an opportunity for Vilnius to give a certain priority to projects which aim to develop new ways of working in areas such as public participation (arts for everyone), arts in education, youth culture and multi-cultural activities, new media and experimental work, projects initiated by artists, and international links.

In a number of these areas it would be cost-effective for the City to develop its links with the national institutions. It could also seek to engage with its resident artists, and artists from abroad, in the application of the arts to neighbourhood development, urban regeneration and environmental improvement schemes, and the encouragement of broad-based amateur participation and audience development. There would seem to be scope for encouraging more initiatives at the grassroots and further autonomous activities along the lines of the Jurate Stauskaite Youth Art Studio. The results should be monitored and evaluated and widely shared with other local authorities. Vilnius should bring culture in from the margins of civic policy and place it at the heart of its social, economic and education development programmes.

In Kaunas, which was Lithuania's capital city from 1920 to 1939, several major national institutions are to be found, including the MK Ciurlionys Gallery, the Zilinsko Art Gallery, which receives large-scale international exhibitions, the Kaunas State Theatres, a branch of the National Philharmonic Society, and the Kaunas State Choir. The local authority supports an ambitious annual events programme which, in 1997, includes a re-enactment of Napoleon Crossing the River Nemunas as well as the seventh International Jazz Festival and the classical Music Festival recently established at the monastery of Pazaislis which is one of the outstanding monuments on the European Baroque Route in Lithuania. The initiatives to develop cultural tourism in Kaunas are impressive. However, as in Vilnius, we had the impression that the City should give more attention in its cultural policy-making to measures encouraging grassroots activity, artist-led initiatives and small cultural industries, and to the more general integration of culture in other areas of civic policy.

We were struck by the fact that in neither Vilnius nor Kaunas is there a museum dedicated to all aspects of the history and cultural identity of the city up to the present day, and we recommend that consideration be given to creating them. We acknowledge the financial difficulties involved in creating any new museums at the present time but believe that they would be intensively used by their local communities as well as highly popular with visitors from abroad.

We also appreciate that much of Lithuania's recent history is also its most painful. The Jewish State Museum in Vilnius is an eloquent witness to this fact and the museum reflects credit on all the authorities involved in its funding and management. However, we believe there is also now both a need and an opportunity to understand and interpret afresh events such as the Nazi holocaust and the unique European culture which it destroyed in Lithuania, and also the subsequent Soviet occupation and its consequences, in a wider context. That context is the continuous history of the city and its people and its complex identity which today is once again European and multicultural as well as Lithuanian.

"Museums need to broaden their role. Particularly in our cities, they need to represent the knowledge, experience and practices of all those who contribute to the human dimension of the city, to promote the involvement of the entire community in policy and operations, recognising that their working assets are not just their collections but the total patrimony, whether tangible or intangible, of the territory concerned."
UNESCO Report *Our Creative Diversity*,

Klaipeda, at the heart of Lithuania Minor, prides itself on its cosmopolitan identity and international outlook as Lithuania's gateway to the Baltic Sea. Here we found a clear understanding of the need for coherent and complementary cultural policies at the national and local level and the importance of culture as a key factor in the successful management of social, economic and political change. The local authority is keen to ensure that the general public are involved in developing cultural policy and welcomes the fact that artists actively engage with the City's political life.

In order to encourage the fullest possible integration of culture in meeting the City's social, educational, recreational and economic policy objectives, Klaipeda promotes a diversity of approach which is apparent in the work of the organisations we met. For example, the Lithuania Minor History Museum gives a high priority to education work in its development plans as a major museum for the city and the surrounding region. The Simon Dach House, which is an initiative of the German government, provides a focus for national

minorities in the area, including Ukrainian, German, Jewish, Russian and Latvian minorities, and for some joint activities.

This diversity is reflected in the funding arrangements. The youth library receives sponsorship from some of the bigger local companies and has a collection of the latest English language teaching books donated by the British Council. The Simon Dach House is funded by the German Government and by the region's German diaspora; it also receives project funding from the local authority.

We found a similar sense of confidence and independence in Siauliai - city of the sun - the country's third largest city. Standing at the heart of northern Lithuania, and virtually destroyed in both world wars, the city is highly conscious of its position at on the historic route from Berlin to Riga and St Petersburg. Today the city looks forward to the redevelopment of the former Soviet airbase at Zokniai - the largest in the Baltic States - to give new meaning to its economic position at the crossroads of Europe. The local authority recognises that culture -both in the major institutions and at the grassroots - will also play an important part in promoting the city's identity and in competing with other cities in the wider Baltic region.

In Panevezys we were again impressed by a small city's commitment to culture, under difficult fiscal conditions, and by the independent initiatives being taken by a number of small artist-led enterprises - galleries and music groups - as well as by evidence of positive leadership from the main cultural institutions like the Gallery and the Museum. The close proximity of a remarkable range of organisations and activities in the city centre suggests the concept of the "cultural quarter" which is quite common in some much larger western European cities. We suggest this concept should be explored with a view to joint marketing initiatives aimed at promoting a stronger identity for Panevezys as a cultural destination as well as raising the profile of the individual institutions which could otherwise become isolated in their struggle for financial survival.

Local Government Collegium at the Ministry

During our visit to Jurbarkas we had the opportunity to meet a number of the current members of the national Collegium of Local Government which was established in partnership with the Ministry in 1993. The Collegium is a peer group of 12 senior local authority cultural administrators elected to represent all the local authorities; it has a status similar to that of the national Culture and Arts Council. The Collegium is vital link in relations between the local authorities and the Ministry, providing a two-way channel of communication on decisions taken by the Ministry and their impact in the cultural life of the regions. The Collegium promotes partnership and mutual understanding; it is able to research and formulate proposals for action and organise joint events; and it provides a strong and effective element of continuity on all cultural policy issues. In our estimation, the Collegium should have a key role in progressing the County and Local Authority development programmes, in developing an agreed programme of decentralisation and in monitoring its implementation.



CONDITIONS FOR CREATIVITY: ARTISTS, CULTURAL INSTITUTIONS AND CULTURAL INDUSTRIES

In the following sections we consider a range of issues for cultural policy in relation to the situation of artists, the cultural institutions and the traditional cultural industries. Before doing so, it may be helpful to make some broad distinctions between different groups of artists in order to indicate the differences in their ways of working and in the kinds of support systems they need.

1. *Entrepreneurial*: visual artists, designers, writers, playwrights, architects, composers
2. *Performing artists* - in established institutions
3. *Independent groups* of performing artists and new, popular and marginal arts (e.g. in the audio-visual sector, comic strips, pop music).

Direct public support is especially important for the first and third groups. A well-functioning network of national regional and local institutions (including the availability of performing sites and facilities) is especially important for the second and third groups. Well-functioning national markets of cultural industries (and mediator/agency systems, including the media) is especially important for the first and third groups. Among all groups of artists it is also important to maintain a high level of autonomy and voluntary organisational activities by providing a legislative framework and financial support for their unions, organisations and associations.

It is important that cultural policy covers all the groups described above, taking into account their special characteristics, and integrating measures of direct support with measures to do with institutional infrastructure, national cultural industries and support to artists organisations. If decision-makers fail to achieve this, they will soon notice imbalances - in demand and level of audiences, in terms of regional and local equity, and as negative effects on maintaining national, regional and local identities.

Support for the artist

"We do not observe as yet a unified policy on the level of government institutions regarding support for artists through direct and indirect sponsorship; nor is artists' economic status guaranteed" *Lithuanian National Report*

As in the other Baltic states, the creative unions in Lithuania were politically active, and achieved considerable influence and prestige, during the movement for independence. In the period 1988-1990 a number of artists joined political parties and some were elected to Seimas as deputies, thus forming a certain lobby for issues of language, heritage and cultural development. Direct contacts at the political level have clearly continued to influence priorities for state cultural policy as well as particular decisions.

A reconsideration of the role of the creative unions in the new Lithuania is already under way and may lead in time to the formation of new types of organisation. For the present, the traditional creative unions continue to command widespread recognition as professional associations representing the interests of their members and able to negotiate on their behalf.

The national and local authorities should recognise that the successful delivery of cultural policy both now and in the future depends in large measure on the work of creative artists and the good health of their professional organisations. It is evident that artists' professional organisations will have to act as Trades Unions in order to defend the rights of their members in respect of social insurance, pay and working conditions: the Artists Unions should therefore have recognised collective bargaining rights.

The creative unions have understood the importance of working together in order to coordinate a dialogue with Seimas and with government institutions. In 1995, the *Lithuanian Art Creators' Association* was founded, representing 8 Artists Unions with a total of around 9,000 members. In the same year, the Association became a member of the *Council of European Artists*, so joining the network of comparable organisations representing artists in other countries.

In 1996, effective lobbying by the *Art Creators' Association* resulted in the adoption of the *Law on Art Creators and their Organisations*. The law introduces a more precise definition of the factors and criteria to be taken into account in determining the social and economic status of artists and their organisations. It also provides for the creative unions to be given ownership of immovable property under their control without repayment and it empowers the unions to set up non-profit enterprises, charitable foundations and associations. We understand that this law has not yet been fully implemented, but it represents a valuable step forward from which the legal framework for artists' rights, and for their working practice, should be further developed.

However, the economic and legislative changes introduced during the current period of transition have made it hard for artists to maintain their standards of living, working conditions and levels of activity, based on the previous patterns of funding and employment. At present almost all the creative unions find themselves in a difficult and uncertain economic situation. Membership fees can constitute only a small part of their budgets and they are attempting to increase their income from a variety of sources such as business sponsorship and renting out their premises. Even so, without public funding, they are unable to operate at even the minimum level expected of them. The apparent vulnerability of the creator is especially important in a small country where some areas of valued practice can never expect to compete in the market.

In comparison with Estonia and Latvia, where political and economic decisions have brought about a sharp decline in support for artists since 1990, Lithuania has shown a tendency to introduce measures aimed at protecting and supporting creative activities. One such measure is the scholarship programme organised by the Ministry of Culture with advice from the appropriate Expert Commissions. Currently, the programme is felt to be in need of review in order to make it more flexible and more responsive to the needs identified by individual artists and their unions: we recommend accordingly that a review be carried out.

In Lithuania, artists are entitled to receive state old age pensions and, according to the Pension Law adopted in 1994, first and second degree pensions for special merit may also be allotted to a small number of them. In cases where the law has not yet taken into account the specific pension requirements of certain professions - eg ballet dancers - we recommend that this be done. We also recommend that the application of the "unemployed status" to certain categories of creative profession should be considered.

On the important issues of copyright, we commend the progress made by LATGA - *The Lithuanian Copyright Protection Association*. LATGA is an independent non-profit union of scientific and creative societies established in 1991 for the protection of Lithuanian authors' rights and has so far signed agreements with 64 copyright communities from 48 countries. We support the need identified in the National Report for further action to be taken to introduce a separate law on copyright and neighbouring rights and to harmonise Lithuanian law with European legislation on intellectual property. We recommend that, in due course, consideration be given to extending the principle of neighbouring rights to include a library lending right for writers and an exhibition payment right for visual artists.

It is evident that the the Ministry of Culture alone cannot be responsible for all the issues involved in providing vocational, financial and social support for artists. On the other hand it is doubtful whether the other Ministries that need to be involved have adequate information about all relevant aspects of artists' rights and working conditions, and what needs to be done to secure these rights and conditions under legislation. We therefore recommend that the Ministry of Culture should organise and coordinate a programme of inter-Ministry seminars and conferences on these issues, based on the principles set out in UNESCO's 1980 *Recommendation Concerning the Status of the Artist*, and in other documents produced by international artists' organisations and European institutions. We further recommend that international experts be invited to participate in this programme.

The career prospects for artists in Lithuania, and their place in the economy, are undergoing a profound change. We encountered several examples of initiatives which artists are taking to diversify their potential sources of income, to improve their standard of living, and to promote their creative work, for example by opening galleries and workshops, and by developing ancillary activities. This diversification of the artist's economic activity can obviously benefit the consumer as well the creator of art. However, the tax laws should be adjusted to reflect a more sympathetic understanding of this mix of profitable and not-for-profit activities by means of which both cultural and economic objectives can be achieved. We recommend that a special study should be undertaken by the Ministry.

Under the Soviet system it was considered that support for professional art was a centralised state responsibility while the local level of administration was expected to support a wide range of folk art and participation in amateur activities. This broad division of central and local responsibilities is still apparent, but there is also evidence of increasing cooperation at the local level between professional artists and local branches of their unions and the new local authorities. Everything possible should be done to encourage and extend this tendency. The traditionally strong interaction between the professional and amateur sectors in Lithuania should be sustained and developed.

In general, both central government and local authorities need to focus greater attention on the value of artists and creative processes in economic development. At the local level, the local authorities should formulate appropriate strategies to encourage the development of small-scale cultural enterprises by providing advice and practical support. Public funding for creative activities should be seen as an investment in quality, innovation, originality and skill - all key ingredients for economic as well as cultural success.

In the new reality, artists increasingly find that they need to find new ways of working, to become entrepreneurs as well as creators, and to acquire new management and marketing skills in order to succeed in their creative work. The artist's requirement for new skills

should be taken into account when new cultural management training programmes are being developed.

In Lithuania, artists may be appointed by the Ministry of Culture to take part in the work of various advisory groups and in decision-making on cultural policy issues, or they may be nominated to do so by the *Art Creators' Association* or by their individual creative unions. We are convinced that artists in all fields of activity should be encouraged to play a more effective role in advising the government and local authorities, be involved in the development and implementation of national cultural policy, and monitor changes in their own status. We consider that freedom of expression can be safeguarded effectively through the process of peer-group assessment, by which we mean the systematic involvement of artists in all fields of activity in the selection of projects to receive public financial support.

Institutions: assets, problems and new directions

"We consider that arts institutions should be given as much artistic, managerial and financial independence from government control as is consistent with public accountability" *In from the Margins*

Lithuanian cultural institutions embody a wonderful cultural heritage - a veritable "empire" of museums, and performing arts ensembles of a quality that would be the envy of many larger and richer countries. To take theatre as a specific example. Since the first performance of *Hercules* by the Vilnius Jesuit College Theatre in 1570, the dramatic theatre has had a particularly close association with Lithuania's national cultural identity and repeated struggles for independence across the centuries. Directors of the present generation are renowned in the international theatre community and, since 1992, the theatre festival LIFE has provided an international showcase for some of the most exciting contemporary Lithuanian theatre productions.

How is one of the unique national traditions in European theatre over four centuries to be maintained and developed through the current period of transition and beyond? The National Report indicates the dilemma: on the one hand the number of theatres has increased since 1990, as a result of local authority initiatives; on the other, the steep reduction in audience figures - which applies in all the performing arts - indicates a current decline in the theatre's public prestige, the severe restriction on individual disposable income and, paradoxically, the growing availability of competing entertainment opportunities.

There are no easy answers here. The government's present policy of supporting 12 state theatres (13 in 1997) will be hard to sustain. The minimum urgent requirements appear to be: a less rigid adherence to the repertoire system and a much more extensive use of short-term contracts, together with the institutional development of theatres as legally independent self-governing organisations and the adoption of new audience-building strategies.

Elsewhere in the report, we have described the financial and other constraints which inhibit the Lithuanian cultural policy model from evolving in a modern direction and from functioning effectively; and some of the most pressing sectorial needs. Paradoxically, the overriding problem - inherited from the previous period - is one of over-institutionalisation. A highly developed network of service delivery points has resulted in national and local government funding for culture throughout the country being dominated by support for the maintenance, staffing and utilities needed to sustain the building-based infrastructure.

Museums have, in addition, been faced with the specific problem of finding and equipping alternative premises as a consequence of *The Law on the Restitution of Property* to former owners. As a result, relatively low levels of funding are available for commissioning new work and other innovations, and for key items such as book purchase, acquisition and restoration of artefacts, upgrading of equipment, library computerisation and other applications of new technology.

A major problem for most institutions, and especially libraries, is that they are only maintained at the expense of the low salaries paid to cultural workers. Salaries for librarians, museum specialists and actors are the lowest in the state sector. This is even more of a dilemma for those who are attempting to organise and promote new kinds of cultural organisations - small galleries, theatre and dance companies, informal teaching studios, festivals: whether their orientation is to the artist or to the wider public, cultural policy needs to take their creative potency into account.

In finding a way forward, we recommend that, over the next few years, the Ministry should create the conditions for as many as possible of the existing publicly funded cultural institutions - in all sectors - to become NGOs, that is to say autonomous, self-governing non-profit institutions operating within the framework of the Law on Public Institutions (1996), and grant-aided by the public authorities on specific terms and conditions.

In addition to meeting the requirements for deconcentration and decentralisation discussed earlier, we believe this would bring about a substantial shift of emphasis in the institutional networks, introducing diversity and initiative, providing a more objective basis for comparison between effective and non-effective organisations, and also creating a more level playing field on which the newly emerging institutions, and innovative activities in general, can compete for resources and audiences. Of course any radical reform of the current institutions and networks will also need to address measures to ensure equity in relation to geographical distribution.

Each autonomous institution will need to appoint its own Board of Management, and each Board will need to recruit a diversity of skills and experience among its members in order to take full responsibility for the organisation's policy and, ultimately, for every aspect of its affairs, and to champion its interests. Board members should be recruited, for a fixed term, from a range of professional backgrounds - legal, business and financial, administrative and artistic - so adding a new dimension of public ownership and responsibility to the governance of cultural institutions. In view of the importance of this development, and of the need to build confidence in a radically different approach to the governance of cultural institutions, we recommend that all Board members be offered specific initial training in their role and responsibilities. (Appendix vi)

Cultural industries: assets, problems and new directions

"As the cultural industries assume enormous economic importance there is an inevitable tension between primarily cultural goals and the logic of the market place, between commercial interests and the desire for content that reflects diversity. Yet globalisation has limited the role government can play in the provision of cultural products both at home and abroad. Government intervention has to be less direct, it should play more of a facilitating role and also correct some of the distorting effects of free market mechanisms" UNESCO report *Our Creative Diversity*

In all the new democracies we find that the circumstances of the current transition period, together with the acceleration of technological development and the globalisation of culture have created profound problems in practically every sector of the cultural industries. These problems are certainly economic ones - frequently linked to abrupt privatisation measures - but they are also problems to do with organising national competitive structures, with the possibilities for entrepreneurial activities, with managerial training, and with insufficient understanding of the opportunities afforded by new applications of information and communication technologies.

Public investment in the cultural industries is often provided for economic development as well as for artistic and cultural reasons, and is provided in the context of integrated programmes, for example in urban or rural regeneration projects. A characteristic of the cultural industries is their dependence on a complete cycle leading from creative activity, to production and distribution facilities, to public consumption. The usual aim of selective public investment in this cycle is to ensure its completion, and the National Report indicates several points at which it is currently broken, or for which reliable data is not yet available.

In this section we limit our remarks to the "traditional" cultural industries - film, book publishing, the music industry, and the traditional electronic media (radio and TV). However in developing cultural policy in this area it will also be important to embrace more recent, and rapidly expanding, developments linked to video, satellite and cable transmission, digital media, CD-Roms and discs, and computer-based communication systems.

Cinema

The cinema industry has suffered more than most from the problems of transition. Of course, this is not only the case in the new democracies in transition, because the crisis in European cinema has been on and off since the advent of television. Yet, in the case of Lithuania - and in Estonia and Latvia as well - abrupt privatisation measures led to a very sharp decline in the number of screens, films shown, audiences, revenues etc. Released from ideological constraints, the creative film-maker has rapidly become an endangered species.

The measures taken to maintain the structure of national production and distribution in Lithuania are congruent with those of other European countries. Everywhere in Europe, the lack of money for modern production is the main dilemma; the failures in national and international distribution another dilemma. In the new democracies one must add the lack of investment in up-to-date equipment. What can be done should be done - to stabilise a basic network of screens and to improve the distribution of national films (eg through the state circulation company *Lithuanian Cinema*); to create better ties to public television (but not harnessed too much to serve commercial interests). Television should buy from national independent producers (which is already the intention of the RTV Board), and closer European cooperation should be developed in the fields of feature film production, and in training for film-makers and manager-producers. Although Lithuanian cinema is experiencing hard times, it continues to produce good work, often in a documentary tradition. The festival *Kino Pavasaris* celebrating 100 years of cinema in 1995 included no less than 9 Lithuanian films, all completed since 1992. We were informed that Lithuanian films made during the soviet years are held in Moscow; every effort should now be made to establish an archive of Lithuanian feature and documentary film in Lithuania.

Book publishing

Book publishing has fared rather better than cinema. In this industry, privatisation policy in Lithuania has been prudent: after an initial boom, the number of publishers is stabilising - the Lithuanian Publishers Association has about 50 members - and the structure is evolving towards a division into larger and more specialised companies. The abolition of "fixed price" has increased problems but its long-term effects may not be so disastrous as the National Report suggests. Newspapers, magazines and books are all exempt from VAT - a vital measure - but not paper and printing materials. Measures have also been taken to encourage competition in the distribution of books to libraries. However, there is no reliable information with regard to bookshops.

Looking to the future, the coordination of library and book distribution policies should be continued. Ways of establishing a system of library compensation (Lending Right) should be studied. The possibilities for regional cooperation with neighbouring countries in buying rights, coordinating distribution, and consolidating book markets should be studied.

Books from Lithuania 1995/97, published by the Open Society Fund - Lithuania, is a welcome step towards the production of a regular Books-in-Print catalogue. Such a catalogue would contribute to the promotion of steady sales for publishing companies, and indicate the stage of development and consolidation of the national book market. *Books from Lithuania* lists over 200 books in print from 22 Lithuanian publishers. The next step should be to produce regular information about forthcoming publications as well as books in print.

Audio and visual recording

The National Report indicates the lack of reliable data about the audio and visual recording industry in Lithuania, except for that produced by LAMI, the *Lithuanian Association of the Music Industry*, which protects only the interests of its members. It is clear that piracy is the major problem which inhibits the development of a healthy national industry. If copyright revenues increase, they could be used to subsidise high quality production and the effective distribution of national recordings. It is important that Lithuania should join the 1961 Rome Convention and the 1971 Geneva Convention.

Radio and Television

Radio and Television are of course of the highest importance in cultural policy - as employers of artists, as originators of programmes, as broadcasters to large audiences, and as major contributors to opinion forming. In Lithuania the need to maintain a healthy "public service" backbone in broadcasting, while encouraging the emergence of an independent sector, and the need to balance artistic and cultural concerns against the commercial pressure to generate revenues from advertising, are well understood. The moves towards the introduction of a licence fee in 1998, to commission cultural programmes from independent producers through the independent non-profit *Foundation for Radio, TV and Press Support*, to increase the percentage of national radio and TV programmes produced by the independent sector, and to rapidly expand the provision of training for broadcasters and journalists - are all to be commended. At the same time there is a need to investigate new modes of cooperation between public radio and television and the arts and culture.

A comprehensive audit of the traditional cultural industries

The complex interaction between economic and cultural policy objectives in the cultural industries is obviously further complicated by the transitional nature of the economy as a whole, and by issues of fiscal policy: clearly these cannot be resolved by the Ministry of Culture in isolation. Because of the wide range of interests involved, and because of the complexity of the issues, we believe that a coordinated approach to public policy in this area is needed.

This should begin with a comprehensive audit of the key sectors in order to produce reliable data, determine where public intervention can be most effective in the medium term, and identify the potential cultural and economic gains to be expected. The government should give a lead in coordinating the involvement of the relevant Ministries - Culture, Finance, Construction and Urban Planning, Economy, and Administration Reform and Local Government - together with all the relevant boards and agencies. Experience in the Nordic and other Baltic countries should be drawn on in developing a comprehensive approach.

Conditions for creativity

"We are living at a fascinating time. Born into one society and partly shaped by it, we are now living in an entirely different society." *Oskaras Korsunovas theatre director*

In the current period of transition the difficulties for artists in all the groups we have been discussing are subjective as well as objective. Even after the introduction of "perestroika" in 1985, with its welcome relaxation of censorship, cultural policy in the Soviet Union was still based on official communist ideology, with its universal control over cultural processes, over the training and activities of those who created cultural values, and over the activities of cultural organisations. No longer constrained by political ideology, nor accorded a special status in an official culture, artists are now confronted by a new reality, in which freedom of expression goes hand in hand with economic insecurity - "one can buy a respectable novel for the same sum as 500 grammes of cheese or sausage" *Valentinas Sveticikas*. Mass entertainment, mostly from the West, threatens to "replace all of the more ambitious forms of creativity, especially of domestic origin" *Cultural Responsibility of the State*. The shadow of long oppression also remains and the Minister told us that he believes "unconscious resistance" to it will continue for another ten years.

No one can yet be certain what Lithuania's new Open Society will be like or what the role of the artist will be in it, only that it is sure to be different, and that building it "takes more time and greater effort than expected" *George Soros*. At such a time, historical continuity, national and regional identity are of course vital components of cultural policy; but this is also, of all times, a moment to assert diversity and, in particular, to trust and support the artist to find a way through, to explore new ways of thinking and new ways of working. In the market economy, the premium will be on creativity.

PARTICIPATION AND ACCESS

In the formulation of cultural policy, where should priority be given? To support so-called high culture with the goal of achieving the highest possible professional standards, or to support a broad base of creativity and participation throughout the country? One can only answer that both are vitally important and that a balance has somehow to be struck. This can only be achieved by the government, the local authorities and the cultural institutions working together within a common policy framework with common goals and complementary responsibilities.

Audiences, visitors, readers and viewers

The National Report provides extensive information on the public use of cultural institutions since 1990. Theatres, concert halls, cinemas and museums have all experienced a steep decline in audiences and attendances. The general reasons for this include both public access to alternative entertainment and leisure opportunities and restrictions on individual disposable income and leisure time. The Report also points to specific reasons in each area of activity such as the widespread closure of cinemas, curtailment of theatre touring, and low levels of investment in new museum displays. The overall trend is clear and the institutions are coming to terms with the need to become more competitive by reconsidering the nature of their core programmes and by introducing effectively targeted marketing techniques and more sophisticated pricing policies.

New audiences are already emerging. The introduction of a free day for schoolchildren in museums for example has made a significant impact on the number of visitors (although not on the museums' income!) and the number of visitors from western and northern European countries has begun to increase. Libraries experienced a gradual decline in the number of readers until 1994 when the number of loans began to increase; and in 1995 the number of readers using local government libraries increased by 2.7%. The report notes that many libraries are also providing an important service as local cultural centres, organising exhibitions, writers' evenings, films and theatre productions.

Reference must also be made to the very important cultural role of Lithuanian public TV and Radio including the significant air time provided for broadcasts originated by National Minorities. Lithuanian TV produces about 75% of its own broadcast material and has made considerable efforts to increase the number of cultural programmes in its output, including filmed theatre productions and original scripts by Lithuanian writers.

Lithuanian traditional culture

Living traditions of folk culture are one of the distinguishing features of the Baltic States, representing an important aspect of national and local identity and continuity. In Lithuania such traditions attract widespread public interest and participation on several levels. At one level are those village ethnographic groups that still work in an unbroken tradition; at another are folklore ensembles that indirectly adopt or recreate traditions; at another are the pan-Lithuanian song and dance ensembles; and at still another level there are a number of celebrated national and international festivals.

The National Report describes how folklore activities attracted very widespread public interest and support under the Soviet occupation and came to be closely associated with the independence movement. This was reflected at the first Lithuanian Congress of Culture in 1990, which identified support for the practice and preservation of ethnic culture as one of the priorities for national cultural policy, in the 1991 government programme, and in the on-going support provided by both national and local authorities.

The national organisations and institutions active in the field of traditional culture, include

The Folk Culture Centre
The Lithuanian Ethnic Culture Society
The Lithuanian Ethnographic Society
The Institute of Lithuanian Literature and Folklore
The Museum of Lithuanian History and Ethnography
The Outdoor Museum of Country Life, Rumsiskes

Since 1994, the Folk Culture Centre in Vilnius has been the principal state-funded agency responsible for researching ethnic culture, helping to preserve traditions and customs, producing scholarly and educational works, and recording present-day Lithuanian folk culture through video, audio, photographs and written material. The Centre organises a number of folk festivals including: *Daigelis* (children's folklore), *Griezyne* (instrumental folk music), and *Baltica* which is held alternately every three years in all three Baltic countries and was first organised in Vilnius in 1987.

Since independence, the level of public interest and participation in traditional culture, as reflected in hundreds of local performing groups and local branches of the national organisations, has continued to grow. The Folk Culture Centre takes a generally optimistic view of the future, stating that "while the older functions and forms of folklore disappear, an opposite current is building as more Lithuanians become aware of the value of their heritage. More and more people try to find a place for traditional culture in their everyday lives. This "secondary folklore" is opening up a wide spectrum of new forms."

National minorities

Some 18.6% of the population of Lithuania belong to national minorities and their rights are safeguarded in the Constitution and by statutes. In 1989 the Law on Citizenship established an exemplary zero position on citizenship for all residents; the 1991 Government Programme recognised the culture of national minorities in Lithuania as an inseparable part of Lithuanian culture. The Law on National Minorities guarantees their right for state support in the development of national cultures and education, and they have equal opportunities for access to cultural premises and services at central and local government level. Lithuania became a signatory to the European Framework Convention for the Protection of National Minorities in 1995.

The Ministry of Culture does not have a separate division for national minorities but works closely with government Department of Regional Problems and National Minorities which is directly responsible to the Prime Minister and has access to all Ministries. The Department has a brief not only to protect but also to develop the interests and potential of national minorities and works in consultation with a Council of National Communities to that end.

The National Report indicates that community initiatives in recent years, persistently supported by the government and local authorities, has produced a widespread network of independent organisations representing the interests of national minorities and sustaining a dynamic cultural life. The authorities are keen to build on this success and a parliamentary working group is continuing to look for further improvements in legislative provision. Lithuania is working hard to reestablish and extend its historical traditions as a multinational, multilingual, multicultural and multireligious state which can be traced back to the thirteenth century.

Amateur activities

During our visit we were frequently made aware of the importance of the popularity and diversity of amateur artistic activity in Lithuania and the continuing strength of this tradition since independence. This activity is not confined to the performing arts as there is also a widespread network of groups and individuals involved in the applied and decorative arts.

The National Report points to the closure of some 300 cultural centres between 1990 and 1995, particularly in the rural areas. This has obviously reduced the opportunities for people to take part in amateur activities as reflected in a decline in the total number of participants during the same period. To a limited extent this decline in the public sector has begun to be compensated by independent initiatives which the local authorities in particular should monitor and take into account in preparing their Cultural Development Programmes.

By 1995, over 1,000 voluntary organisations had been registered with the Lithuanian Ministry of Justice. It is not known exactly how many of these NGOs are involved in cultural activities, but there is every reason to think that their number will continue to grow. It will include both organisations which provide opportunities for people to take part as amateurs in specific cultural activities and organisations set up to give voluntary support to cultural institutions.

Cultural centres

Although the concept of the Cultural Centre was already established in Lithuania well before the soviet occupation it was during the occupation that the Centres became the dominant unit of cultural infrastructure across the country. Today Cultural Centres absorb a higher % of total local authority spending on culture, both revenue and capital, than either Libraries or Museums but they also provide for a wider range of both regional and local activities and for both professional and amateur events. In 1995, according to the National Report, the local authorities maintained 985 Cultural Centres, 819 of them in rural areas.

Kretinga, for example, has one large Cultural Centre presenting around 420 events a year and providing a base for 19 amateur groups with a total membership of 400, and for visual as well as performing artists. The Centre also provides professional support to the Cultural Centres in villages across the Kretinga region. Between them the village Cultural Centres present over 1500 events a year. A typical village Centre has a staff of two, provides daily rehearsal facilities for around six local amateur groups, and promotes one event for children or adults every week, and one visiting professional group every month. This indicates the high level of public participation and intensive use of facilities which we found to be quite typical in the centres we visited.

The cultural infrastructure investment represented in the Cultural Centres, and their widespread distribution throughout the country, is very impressive. Nevertheless, the cost involved in transferring them to local authority ownership will prove difficult to justify unless the Centres can also be renewed and adapted to meet demands for new types of activities over the next few years. We were told for example of local initiatives to develop neighbourhood cultural centres based on schools or libraries, while some cultural centres have responded to the closure of local cinemas by taking on this role themselves. For the larger Centres in particular, there is always the danger that "making the building work" could become a poor substitute for a more dynamic and flexible cultural policy led by the local authority and developed through consultation with local people about their needs and aspirations.

We have no doubts concerning the dedication and professionalism of the people we met who are running the Cultural Centres with enthusiasm and skill under often difficult conditions; and we are confident that given support and encouragement they can find a way forward. The local authorities and the Ministry should not attempt to apply a uniform solution or model to all Cultural Centres in all parts of the country but continue to encourage debate, stimulate new ways of working, support a diversity of policy-led initiatives, and share the results.

Youth initiatives

Since independence the number of young people in audiences has declined and their "general reluctance to join organisations" has also been identified as a matter for concern. In 1994 the government announced a new Youth Policy and the Ministry of Culture launched its youth section. In the same year, the Ministry also advanced 50,000 litas from its budget towards the *Fund for Public Organisations* in which Youth programmes received priority. Further steps followed in 1995 with the setting up of a national Board for Youth Organisations and Associations. The Board took the lead in developing a coordinated Youth Policy which was approved by Seimas in 1996.

Culture and disabled people

"Maximum access is achieved by eliminating all removeable barriers, both physical and procedural, which may otherwise inhibit the involvement of all the community" *Arts Council of England National Lottery Funding Programme*

The Lithuanian authorities are acutely aware that most public cultural facilities remain "practically impenetrable" for disabled people but the National Report seems to suggest that nothing very much can be done to remedy the situation. The costs involved in any major improvement are clearly going to be very considerable but we believe they should be faced because the alternative of disenfranchising the disabled is clearly not acceptable. Indeed the equal rights of disabled people are specifically protected by Lithuanian law on social integration.

Our suggestion would be that the Ministry should give a lead in cooperation with the local authorities and with the NGOs working with the disabled, beginning with a full audit in a particular sector - for example the state theatres and museums. Once a programme has been costed a combined initiative should be taken in order to establish a number of examples of good practice - such as the special programmes undertaken by the *Lithuanian Musicians Aid Foundation*, and the work of *Very Special Arts Lithuania* a NGO which helps adults and

children develop their communicative and artistic abilities through dancing, games, drama, literature, music and hand crafts.

The general guideline here should be the United Nations Standard Rules on the Equalisation of Opportunities for Persons with Disabilities, 1993.

Participation in cultural policy

"The best way to ensure the safeguarding of artistic freedom is to involve artists in the selection of works that receive financial support. Several mechanisms have already demonstrated their effectiveness in this respect; these include the establishment of interdisciplinary artistic committees and the development of consultative networks"
UNESCO World Congress on the Implementation of the Recommendation Concerning the Status of the Artist 1997

Leading up to independence an intensive and widespread public interest in issues of cultural policy and cultural identity was stimulated by the Sąjūdis movement. Specific references in the government programmes of 1991 and 1994 indicate the importance which the government has continued to attach to maintaining that interest.

The National Report refers to the National Cultural Congresses, held in 1990 and 1996, and to the extensive and still developing network of advisory and consultative bodies which may participate in cultural policy and decision making on a number of levels. A growing number of independent nationally organised professional associations - such as the *Art Creators Association*, the *Lithuanian Museums Association*, *Lithuanian Publishers' Association*, etc.- are representative of the significant restructuring that is taking place across the cultural sector. Supported by the Ministry, they are already making their influence felt.

The National Report also tells us that in some areas of the country. Culture and Arts Councils, or Commissions, have been set up by local authorities and County administrations, as a means of democratising the processes of policy- and decision-making by involving local experts, and providing opportunities for advice and consultation. We do not know how widespread, influential or effective these Councils may be and the National Report refers simply to a diversity of practice. There is no legal requirement for either local authorities or Counties to set them up and we would prefer in principle that their formation should be left to the decision of the authorities in each area of the country. We strongly support the present diversity of approach and suggest that the Local Government Collegium be asked to monitor progress, identify any needs for training that may arise and promote best practice.

In the case of the Counties, independent Culture and Arts Councils might in future be developed along lines similar to the national Culture and Arts Council, with their functions based on the arms-length principle. If that were to happen, consideration might then be given to creating an advisory and consultative structure that would be common to all ten Counties, and with a formal link between the national and County levels.

In the local authorities, the relationship to any Culture and Arts Councils that they set up will clearly be different because the local authorities are democratically elected and have a basic duty to consider the needs and aspirations of everyone in the local community including, but not limited to, specific interest groups. We do not think it would be helpful to prescribe that every local authority should set up a Culture and Arts Council, or that there

should be a common format for such Councils where they are set up. We favour a diversity of approach and each local authority should make its own judgement as to the most appropriate and effective ways of taking expert advice and consulting with local people. In Klaipeda, for example, the local authority works closely with the artists unions on the one hand, and has carried out a broadly based survey of cultural needs in the population on the other; this suggests an approach to public consultation that is thorough, balanced, transparent and accountable. We would point out that in any area of the country where the local authority does not take culture seriously, there is nothing to prevent artists and others from taking independent action to setting up a local arts council to promote interest and to act as a lobby.

Cultural publications

Last, but by no means least, it is important just to refer to the role played by a good range of both specialist and general magazines, journals and newspaper supplements in providing information and in stimulating critical and philosophical debate concerning every aspect of Lithuania's rich cultural life. Some publications, such as *Siaures Atenai*, which is a supplement to the daily newspaper *Lietuvos aidas* target intellectuals. The supplement takes its name from the great poet Czeslaw Milosz' vision of Vilnius as a future Nordic Athens. Other publications target a wider readership. There are specialist magazines for literature, music and, most recently, for theatre, as well as publications dealing with a variety of cultural topics and issues at home and abroad. *Vilnius*, the magazine of the Lithuanian Writers' Union comes out twice a year in the Russian and English languages.

A number of the publications which have started up since independence seek to revive earlier, pre-war traditions in the Lithuanian cultural press. The oldest cultural publication, the weekly newspaper *Literatura ir menas*, has been in continuous publication since 1946 and was, until 1990, the only newspaper dealing with the arts. The monthly magazine *Kulturos barai* started in 1965 and resisted the soviet ideological regime, attempting to propagate a diversity of opinion: it publishes articles, reviews, interviews and debates about all aspects of culture. There are quite a few other publications that could be mentioned, but these will serve as examples; a further indication of the value that is attached to culture in the everyday life of the country.

"New questions needed to be asked and old ones posed anew. What are the cultural and socio-cultural factors that affect development? What is the cultural impact of social and economic development? How are cultures and models of development related to one another? How can valuable elements of a traditional culture be combined with modernisation? What are the cultural dimensions of individual and collective well-being?" UNESCO *Our Creative Diversity*

In a previous sections of this report, we have asserted that in the emerging market economy, and against the current background of transition problems, all of those involved in the cultural sector - national or local, institutional or individual - need to develop new ways of thinking and new ways of working. In this section we comment briefly on just a few examples that we were able to observe in the course of our visits.

Entrepreneurship in the arts and culture

"The creation of small cultural industries, managed by artists themselves, is a mode of production and dissemination which deserves to be encouraged." UNESCO *World Congress On the Implementation of the Recommendation Concerning the Status of the Artist 1997*

In the previous section we examined the role of cultural policy in relation to the traditional cultural industries - audio and visual recording, film production, publishing, radio and television production - all sectors which involve a combination of commercial and cultural objectives and processes. Public authorities may wish to develop these for reasons of economic as well as cultural policy and be willing to invest in them, if only to protect national artistic creation against the pressures of global mass culture and excessive commercialisation.

However, in the context of the market economy, it is possible to take such definitions of cultural industry and investment a good deal further. In Great Britain for example in the 1980s a central argument in support of the public financing of culture, at local and regional as well as at national level, was that virtually all such financing could be considered, by definition, as a form of investment in economic activities, some of which are more inherently self-sustaining than others!

At a local government level, cultural infrastructure projects are to be found at the heart of economic development policies, contributing added value to numerous urban and rural economic regeneration schemes and cultural tourism strategies. We have already referred earlier in the report to the role of culture in achieving economic objectives and to the need for local as well as central authorities to take an integrated approach.

As a market for cultural goods and services begins to emerge in Lithuania, the career prospects for artists, and their place in the economy, are undergoing a profound change. We encountered several examples of initiatives which artists are taking to diversify their potential sources of income, to improve their standard of living, and to promote their

creative work, for example by opening galleries and workshops, and by developing ancillary and sometimes profitable activities. This diversification of the artist's economic activity can obviously benefit the consumer as well the creator of art and is besides inherently beneficial to the economy.

However, the situation of the artist in the emerging market economy is imperfectly understood as yet. There is a need to adjust the tax laws in order to respond more sympathetically to this new mix of profitable and not-for-profit activities by means of which both cultural and economic objectives can be achieved. There is no lack of entrepreneurial activity but it needs financial support to encourage its development, promotional support to make it more visible in the marketplace, and it needs to be monitored so that best practice can be identified and experience exchanged. We recommend that the Ministry should undertake a special study of the economic situation of the artist and that this should also be the subject of one of the inter-ministry seminars suggested earlier in the report.

Cultural management training

In the management of change a commitment to training is vital at every level in the system. In his study for the Council of Europe, *Cultural Management in Central and Eastern Europe*, Gilles Guerin observes that the notion of cultural management was totally unknown in the Soviet system, and even incongruous, in a culture that was generously subsidised and totally planned. Clearly that situation is rapidly changing and Guerin suggests that three types of cultural managers can be broadly distinguished from country to country in the 1990s:

- long-established professionals who have lost their bearings and generally tend to resist change
- professionals conscious of the new situation who are seeking to acquire the skills and know-how they need to survive
- the newcomers, innocent of past prejudice, who are taking advantage of the new freedom to develop their own structures

Guerin suggests that "after a short period of hope and expectations from a "Western" management model" these managers are turning increasingly to their neighbours and former colleagues in the communist bloc to pool their experiences and attempt to adapt their own structures to the new economic and political realities. However, for the immediate future, Western institutions remain a key source of experienced trainers and of documentation in new techniques.

Lithuanian In-Service Centre for Cultural Workers

The current period of transition in Lithuania presents a tremendous challenge to cultural policy-makers and managers alike. As the situation becomes more complex, and the practical day to day problems more difficult to resolve, the successful management of change calls for new skills and new ways of working. In meeting this challenge, access to high quality in-service training is vitally important and Lithuania is fortunate to have the *In-Service Centre for Cultural Workers* in Vilnius, run by the Ministry, which has been quick to respond to the needs of the new situation in consultation with local authorities and with departments at the Ministry.

In 1995, the Centre provided short courses of five days each for 29 groups and a total of 1100 participants. In 1996, 37 groups and 1200 participants were involved. In the same year five International Seminars were organised including trainers from Sweden and the UK, jointly funded by the Ministry and the Open Society Fund with additional assistance from organisations like the Council of Europe and the British Council. Also in 1996, a longer course in cultural management was initiated for the staff of local cultural institutions and the first certificates were awarded for this course. In 1997 the Centre became responsible for the introduction of a three-tier system of qualification for cultural workers linked to new pay scales: the requirements for qualification having been developed by a central Commission in consultation with the appropriate Expert Commissions at the Ministry.

The Centre is now the only one of its kind in the Baltic states and merits wider recognition for its work both at home and abroad than it appears to enjoy at present. When budgets are being cut there is generally a temptation to skimp on training and it comes as no surprise to hear that some cultural institutions are reluctant to take advantage of the training opportunities on offer. We also understand there is likely to be some decline in the level of participation in courses on the part of the local authorities in 1997 because of budget reductions. The government itself has created a problem by pegging the Training Centre's hourly rate of remuneration for trainers and lecturers at a level (\$2 US per hour) which is simply not competitive.

We believe these are false economies since investment in people through training is of paramount importance in the cultural as in the commercial field. The demand for different types of training, in cultural management and in a wide range of skills, is set to expand and we urge the local authorities, the government, and the cultural institutions to maintain their investment in training and in the *In-Service Centre for Cultural Workers*, and to increase their investment as soon as circumstances allow. *The Law on Local Self-Government (Chapter 5 Article 24)* states: "The Government shall support local authorities in training, improving and retraining municipal employees". We also recommend that an independent task force be appointed to focus attention on training needs, to advise on training provision, and to develop a five-year strategic plan in consultation with the Ministry, the Collegium of Local Self-government, cultural institutions and other training providers.

Trusts and foundations

"Policy makers and administrators will have to think creatively about funding" *In from the Margins*

As a source of plural funding, independent trusts and foundations provide an important alternative to the public sector and are free from the commercial constraints inherent in business sponsorship. They can make an especially important contribution by stimulating debate on cultural issues and by funding innovative activities.

Since independence a number of cultural foundations have been established in Lithuania for which the legal basis is the *Law On Public Institutions* and the *Law on Charity and Sponsorship Funds*. These Foundations include the Open Society Fund - Lithuania, the *Foundation for Theatre and Cinema Support* established in 1994, the *Foundation for Radio, TV and Press Support* which received 4.56m litas of government funding in 1997, and the *Lithuanian Musician's Aid Foundation* which is approximately 15% state funded and raises money to support the development of creative musical activities. Other foundations active in Lithuania include the *Baltic Culture Fund*, the *Vytautas Landsbergis Fund* (set up with the Nobel Peace Prize

awarded to the Chairman of the Supreme Council in 1991), and the *Lithuanian Culture Fund*. A draft law is under consideration which would establish a national cultural foundation funded from the VAT receipts on alcohol, tobacco, gambling and lotteries. Our recommendation earlier in the report is that funds raised through this foundation should be distributed via the Culture and Arts Council and a new Museums Council for Lithuania in accordance with guidelines determined by the Minister.

In addition, a number of foreign governmental or government-funded agencies are active in supporting cultural activities in Lithuania: these include the Danish and Finnish Cultural Institutes, the Swedish Institute, the Goethe Institute (Germany) the Information Office of the Nordic Council of Ministers, and the British Council.

The Open Society Fund -Lithuania

The Open Society Fund - Lithuania was established in Vilnius in October 1990 as an independent, non-governmental, non-profit organisation. It is one of the 22 foundations in Central and Eastern Europe, established and funded by George Soros. Their common purpose is to foster the evolution of a democratic and open society, and to encourage civil responsibility and participation in the process of democratic development.

Each foundation independently determines its own priorities and strategies, taking into account the needs of each country. OSF-Lithuania devotes its funding to several different sectors of society: education, higher education and research, culture and the arts, mass media, civil society, law reform, social services, translation and publishing, foreign conferences and travel, and particular attention is paid to youth initiatives. All OSFL programs are designed to achieve a lasting and positive effect on the emergence of an open society.

In the words of Chairperson, Irena Veisaite, the OSFL pays great attention to culture, "with the aim of fast breaking through the zone of isolation, out and away from the world of art and culture ruled by ideology". As a wholly independent foundation the Fund plays a vital role in the development of culture and cultural policy, comparable to the Gulbenkian Foundation at the height of its influence in Britain in the 1970s. Modern culture is a priority and OSFL has established the *Soros Centre for Contemporary Art* in Vilnius for the visual arts and a parallel Performing Arts Programme to support contemporary theatre, music and cinematography. In 1995 OSFL opened the Open Society House in Vilnius and also completed plans for setting up an inter-university Centre for Educational Studies aimed at stimulating the modernisation of teacher training colleges.

The *Soros Centre for Contemporary Arts* is a resource and promotion center for local visual, applied and performance art, and it provides information for the local and international arts community. Visual Arts comprehensive documentation is available in Lithuanian and in English for modern and contemporary artists resident in Lithuania, and is updated biennially. The Center maintains a comprehensive computerised slide index and documentation for contemporary Lithuanian artists. Information on international opportunities for artists is also maintained.

Since its inauguration, the Open Society House in Vilnius has rapidly become an important focal point for activities and events exploring the cultural possibilities of the Open Society in both a national and an international context. Visitors can use the library which contains works in six languages in humanities and social sciences, browse through international

periodicals on contemporary culture, use CD-ROM multi-media facilities, take part in special events and use the caf,. The Centre's Internet program offers free access to e-mail and Internet to a growing number of NGO's, institutions and individual subscribers.

We are aware of similar centres in other major European cities but The Open Society House is a major first for Lithuania - the model for a new kind of cultural institution, dedicated to debate and equipped with the common technology of international cultural dialogue in the West. This is an important initiative and there would seem to be no reason other than shortage of finance why similar centres, linked by technology, could not be set up by other institutions in other Lithuanian Cities in partnership with the public and/or the private sector.

Cultural tourism

While many democratically elected local and regional authorities throughout Europe would claim that they invest in culture for its intrinsic merits, few would say that this is their sole or even their main reason for doing so. In the political arena they are likely to argue the principle of "added value", that is to say the social and economic benefits they expect to gain. Such benefits include promoting social cohesion, creating leisure opportunities and enhancing the competitive edge of development strategies for tourism, inward investment and employment, and the regeneration of both urban and rural areas. At a European level this utilitarian approach can be demonstrated by the high level of expenditure on cultural projects through the European Union's structural funds which is many times greater than the Union's direct investment in its cultural programmes.

In Lithuania, the growing number of links between culture and tourism is one sign of change. The attractions include new festivals, large-scale environmental projects by artists, and major international exhibitions like Baroque in Lithuania. Nor are such initiatives confined to the main cities: in Trakai and Anyksciai for example culture is attractively linked to the economic development of "green" tourism. Kretinga runs a vibrant and successful museum which offers the combined attractions of a fine permanent collection, a fully restored 19th century manor house in its own park, and a unique enclosed winter garden and restaurant. This museum has clearly known how to benefit from its proximity to the tourism centres of Klaipeda and Palanga while remaining a focal point in the cultural life of its own community.

Some 87 kilometres from Kaunas, the small town of Jurbarkas is situated on the east bank of the Nemunas river which is a designated national park. The town is the focus for a rural local authority serving 41,000 people and is proud of the high levels of public participation in cultural activities both in the town and in the surrounding villages which it supports with a staff of 17 qualified specialists. Jurbarkas has many international cultural links and has ambitious plans for improved transport links to Kaunas by rail and river which will help to develop the local tourism industry based on the countryside, the heritage and on the living traditions of cultural activity which continue to form such an important feature of everyday life in the area.

For Neringa, a region of only 2,700 inhabitants on the Baltic coast, tourism development is both a vital necessity for the local economy and a special challenge to conservation policy in an area of great environmental sensitivity, the whole of which is a designated National Park. In the resort town of Nida, the restoration of Thomas Mann's house as an international cultural centre, together with the nearby conference centre (also in a building of historic

significance), and the recently restored Neringa Local History Museum, all reflect the determination of the local and national authorities, working together, to make culture an important ingredient in finding sustainable solutions in tourism development.

Cultural tourism and museums

Tourists are an important audience for museums. In addressing this audience it is important for museums to remember that by providing a service that satisfies their own community they can also satisfy the tourist. Museums contribute to the quality of life of a country, to its education system, to its cultural life, and to its economy. Visitors to museums spend money in museum shops, in getting to the museums, in accommodation in the vicinity of museums, and in museum cafes and restaurants. In Western Europe tourism surveys regularly show that the opportunity to visit museums, galleries and heritage sites come top of the list of reasons why tourists choose to visit a particular country. Research also shows that businesses prefer to locate in countries which enjoy a good quality of life and offer a good range of cultural services.

However, in promoting the museums as tourist attractions it is important to remember that they exist primarily for the people of Lithuania and secondly for tourists. Tourism is a sophisticated leisure business aiming for several different markets and we must avoid the temptation to justify museums primarily in terms of their economic benefits to the leisure and tourism industry: to do so is to demean our history and our cultural values. In our visits to Lithuania we felt that such dangers are already well understood. However, we think it will be important for the Ministry of Culture to initiate a dialogue with the emerging tourism industry in order to avoid the kind of mistakes that have sometimes been made in Western Europe where some countries have developed heritage attractions of poor quality which fail to attract either local residents or tourists, resulting in much wasted investment.

Museums education

"A town without its past is like a man without memory. People leave traces of their lives and their work and their personal history in cities, in the form of neighbourhoods, buildings, trees, churches, libraries. They constitute the collective legacy of the past, enabling people to feel a sense of continuity in their contemporary lives and prepare for the future." *European Urban Charter*

Good museums not only collect and preserve, they also communicate and research their collections. Through their work they provide a resource for both formal and lifelong learning and for recreation and pleasure. They are increasingly required to compete with modern communication media such as colour television, colour magazines and computer games. To meet this competition, museums need up to date advice and information about products and services, high quality training about marketing and visitor care and the stimulation of pump-priming grant aid to help initiate and develop new ideas.

We became aware of many recent initiatives in the Lithuanian "empire of museums", such as the formation of an enterprising Lithuanian Museums Association, and moves to improve museum accreditation, training provision, marketing, and museum education services. Museum education, involving both national and local museums, is one rapidly expanding new area of activity through which the institutions are seeking to reach the public and to deploy their resources in new ways.

The Director of Panevezys Museum told us that all his Museum specialists are involved in the Museum's inter-active education programme and he was confident that in five years time every museum in Lithuania will have its own Education Officer. We encountered a similar commitment in many of the other museums we visited. The local authorities have much to contribute to this exciting development, for example by mediating between the schools and the museums, helping them to make direct contact with each other, organising programmes for teachers as well as children, applying project funds to stimulate development, coordinating a regional strategy, and contributing through the Collegium to national debate and national policy development.

Recent international exchange initiatives

A growing number of Lithuanian artists are again reclaiming their sense of threefold identity - Lithuanian, Baltic and European - and the Open Society Fund has been acting as both catalyst and funder for several major programmes of international cultural exchange, through the activities of the *Soros Centre for Contemporary Art* and the Open Society House in Vilnius. OSFL is also working with the Ministry to support on-going international exchanges in cultural management training for staff in libraries, museums and cultural centres.

At the *Ars Baltica* seminar on *The Cultural Responsibility of the State* in 1994, a Polish delegate regretted the considerable decrease in cultural communication between the post-communist countries - "our societies suffer losses when neglecting their mutual contacts. If they want to be closer to Europe, they must not go away from each other. It would be harmful, as the tradition of these countries constitutes a rich reservoir of cultural creativity, from which artists of recognised eminence have drawn their inspiration."

As if in direct response to this concern, Lithuania's Open Society Fund has been organising an important series of international forums which are Baltic in emphasis but totally European in outlook, involving artists from western as well as eastern European countries, and networking with the Soros Foundations in the participating countries. The first of these forums, *Sculpting in Time*, in 1995 was devoted to cinema. Its aims were:

- to foster cultural exchange in the field of cinematography among the three Baltic countries
- to stimulate co-operation among cinema professionals, international organisations and festivals, giving the opportunity to build bi-lateral contacts
- to foster development of self-consciousness in an open society through a unique opportunity that cinema presents, that is by means of immortalising time; to organise a sustained discussion about human-time correlation and the changes taking place in post-communist countries as reflected in the documentaries of each of the Baltic countries

The programme at the forum included films for competition, non-competitive films, discussions with film-makers and round table discussions.

A year later the forum *The Shifting Point* was devoted to theatre and had similar objectives. In her introduction to the programme, Irena Veisaite observed, "Both society and theatre are at a "shifting point". Are we really free, free from market coercion, from old and new stereotypes? Do we have a theatre vision of our own? Are we ready for a daring experiment, for new temptations and trials?" In 1997 the forum *Musica Ficta* will aim, "to revitalise the rather sluggish contacts among the music communities of the three Baltic nations by giving

incentive to the younger generation; to broaden the spectrum of music events in Lithuania; to encourage new experiences by inviting outstanding European musicians."

The hallmarks of these exemplary international forums are their avoidance of a defensive posture with regard to issues of national cultural identity, and their concern for the changing role of the creative artist in the complex and difficult transition towards an open society. The programme is distinguished first and foremost by its fundamental concern for cultural values as the key to individual and national identity in the modern world.

Plural funding and business sponsorship

Budget shortcomings can only be made good by additional cash investment but where is this to be found if not in the public sector? It is virtually impossible for cultural institutions to increase their earned income because, apart from tourists, the majority of people are not in the market to buy art and, although audiences are slowly increasing again after some years of decline, the state of the economy makes any general move to increase ticket prices untenable in the short term.

The National Philharmonic Society for example has set itself the ambitious target of increasing the ticket sales from 10% to 30% of its total income through improved marketing techniques. As things stand, the Society currently depends on the Ministry for 70% of its income and believes that support from the Municipalities will be vital in the near future if the Society is to continue to sustain its programmes in centres throughout Lithuania.

What of private sponsorship? Business sponsorship as practised in western Europe is virtually unknown; but there are exceptions. *Life Festival*, for example, with its international ratings, is one of these. Other festivals, like the one at Pazaislis, have also had some success in attracting sponsors. Elsewhere the kind of corporate sponsorship that was practised in Soviet times by collective farms and state factories is rarely to be found today: where the tradition survives its continuation depends on the successful privatisation of the companies concerned and on the disposition of the Directors whose first duty now is to their shareholders.

In Panevezys, the privatised company Ekranas employs 5,700 people, manufacturing television tubes and other glassware. In Soviet times, as a successful state enterprise, Ekranas created a large and well-maintained Cultural and Conference Centre which it has recently sold to the Municipality on favourable terms. Ekranas continues to play an exemplary role as a major sponsor of the Panevezys International Ceramics Symposium by making its facilities and equipment available for the production and firing of large-scale works in return for examples of the work created. Since 1989 the Symposium has been organised by the Panevezys Art Gallery but the Ekranas tradition of sponsorship for ceramic artists, which is exemplary, began six years earlier.

Business sponsorship is based on the principle of mutual benefit and is quite distinct from corporate charitable giving. As a more developed market economy emerges in Lithuania an increasing number of private companies are likely to find that there are excellent business reasons for them to promote their goods and services by association with cultural values - such as creativity, quality, innovation and skill - which are as essential to economic as they are to cultural development. Business sponsorship is not a panacea, nor is it a substitute for more adequate levels of funding from the public sector to support clearly defined cultural policies at the national and local level. It has to be borne in mind that sponsors will always

be attracted to a fairly narrow range of high profile activities and institutions for whom it can provide valuable supplementary income or help in kind. We recommend that the government should take steps consistent with prudent economic management to encourage sponsorship by providing tax breaks to encourage corporate sponsors.



RECOMMENDATIONS

In our report, we endorse the need to:

- modernise the cultural institutions and networks,
- understand the economic importance of the arts and cultural activities,
- give greater attention to the needs and potential role of the professional artist in the open society,
- assert diversity and encourage new ways of working,
- bring all members of the community into the emerging market for cultural goods and services.

We also recognise that Cultural policy cannot make real headway in isolation from key pressure points in:

- the country's economic and social policy,
- in the legislative programme,
- in the reform of public administration in the deconcentration and decentralisation of government,
- in the structure of government and the jurisdictions of the relevant ministries.

Our overall conclusion is that the "Lithuanian model of cultural policy" should therefore be designed for integration, diversity and innovation as well as for continuity and authenticity.

In Lithuania's new open society, the government's provision of information and the encouragement of intensive public debate on the issues of the day are factors of constant importance, but especially during the current period of rapid change. In putting forward the following recommendations we hope to make an objective contribution to what is already a lively debate in Lithuania about the direction of cultural policy. We have also needed to make certain assumptions:

- that the levels of public financing for culture will remain broadly the same,
- that there will be a coordinated approach to the impact of legislation on culture in general and on artists in particular,
- that the government will continue its programme of deconcentration and decentralisation,
- that there will be a progressive devolution of responsibilities and resources to the elected local authorities.

page

5 The Lithuanian National Report is a landmark document. The Ministry of Culture should ensure that it is widely circulated, invite and coordinate responses to it and actively encourage an ongoing debate about the issues raised.

22 The Ministry, in cooperation with the local authorities, should monitor the progress, quality and commercial success of the new entrepreneurial activities, organisations and

networks that are emerging, and the links between them and the more traditional cultural institutions.

23 There is a need for more concrete action, both in terms of financing and strategies, aimed at bringing about institutional change and more effective management

- First for systematic monitoring and assessment of "prospective" or "innovative" activities.
- Second to reassess the legislative framework and the system of taxation and revise it in a manner which favours - or at least does not penalise these activities.
- Third to set aside a special public fund or "endowment" the exclusive purpose of which is to direct support to these activities, to provide them with infrastructure and facilities and to enhance cooperation with the more traditional institutional activities.
- Fourth, to provide further and more intensive training in managerial skills, (as the Cultural Workers' In-Service Training Centre has already begun to do), including training in the use of new information and communication technologies and their application in management and in cultural activities.

23 In developing cultural policy, decision makers and administrators should also pay attention to the three main dimensions of equity: the territorial equity, the equity between different forms of art and culture, and equity in terms of open (ie non-elitist) recruitment.

24 The Ministry of Culture should be in a position to influence the larger government spending departments on issues of policy, and to contribute to their decisions on a regular basis, in order to promote the integration of culture in national life, and to guard against its marginalisation.

24 The Ministry should vigorously pursue decentralisation to the local authorities, based on the principles of subsidiarity and devolution, and engage with the County administrative units to support this objective.

25 The Ministry should review its internal organisation, within current budgets and staffing levels, and develop an appropriate horizontal structure.

In the context of this organisation review, the Ministry should:

25

- establish a Cultural Policy Unit within the Ministry,
- strengthen the Culture and Arts Council,

26

- create a Museums Council for Lithuania.

25 The Cultural Policy Unit should:

- maintain effective links with other Ministries,
- monitor the implementation of cultural policy,
- manage arrangements for periodic policy review, monitor and coordinate legislation affecting culture, develop the collection and analysis of cultural statistics in collaboration with the government Department of Statistics,
- coordinate the Ministry's research activity.

25 The Culture and Art Council should be given separate legal status. It should have a significant grant-making as well as advisory function. The Minister should continue to

appoint the Council members, having taken appropriate advice, but criteria for appointment to the Council should be published.

The Council should be funded by, but work at one remove from, the Ministry and be responsible for:

- consulting with the Expert Commissions,
- detailed grant-making decisions,
- monitoring and advising on policy,
- distributing funds from the proposed Culture and Art Endowment within policy guidelines determined by the Minister.

26 The Ministry of Culture should establish an autonomous self-governing Museums Council for Lithuania with government funding. The Council should be given separate legal status with its own board of management and at least three members of staff to support its role. The Council should be responsible for:

- providing advice, information and grant-aid to all museums that are not nationally funded as budget organisations,
- the detailed distribution of funds from the proposed Culture and Art Endowment within policy guidelines determined by the Minister,
- grant-aiding projects in the eligible museums,
- allocating a small purchase fund,
- leading discussion with the Museum Expert Commission of the Ministry and the Lithuanian Museums Association on the development and implementation of a system of Museum Registration and standard setting.

27 We recommend that Seimas should clarify, and give renewed impetus to, the government's responsibility to give the lead in cultural policy based on clearly stated principles.

When the new Cultural Policy document is ready the Seimas should debate, endorse and publish it.

At least once a year, the Minister should make a report to the Seimas which should be debated.

29 A balance needs to be struck between the delegation of responsibilities to local authorities as a branch of central government administration and the devolution to them of discretionary and independent policy- and decision-making powers, and resources within their own jurisdiction.

31 In developing the regional dimension in cultural policy, a diversity of approach should be allowed so that the nature of the activity and the circumstances in the area determine the appropriate structure, rather than imposing a structure on the activity.

33 A fully integrated system of monument protection and control is needed: a centralised system is feasible, practical and desirable.

33 The County administration units should not pre-empt the decision-making powers of the local authorities nor act for them except by their consent.

If the Counties are to play a useful strategic, regional role in the development of cultural services they need to create structures which are clear, relevant and complementary.

33 The Ministry of Culture should initiate a strategic and comprehensive approach by working with each county individually to prepare a costed cultural development programme for its area for the next three years. The preparation of the programme should closely involve the local authorities and cultural institutions.

34 Each local authority should articulate its own cultural policy and prepare a cultural development programme. The policy should include objectives and priorities projected three to five years ahead, and be negotiated with neighbouring authorities on aspects needing mutual agreement.

34 The aim for both local authorities and counties should be to agree mutually on policy objectives and priorities in each administrative area of the country, based on quality, sustainability and evidence of need, and on the broad division of responsibilities.

34 In principle, the local authorities should have some measure of involvement, reflected in a financial stake, in all the major cultural institutions in their areas.

35 The process of decentralisation in the field of culture by mutual agreement with the local authorities ought to be re-invigorated without delay.

35 Only the local authorities, working with the cultural institutions and artists in each area of the country, can bring about a new relationship between culture and society at the grass roots level.

35 There is an urgent need for the Ministry to decentralise its current burden of executive responsibilities in order to concentrate more of its attention on those issues that are truly national.

35 Steps should therefore be taken to strengthen the advisory and decision-making roles of the Cultural Boards appointed by local authorities from among their elected Members.

35 Local authorities should adopt an integrated approach to cultural policy, by consistently applying cultural solutions to policy objectives across a wide range of local authority services.

36 Vilnius City Council should progressively strengthen its cultural policy, with particular regard to the needs and aspirations of local people, including those in the region surrounding the city.

37 Vilnius City Council should develop its links with the national cultural institutions in the City, with its resident artists, and artists from abroad, in the application of the arts to neighbourhood development, urban regeneration and environmental improvement schemes, and the encouragement of broad-based amateur participation and audience development.

37 In Vilnius and Kaunas, the City Councils should give consideration to creating museums dedicated to all aspects of the history and cultural identity of the city up to the present day.

37 In Vilnius and Kaunas, the City Councils should give more attention in their cultural policy-making to measures encouraging grassroots activity, artist-led initiatives and small cultural industries, and to the more general integration of culture in other areas of civic policy. The results should be monitored and evaluated and widely shared with other local authorities.

39 In Panevezys, the concept of the "cultural quarter", which is quite common in some much larger western European cities, should be explored with a view to joint marketing initiatives aimed at promoting a stronger identity for Panevezys as a cultural destination as well as raising the profile of the individual institutions.

39 The Collegium of Local Self-Government should have a key role in progressing the County and Local Authority cultural development programmes, in developing an agreed programme of decentralisation and in monitoring its implementation.

40 Cultural policy should cover all types of artistic practice and structure, taking into account their special characteristics, and integrating measures of direct support with measures to do with institutional infrastructure, national cultural industries and support to artists organisations.

40 The national and local authorities should recognise that the successful delivery of cultural policy both now and in the future depends in large measure on the work of creative artists and the good health of their professional organisations.

41 It is evident that artists' professional organisations will have to act as Trades Unions in order to defend the rights of their members in respect of social insurance, pay and working conditions: the Artists Unions should therefore have recognised collective bargaining rights.

41 The *Law on Art Creators and their Organisations* represents a valuable step forward from which the legal framework for artists' rights, and for their working practice, should be further developed.

42 The Ministry of Culture scholarship programme should be reviewed in order to make it more flexible and more responsive to the needs identified by individual artists and their unions.

42 The law should take into account the specific pension requirements of certain professions - eg ballet dancers.

42 The application of the "unemployed status" to certain categories of creative profession should be considered.

42 Action should be taken to introduce a separate law on copyright and neighbouring rights and to harmonise Lithuanian law with European legislation on intellectual property.

42 In due course, consideration should be given to extending the principle of neighbouring rights to include a library lending right for writers and an exhibition payment right for visual artists.

42 The Ministry of Culture should organise and coordinate a programme of inter-Ministry seminars and conferences aimed at securing artists rights and working conditions under legislation. International experts should be invited to participate in this programme.

43 The tax laws should be adjusted to reflect a more sympathetic understanding of the diversification of profitable and not-for-profit activities by artists by means of which both cultural and economic objectives can be achieved. The Ministry should undertake a special study in this area.

43 Everything possible should be done to encourage and extend cooperation at the local level between professional artists and local branches of their unions and the new local authorities.

43 The traditionally strong interaction between the professional and amateur sectors in Lithuania should be sustained and developed.

43 In general, both central government and local authorities need to focus greater attention on the value of artists and creative processes in economic development.

43 The local authorities should formulate appropriate strategies to encourage the development of small-scale cultural enterprises by providing advice and practical support.

43 The artist's requirement for new skills should be taken into account when new cultural management training programmes are being developed.

43 Artists in all fields of activity should be encouraged to play a more effective role in advising the government and local authorities, be involved in the development and implementation of national cultural policy, and monitor changes in their own status.

44 Conditions should be created in which theatres are less bound by the repertoire system and are able to make a much more extensive use of short-term contracts.

45 Cultural policy should take into account the creative potency of emerging cultural organisations - small galleries, theatre and dance companies, informal teaching studios, festivals etc. - whether their orientation is to the artist or to the wider public

45 The Ministry should create the conditions for as many as possible of the existing publicly funded cultural institutions - in all sectors - to become autonomous, self-governing non-profit institutions, grant-aided by the public authorities on specific terms and conditions.

45 Each autonomous institution will need to appoint its own Board of Management.

46 Board members should be offered specific initial training in their role and responsibilities.

46 In developing cultural policy in relation to the cultural industries it will also be important to include more recent, and rapidly expanding, developments linked to video, satellite and cable transmission, digital media, CD-Roms and discs, and computer-based communication systems.

47 Efforts should continue to stabilise and develop the cinema industry. Efforts should be made to establish an archive of Lithuanian feature and documentary cinema in Lithuania.

47 The coordination of library and book distribution policies should be continued. Ways of establishing a system of library compensation (Lending Right) should be studied. The possibilities for regional cooperation with neighbouring countries in buying rights, coordinating distribution, and consolidating book markets should be studied.

48 The production of a regular Books-in-Print catalogue, including information on forthcoming publications, should be encouraged.

48 Lithuania should harmonise its measures to protect intellectual property rights with European legislation and should join the Rome Convention (1961) and the Geneva Convention (1971).

48 New modes of cooperation between public radio and television and the arts and culture should be investigated.

48 A comprehensive audit of the key sectors of the cultural industries should be carried out in order to produce reliable data, determine where public intervention can be most effective in the medium term, and identify the potential cultural and economic gains to be expected. The government should give a lead in coordinating the involvement of the relevant Ministries and agencies. Experience in the Nordic and other Baltic countries should be drawn on in developing a comprehensive approach.

53 In preparing their Cultural Development Programmes, the local authorities should monitor and take into account any independent initiatives in their areas which seek to provide opportunities for public participation in cultural activities.

53 In preparing their Cultural Development Programmes, the local authorities should consider how Cultural Centres can best be renewed and adapted to meet demands for new types of activities.

54 The local authorities and the Ministry should not attempt to apply a uniform solution or model to all Cultural Centres in all parts of the country but continue to encourage debate, stimulate new ways of working, support a diversity of policy-led initiatives, and share the results.

54 In cooperation with the local authorities, and with the NGOs working with the disabled, the Ministry should give a lead in carrying out a full access audit in particular sectors - for example the state theatres and museums. A combined initiative should be taken in order to establish a number of examples of good practice.

55 The present diversity of approach to the formation of local arts councils in different areas of the country should continue. The Local Government Collegium should be asked to monitor progress, identify any needs for training that may arise and promote best practice.

55 In the case of the Counties, consideration should be given to the future development of independent Culture and Arts Councils along lines similar to the national Culture and Arts Council, with their functions based on the arms-length principle.

56 It would not be helpful to prescribe that every local authority should set up a Culture and Arts Council, or that there should be a common format for such Councils where they are set up. Each local authority should make its own judgement as to the most appropriate and effective ways of taking expert advice and consulting with local people.

59 We recommend that the Ministry should undertake a special study of the economic situation of the artist and that this should also be the subject of one of the inter-ministry seminars suggested above.

59 In the management of change a commitment to training is vital at every level in the system.

60 The *In-Service Centre for Cultural Workers* is now the only one of its kind in the Baltic states and merits wider recognition for its important work.

60 The demand for different types of training, in cultural management and in a wide range of skills, is set to expand. The local authorities, the government, and the cultural institutions should maintain their investment in training and in the *In-Service Centre for Cultural Workers*, and increase their investment as soon as circumstances allow.

60 An independent task force should be appointed to focus attention on training needs, to advise on training provision, and to develop a five-year strategic plan in consultation with the Ministry, the Collegium of Local Self-government, cultural institutions and other training providers.

61 Funds raised through the proposed national cultural foundation should be distributed via the Culture and Arts Council and the new Museums Council for Lithuania in accordance with guidelines determined by the Minister.

64 The Ministry of Culture should initiate a dialogue with the emerging tourism industry in order to avoid the kind of mistakes that have sometimes been made in Western Europe where heritage attractions of poor quality have been developed which fail to attract either local residents or tourists, resulting in much wasted investment.

65 The local authorities should be encouraged to support developments in museum education and to contribute through the Collegium to national debate and national policy development.

68 Recognising business sponsorship as a valuable addition to public financing for culture, the government should take steps consistent with prudent economic management to provide tax breaks to encourage corporate sponsors.

APPENDIX I: LIST OF CONTACTS AND INTERVIEW PARTNERS

(in order of meetings)

1 April 1997 - Vilnius

Ms Ina Marciulionyte	Director of Cultural Programmes Open Society Fund - Lithuania. Member of National Report Research Group
Mr Arunas Beksta	Vice-Minister, Ministry of Culture. Member
Mr Laimonas Tapinas	Director, Journalistic Centre. Member of National Report Research Group
Ms Liucija Overlingiene	Deputy Director, Cultural Heritage Department, Ministry of Culture
Ms Veronika Baliuniene	Senior Specialist, Legal Division, Ministry of Culture. Member of National Report Research Group
Ms Liucija Stulgienne	Director, Musicians' Support Fund
Mr Viktoras Liutkus	Head of European Integration Division, Ministry of Culture. Coordinator and editor for National Report Research Group
Mr Saulius Saltenis	Minister of Culture Republic of Lithuania
Ms Nijole Statkute	Vice-Minister
Mr Faustas Latenas	Vice-Minister
Mr Naglis Puteikis	State Secretary, Ministry of Culture. Director, Cultural Heritage Department

2 April 1997 - Vilnius

Ms Zibute Bagdonaviciene	Head of Finance Division, Ministry of Culture
Mr Vytautas Gudaitis	Head of Libraries Division, Ministry of Culture
Ms Rimalda Kvietkauskiene	Head of Scientific Methodology Division, National M. Mazvydas Library
Mr Vaidotas Stepsys	Senior Specialist, Publishing and Literature Division, Ministry of Culture
Mr Romanas Senapedis	Head of Museums Division, Ministry of Culture
Mr Benas Gintalas	Head of Cinema Division, Ministry of Culture
Mr Audronis Liuga	Senior Specialist, Cinema Division, Ministry of Culture
Ms Ona Servaite	Head of Music Division, Ministry of Culture
Mr Jurgis Giedris	Senior Specialist, Theatre Division, Ministry of Culture
Mr Zibartas Jackunas	Chairperson, Seimas Education, Science and Culture Committee
Mr Mindaugas Briedis	Member, Seimas Education, Science and Culture Committee
Ms Romualda Hofertiene	Chairperson, Education sub Committee, Seimas Education, Science and Culture Committee
Mr Vladas Bulavas	Director, National M. Mazvydas Library

Mr Valentinas Sventickas	Chairperson, Lithuanian Writers Union
Mr Vytautas Martinkus	Chairperson, Lithuanian Association of Creative Unions
Mr Vincas Akelis	Chairperson, Lithuanian Publishers Association
Mr Eugenijus Alisanka	Vice-Chairperson, Lithuanian Writers Union
Ms Nijole Matuleviciene	Head of Copyright Division, Ministry of Culture

3 April 1997 - Vilnius

Ms Giedre Kvieskiene	Head of extra- Curricular Division, Ministry of Education and Science
Ms Dalia Siaulytiene	Chief Officer, College Division, Ministry of Education and Science
Ms Giedre Vesulaite	Chief Officer, College Division, Ministry of Education and Science
Mr Zilvinas Meskuotis	Chief Officer, College Division, Ministry of Education and Science
Ms Andzela Armoniene	Press Officer, Ministry of Education and Science
Mr Jonas Dziena	Senior Specialist, Professional Division, Ministry of Education and Science
Mr Romualdas Kondrotas	Director, MK Ciurlionis Art Gymnasium
Mr Jonas Volungevicius	Chairperson, Committee of Culture, Education and Sport, Vilnius City Council
Mr Romas Ryliskis	Vice-Chairperson, Culture and Art Department, Vilnius City Council
Mr Juozas Mikutavicius	Director, Lithuanian Folk Culture Centre
Ms Vida Satkauskiene	Deputy Director, Lithuanian Folk Culture Centre
Mr Rimas Tuminas	Artistic Director, Lithuanian Academic Drama Theatre
Mr Arturas Sablauskas	Deputy Director, Lithuanian Academic Drama Theatre
Mr Jonas Aleksa	Chief Executive, Lithuanian Opera and Ballet Theatre
Mr Kestutis Minderis	Director, Lithuanian Opera and Ballet Theatre

4 April 1997 - Vilnius

Mr Remigijus Motuzas	Director, Department of Regional Problems and National Minorities
Mr Kornelijus Platelis	Director, VAGA Publishing House Press Conference
Mr Romualdas Budrys	Director, Lithuanian National Art Museum and President, Lithuanian Museums Association
Ms Audrone Bliuviene	Deputy Director for Education, Lithuanian National Art Museum
Ms Laima Bialopetraviciene	Deputy Director for Science, Lithuanian National Art Museum
Ms Janina Lukseniene	Deputy Director, P. Gudynas Restoration Centre and President, Lithuanian ICOM Committee
Mr Aleksandras Kulikauskas	Deputy Director for Finance, Lithuanian National Art Museum
Mr Romualdas Petraitis	Deputy Director, Lithuanian National Philharmonic Society
Mr Romas Stirblys	Deputy Director, Lithuanian National Philharmonic Society

5 April 1997 - Vilnius

Ms Nida Rutkiene	Director, Vartai Art Gallery
Ms Jurate Stauskaite	Director, J Stauskaite Youth Art Studio
Ms Vega Vaiciunaite	Teacher, J Stauskaite Youth Art Studio
Ms Rachel Kostanian	Scientific Secretary, Jewish State Museum of Lithuania
Ms Viktorija Sakaite	Research staff, Jewish State Museum of Lithuania
Ms Judita Rozina	Research staff, Jewish State Museum of Lithuania

24 May 1997 - Vilnius

Ms Laima Liutkuviene	Director, In-Service Training Centre for Cultural Workers
----------------------	---

25 May 1997 - Kaunas

Mr Osvaldas Daugelis	Director, MK Ciurlionis Art Museum of Kaunas
Mr Povilas Alesius	Director, Langas Art Gallery
Ms Lolita Vyzintiene	Manager, Gallery Langas
Ms Snieguole Surbliene	Curator, Langas Art Gallery
Mr AAudrius Sekliuckis	Curator, Langas Art Gallery

26 May 1997 - Kaunas

Ms Liudvika Nagineviciene	Chairperson, Culture and Education Committee, Kaunas City Council
Mr Jonas Jucas	Head of Culture Department, Kaunas City Council
Ms Vida Jasaityte	Deputy Head of Culture Department, Kaunas City Council
Mr Justinas Krepsta	Director, Kaunas Philharmonic Society and Manager, Pazaislis Festival
Mr Mindaugas Skvarnavicius	Director Kaunas Cultural Centre "Girstutis"
Ms Birute Letukaite	Artistic Director, Kaunas Dance group "Aura"
Mr Aurelijus Slevas	Administrator, Kaunas Dance group "Aura"
Mr Stanislovas Rubinovas	Artistic Director, Kaunas Youth Chamber Theatre
Mr Alfonsas Andriuskevicius	Deputy Mayor of Kaunas
Mr Raimondas Yla	Senior Specialist, Cultural Department, Kaunas County
Mr Petras Bingelis	Conductor, Kaunas State Choir
Mr Zenovias Vaskevicius	Director, V Kudirka County Library

26 May 1997 - Jurbarkas

Mr Aloyzas Zairys	Mayor of Jurbarkas City
Ms Kristina Vanciene	Deputy Mayor of Jurbarkas City
Ms Liudvika Frejiene	Head of Culture Department, Jurbarkas
Ms Nijole Masiuliene	Director, Jurbarkas Public Library
Ms Ada Baubliene	Director, Jurbarkas Cultural centre
Ms Lilija Jakelaitiene	Director, Jurbarkas Local History Museum
Ms Margarita Karuniene	Senior State Inspector, Cultural Heritage Department, Taurage County

Mr Brad Anderson	Representative of the US Peace Corps in Jurbarkas
Ms Vilijana Urbietiene	Foreign Relations Specialist, Jurbarkas City Board
	Collegium of Local Self-Government
Mr Zignmas Vileikis	Head of Culture Department, Birstonas
Ms Angele Rupkute	Head of Culture Department, Mazeikiai
Ms Nijole Lauikiene	Head of Culture Department, Klaipeda
Ms Liudvika Frejiene	Head of Culture Department, Jurbarkas
Ms Jadvyga Liseviciute	Head of Culture Department, Trakai

27 May 1997 - Klaipeda

Ms Brone Lauciuviene	Director, Kalipeda Public Library
Mr Jonas Genys	Director, Museum of Lithuania Minor
Mr Julius Zukas	Deputy Director, Museum of Lithuania Minor
Ms. Liucija Gineikiene	Head of Ethnography Department, Museum of Lithuania Minor
Ms Ramune Braciuliene	Head of Archaeology Department, Museum of Lithuania Minor
Ms Zita Juskiene	Curator, Museum of Lithuania Minor
Ms Valentina Gontar	Representative of the Ukrainian community in Klaipeda
Ms Valentina Borovec	Representative of the Ukrainian community in Klaipeda
Ms Marianne Raikutiene	Representative of "Edelweiss-Wolfskinder" in Klaipeda
Mr Jakovas Rikleris	Representative of the Jewish Community in Klaipeda
Mr Edgardas Savickis	Representative of the Latvian Community in Klaipeda
Ms Larisa Lukoseviciene	Representative of the Russian Society "Slovo" in Klaipeda
Ms Edita Surblyte	Administrator, Simon Dach House, Klaipeda
Ms Silke Brohm	Administrtrtor, Simon Dach House, Klaipeda

27 May 1997 - Nida

Ms Irma Baltrusaitiene	Deputy Mayor, Neringa City
Ms Vitalija Jonusiene	Chairperson, Culture Education and Sports Committee, Neringa City Council and Director, Thomas Mann Museum
Ms Violeta Montvilaite	Head of Culture, Education and Sport Department, Neringa City Council
Ms Janina Lukauskiene	Head of Economic and Finance Department, Neringa City Council
Ms Rolanda Kristopaviciute	Architect, Neringa City Council

28 May 1997 - Klaipeda

Mr Eugenijus Gentvilas	Mayor of Klaipeda
Ms Nijole Lauzikiene	Head of Culture Department, Klaipeda City Council
Ms Rima Noreikiene	Head of Monument Protection Department, Klaipeda City Council
Ms Audrone Bertulyte	Klaipeda City Tourism and Information Centre

28 May 1997 - Kretinga

Mr Virginijus Adomaitis	Deputy Mayor of Kretinga
Mr Rolandas Rumsas	Administrator of Kretinga City Council
Ms Raimunda Rieskuvieniė	Head of Culture Department, Kretinga City Council
Ms Vida Kanapkiene	Director, Kretinga Museum
Ms Aldona Kerpyte	Director, Kretinga Public Library
Ms Konstancija Maciene	Director, Kretinga Cultural Centre
Mr Algirdas Verbutas	Director, "Atzalynas" Children's Drama Theatre

29 May 1997 - Siauliai

Mr Alfredas Lankauskas	Mayor of Siauliai
Mr Hubertas Smilgys	Head of Culture Department, Siauliai City Council
Ms Natalija Borgerdt	Deputy Head of Culture Department, Siauliai City Council
Ms Eugenija Rumkuniene	Director of P Visinskis County Library
Ms Ruta Zirgulyte	Deputy Director of P Visinskis County Library
Ms Antanina Kerbedyte	Head of Department, P Visinskis County Library
Ms Irena Zilinskiene	Director, Siauliai City Public Library
Ms Jadvyga Starazinskiene	Deputy Director, Siauliai City Public Library
Ms Daimute Vasiliauskiene	Head of Publishing Centre, Siauliai Pedagogical Institute
Ms Virginija Siukciuvieniė	Head of Publishing Department, "Ausra" Museum
Mr Eugenijus Cicenäs	Director, "Ausra" Museum
Ms Birute Salatkiene	Head of Archaeology Department, "Ausra" Museum
Mr Jonas Bartkus	Head of Information Department, Siauliai City Council
Mr Vytenis Rimkus	Professor of Art History, Siauliai Pedagogical Institute
Ms Nijole Grakauskiene	Director, "Delta" bookshop
Mr Arunas Gumuliauskas	Professor of History, Siauliai Pedagogical Institute
Mr Giutas Butkus	Siauliai City Council, International Relations Specialist
Ms Roma Barietaite	Senior Specialist, Siauliai County Monument Protection Service
Mr Antanas Venckus	Administrative Director, Siauliai Drama Theatre
Mr Romas Atkociunas	Artistic Director, Siauliai Drama Theatre
Mr Pranas Piaulokas	Actor, Siauliai Drama Theatre
Mr Juozas Bindokas	Actor, Siauliai Drama Theatre
Ms Virginija Staseviciute	Director, "Helias" Youth Drama Studio
Mr Viginijus Kincinaitis	Art Critic, Deputy Director Siauliai City Art Gallery
Mr Vykintas Alisauskas	Deputy Director "Laiptai" Gallery
Ms Marija Zibudiene	Conductor "Atzalynas" Youth Choir
Mr Virginijus Stonkus	Director, Siauliai Cultural Centre
Mr Algirdas Stanelis	Director of "Sialiu Naujienos" (newspaper)
Mr Stasys Susinskas	Director of Siauliai local TV
Mr Valentinas Didzgalis	Director of Siauliai local Radio
Ms Birute Zymantiene	Press representative, Siauliai City Council

29 May 1997 - Panevezys

Mr Algimantas Aleksandravicius	Photographer, owner of "Algimantas" gallery
Mr Gendrius Jakubenas	Director of Panevezys Jazz Centre, artistic director "Jazz Singers Band"
Mr Alfredas Cekanauskas	Director of "Panevezio Garsas" brass band
Ms Marija Cicirkiene	Photographer, Director of Photography Gallery
Ms Jolanta Lebednykiene	Director, Panevezys Art Gallery

30 May 1997 - Panevezys

Mr Petras Luomanas	Deputy Mayor of Panevezys
Mr Alges Grauzinis	Head of Architecture and Urban Department, Panevezys City Council
Ms Silvija Kraskauskienė	Senior Specialist, Monument Protection Service, Panevezys County
Ms Ona Chomentauskiene	Head of Finance Department, Panevezys City Council
Ms Regina Liuksiene	Deputy Head of Finance Department, Panevezys City Council
Mr Arunas Astramskas	Director Panevezys Local History Museum
Ms Violeta Tursiene	Director, Panevezys Cultural Centre

Press Conference - 30 May 1997 - Anyksciai

Ms Diana Petrokaite	Director Anyksciai Cultural Centre
Mr Audrius Leskauskas	Director Anyksciai Horse Museum

31 May 1997 - Vilnius

Mr Zibartas Jackunas	Chairperson, Seimas Education, Science and Culture Committee
Mr Arunas Beksta	Deputy Minister
Ms Diana Paknyte	State Secretary, Ministry of Culture
Ms Giedre Jankeviciute	Researcher at the Institute of Culture and Art

31 May 1997 - Trakai

Ms Grazina Morkunaite	Head of Tourism Information Centre, Trakai
Ms Elvyra Zagreckaite	Guide, Trakai Castle Museum

APPENDIX II: LITHUANIA: HISTORY, GEOGRAPHY, ECONOMY

History

1009

The name Lithuania appears for the first time in written sources.

1323

Vilnius becomes the capital of the Grand Duchy of Lithuania.

1392-1430

During the rule of Grand Duke Vytautas Lithuania became one of the largest states in Europe.

1547

The first book in the Lithuanian language printed - Catechism by Martynas Mazvydas.

1569-1795

Under the Lithuanian-Polish Commonwealth, Lithuania lost its power.

1579

Vilnius University founded.

Lithuania was an independent state until the late eighteenth century when the territory of present-day Lithuania fell under Prussian and Russian occupation. Two major uprisings against Russian rule in 1831 and 1863 but were suppressed. From 1864, hard-line russification was introduced and thousands of Lithuanians were deported or forced to emigrate. In 1915 Germany took possession of the country

Lithuania finally regained unconditional independence on 16 February 1918. On 9 October 1920 Poland annexed Vilnius and the capital of Lithuania was transferred to Kaunas. In 1923, Lithuania annexed the region around Klaipeda (Lithuania Minor) which had been under League of Nations control since 1919.

Following the Molotov-Ribbentrop pact (1939) Lithuania was occupied first by the USSR and then, in the second world war, by Nazi Germany. From 1941-1944 SS and Gestapo units organised the liquidation of over 200,000 Lithuanian Jews. In 1944, Lithuania was re-incorporated into the USSR, leading to the deportation of 250,000 Lithuanians to the gulag and the extradition of Polish Lithuanians to Poland. Lithuanian partisans continued guerilla warfare until 1953.

In 1988, the Lithuanian reform movement Sajudis was set up, advocating "openness, democracy and sovereignty." On 11 March 1990, the Parliament of Lithuania voted for breakaway from the Soviet Union and Lithuania became the first Soviet republic formally to establish its independence. On 13 January 1991 Soviet troops assaulted the Vilnius TV tower, killing 14 unarmed civilians and injuring hundreds more. In September 1991, Lithuania became a member of the United Nations.

Geography

Lithuania lies at the geographical centre of Europe, on the eastern coast of the Baltic Sea. In the north Lithuania borders on Latvia, on the east and south on Belarus, in the southwest on

Poland and the Kaliningrad region of the Russian Federation. The country consists of lowland plains, uplands. Numerous lakes and forests cover respectively 1.5% and 28% of the country.

Four principal ethnic regions can be distinguished in Lithuania: Zemaitija (Western Lithuania), Aukštaitija (Central and Eastern Lithuania), Dzukija (South eastern Lithuania on both sides of the Nemunas river, and Suvalkija (the nother parts to the the south of the Nemunas river).

Population

Lithuania is the largest of the three Baltic States. The population at the end of 1993 was 3,724,000. 65% of the population live in towns and the average population density is 57.1 inhabitants per square kilometre. Of the total population, Lithuanians comprise 80%, Russians 8.7%, Poles 7.1%, Belorussians 1.8%, Ukrainians 1.6%, Jews 0.3%.

Principal Cities

Vilnius, the capital, population 573,200, is the centre of government and commerce; Kaunas, the former capital, population 410,800; Klaipeda, Lithuania's main port and one of the largest ice-free ports of the Baltic Sea, population 201,500; Siauliau, population 146,500; Panavezys, population 132,300.

Principal Religions

Lithuania is mainly Roman Catholic, but there are also Evangelical Lutheran, Reformed Evangelical, Russian Orthodox and Old Believers churches as well as a number of synagogues and mosques.

Language

Lithuanian belongs to the Baltic group of Indo-European languages. Russian as second language is spoken by about 80% of the population. English is spoken by many people in government and commerce.

Government and Politics

Lithuania is a democratic parliamentary republic. Under the President, the highest body of State power is the one-house Parliament, the Seimas. The 141 members are elected for four years, half by direct election and half by a proportional system; 28 political groupings contested the 1996 elections. The Seimas is engaged in activities set out in the Constitution such as the adoption of laws, the approval of the State budget, the appointment and dismissal of government officials. The Seimas controls the activities of the government and in the field of culture, the Committee for Education, Science and Culture provides an important focus for the drafting and review of legislation.

The government comprises the Prime Minister and, currently, 16 ministers.

For the purposes of local government, Lithuania is divided into 56 urban and local units whose representatives are elected. There are also 10 regional (county) administrations whose heads are appointed by the government.

Economy

The implementation of economic reform and the search for the most suitable model for Lithuania's transition to a market economy is still going on.

Inflation was 47.5% in 1994 and GDP increased by an estimated 1.5% in 1994, with an increase of 5% forecast for 1995. The inflation figure for August 1995 was 0.4% bringing the total to 20.4% over the first 8 months of 1995. An estimated 5.1% of the population was registered unemployed in August 1995 and the monthly wage in September 1995 averaged US\$ 128. The rate of inflation has significantly decreased since the national currency, the Litas was introduced in July 1993. In September 1995, per capita monthly retail turnover was estimated at US\$ 28.1, an increase of 55% in 12 months.

Lithuania is an industrial agrarian state. As a result of the government's move away from the Soviet centralised economy, industrial and agricultural output decreased by 52% and 50% respectively. However, substantial privatisation followed, as a result of which some 65,000 small and medium-size enterprises were fully or mainly in private hands by late 1993. Also, an increasing number of joint ventures and enterprises with foreign capital have been registered.

Lithuania still depends heavily on trade with the CIS and several free-trade agreements have been signed with Belorussia, the Ukraine and Kazakhstan. There is also a trilateral free trade agreement among the Baltic States, and other similar agreements with Sweden, Norway, Finland and Switzerland.

Privatisation

Lithuania's privatisation process began in 1991 and is based on several laws concerning state property, agricultural enterprises, housing space, land reform, and the restitution to residents of rights of ownership to real estate. In total, two thirds of the value of state property (excluding land and some natural resources) are intended for privatisation.

The privatisation programme was started in September 1991 with the privatisation of State capital for money and warrant cheques. The privatisation of large and medium size companies accelerated in February 1992 when investment stock companies joined the privatisation process. In September 1995, privatisation for hard currency began.

Priority has been given to the privatisation of small businesses; however, medium and large-scale companies are also gradually being privatised in order to encourage the development of the private sector in most areas of the economy. By early 1994, some 77,000 private firms had been registered and there were over 19,000 shareholding companies, 15% of which are joint ventures. There are some 900 foreign-owned companies.

Structural reorganisation of state enterprises and the decentralisation of their management is being carried out simultaneously with privatisation.

APPENDIX III: SPHERES OF COOPERATION

In this section we briefly describe the Baltic Sea region and the European networks for cultural and economic cooperation in which Lithuania has become an active participant since regaining independence in 1990/91.

Lithuania, Latvia and Estonia

A trilateral agreement of cultural cooperation between the Ministries of Culture of Estonia, Latvia and Lithuania was signed in Vilnius in 1994. A programme of cultural cooperation was signed in Riga in February 1997, including guidelines for cultural cooperation, the exchange of information about cultural events, legislation, exchanges of delegations, contacts between artists, and encouragement for the work of the Baltic Heritage Committee. A trilateral conference on Baltic Cultural Cooperation will be held in Tallinn in October 1997.

The Baltic Sea Region

The Baltic Sea Region comprises approximately one third of the geographical area of Europe and more than 50 million people live in the Region. Since the accession of Finland and Sweden to the European Union in 1995, the Region has gained a new importance and the Baltic Sea is practically an inland sea in the European Union.

Since the turning point in 1989, cooperation between countries in the Region has gained a new momentum. The principle networks include

The Baltic Assembly. The Baltic Assembly was established in Tallinn in 1991 as an instrument of cooperation between Estonia, Latvia and Lithuania. The Assembly's activities are equally financed by all three countries and Assembly sessions are convened twice each year on a rotational basis.

Structurally, the Assembly is formed by the delegations from the Estonian, Latvian and Lithuanian parliaments with 20 deputies from each. Each of the parliamentary delegation members is involved in one of six working committees, including one for Science and Culture. Two important developments during the Assembly's fourth and fifth sessions held in 1994 were the formation of the Baltic Council of Ministers and the establishment of the Baltic Assembly Prizes for literature, art and science.

The Union of Baltic Sea Cities. The Union was set up in 1991 and by 1996, 65 cities were in membership. UBC special Commissions include Culture, Social Affairs and Tourism.

The Nordic Council of Ministers which has set up Information Offices in all the Baltic States and encourages collaboration between them and a number of Nordic Cultural Associations.

The Council of Baltic Sea States was founded in 1992 and works as an umbrella organisation for cooperation between the countries of the Baltic littoral. Cultural cooperation is a prominent objective, with the aim of reviving former ties and creating new ones.

The Council of Europe

Lithuania, Latvia and Estonia joined the European Cultural Convention in May 1992. Lithuania and Estonia joined the Council of Europe in 1993 and Latvia in 1995. Sweden, Norway, Denmark and Germany had already signed this Convention in the 1950's, Finland in 1970, Poland in 1989, Russia and Belarus in 1993.

Within the Council's programme of National Cultural Policy Reviews, a report on Estonia was published in 1995 and a report on Latvia will be completed in 1998.

Under the Council's Cultural Routes programme, the Baltic States are included in the Viking, Hanseatic and Baroque Routes. There are also plans to bring into this programme the old Amber Routes between the Mediterranean and the Baltic Sea together with the Amber Route along the Baltic Sea coast. For the Baltic States, these cultural routes are a means of reinforcing their regained independent identities in a European context. For visitors, the Routes provide important points of access to European and Baltic history.

Another important initiative of the the Council of Europe is the Books and Archives Programme in which the three Baltic States are included. In 1996 the Council commissioned a study to examine the feasibility of setting up a *Books in Print Catalogue for the Baltic Republics* with the aim of raising awareness and competitiveness in all sectors of the book trade.

The Council of Europe also offers technical assistance to Central and Eastern European countries in fields ranging from economics to legislation, from the environment to the protection of cultural heritage. A programme launched in 1995 is aimed at responding rapidly to requests from national regional and local authorities for technical information, consultancy and exchanges in the broad field of culture, especially cultural policy and management of the arts.

The European Union

The relationship between the European Union and the three Baltic States has changed dramatically over the last few years and already covers much more than simply trade agreements in certain sectors. The European Union has recognised the wish of the Baltic States to become part of the Union when the necessary preconditions for membership are fulfilled. To this end, Europe Agreements were signed with all three Baltic States in June 1995 which set the path for progressive convergence in a very wide range of activities, including approximation of legislation, economic, financial, political and cultural cooperation.

In the recent Agenda 2000 report, the Commission has announced its proposals for the next phase of the expansion of the Union. The Commission has concluded that Lithuania has not yet fully met the agreed economic criteria for membership and would face serious difficulties in coping with competitive pressure and market forces within the Union in the medium term. The Commission has undertaken to present a further progress report no later than the end of 1998.

The process of European integration in the Baltic States is supported by the European Commission's PHARE and TACIS democracy programme. The PHARE programme has

been specifically redirected towards supporting preparation for accession to the Union on a multiannual basis. TACIS supports the acquisition and application of knowledge and techniques of parliamentary practice and organisation by cross-party groups of politicians and by parliamentary staff. It also focusses on the difficult or unpopular aspects of political reform and democratic practice. TACIS also seeks to support the activities and efforts of non-governmental bodies (NGOs) in promoting a stable open society and good governance through their continuing contribution to the promotion of a pluralist democratic society, as well as the transfer of specific expertise and technical skills about democratic practices and the rule of law to professional groups and associations.

**APPENDIX IV: PUBLIC EXPENDITURE ON CULTURE
IN SELECTED EUROPEAN COUNTRIES**

Table 1: Percentage of public expenditure on culture, by tier of government and as a percentage of total public expenditure, in selected European Countries in 1980, 1990, 1992

Source: *In from the margins*, Council of Europe, 1997, p.274

Country	Year	% of central/ federal budget outlays	% of regional/ Länder budget outlays	% of the aggregated municipal expenditures	% of the total public budget outlays/ expenditures
Austria	1980	1.03	1.73	0.68	1.07
	1990	0.94	2.09	0.92	1.12
	1992	0.98	2.02	0.87	1.12
Switzerland	1980	0.35	1.70	3.52	1.53
	1990	0.63	2.56	4.61	2.28
	1992	0.70	2.42	4.15	2.14
Germany	1980	0.66	1.97	5.97	2.47
	1990	0.87	2.16	5.87	2.48
	1992	0.70	2.20	5.77	2.39
Finland	1980	n.a.	n.a.	n.a.	n.a.
	1990	1.31	*	2.54	1.67
	1992	1.20	*	2.56	1.46
France	1980 (81)	1.07	0.25	6.86	1.95
	1990	1.44	0.52	7.09	2.38
	1992	n.a.	n.a.	n.a.	n.a.
Italy	1980	1.08	2.01	0.84	1.07
	1990	0.99	2.68	1.10	1.12
	1992	n.a.	n.a.	n.a.	n.a.
Denmark	1980	n.a.	n.a.	n.a.	n.a.
	1990	0.93	0.61	2.46	1.32
	1992	0.90	0.67	2.43	1.27
Sweden	1980	1.48	1.08	2.41	1.73
	1990	1.09	0.71	2.32	1.41
	1992	1.12	0.66	2.78	1.49
Bulgaria	1980	n.a.	n.a.	n.a.	n.a.
	1990	1.89	*	1.47	1.84
	1992	2.52	*	1.23	1.79
Czech Republic	1980	0.89	*	5.04	2.74
	1990	1.87	*	3.43	2.55
	1992	0.83	*	4.41	1.69
Poland	1980	n.a.	n.a.	n.a.	n.a.
	1990	2.63	3.33	*	2.89
	1992	0.38	2.62	3.72	1.24

* Insignificant public allocation or no allocation at all on this tier.

APPENDIX V: PUBLIC EXPENDITURE ON CULTURE IN LITHUANIA

Table 2: The share (%) of the total state budget allocated for culture in Lithuania (through the Ministry of Culture) 1989 to 1995

Source: *Cultural Policy in Lithuania (National Report 1997)*

Year	Cultural spend as % of state budget *
1989	1.63
1990	1.66
1991	0.96
1992	1.51
1993	1.19
1994	1.54
1995	1.63
* Expenditure on cultural heritage not included.	

Table 3: Share (%) of public expenditure on culture, by tier of government and as a percentage of total public expenditure, in Lithuania 1988, 1994,1995

Source: *Cultural Policy in Lithuania (National Report 1997)*

Year	% of the state budget* outlays	% of the aggregated local government expenditures	% of the total public budget outlays/ expenditures
1988	1.38	1.2**/4.25***	n.a.
1994	2.12	2.79	2.23
1995	1.8	2.99	2.22
* Expenditure on cultural heritage not included.			
** In cities.			
*** In districts (now local self-government units).			

APPENDIX VI: ROLE AND RESPONSIBILITIES OF BOARDS OF MANAGEMENT AND BOARD MEMBERS

Recommendation

The Ministry should create the conditions for as many as possible of the existing publicly funded cultural institutions - in all sectors - to become autonomous, self-governing non-profit institutions, grant-aided by the public authorities on specific terms and conditions.

Each autonomous institution will need to appoint its own Board of Management.

The following is an outline, based on broad principles, of the role and responsibilities of the Board and its individual members.

1. Definition of the Board of Management

- An empowered body of persons, charged before the law, with ultimate accountability for and authority over the policies and activities of the organisation

2. The role of the Board

- to set the organisation's overall policy
- to be the employer of all staff to fulfil fiscal duties (including legal requirements and specific accountability for grants received from public authorities)
- to be a corporate ambassador for the organisation
- to monitor and evaluate performance measured against the organisation's objectives and plans

3. The role and obligations of a Board member

These will obviously vary in detail according to the nature of the organisation, but not in principle. In the case of a museum, for example, a member of the Board of Management will have the following obligations:

- to provide a framework of plans and policies to define the museum's purpose, and to monitor the achievement of its objectives
- to act as an advocate for the museum within the community
- to provide for the safety, security and preservation of the collections
- to ensure that the museum serves the public
- to ensure the financial stability of the museum

4. Requirements to fulfil the role and obligations of a Board member

- give proper time and attention to your duties
- with all the other Board members, carry out your responsibilities in person, and not delegate control of the museum to others

- act strictly according to the Museum's legal constitution
- act only to the museum's advantage without regard to your private interests or those of others
- manage the museum's affairs prudently, taking a long-term view, and taking proper professional advice on matters in which you are not competent
- not derive any personal benefit or gain (including payment for your services as a Board member), and not be an employee of the museum
- ensure that all legal obligations of the organisation are carried out
- with other Board members, ensure that sufficient Board members, of appropriate experience and background, are in office
- not allow the museum to make donations of money to, or participate in, political activities

5. Meetings of Board members

- to discharge their obligations properly, Board members will need to meet regularly and, in normal circumstances, at least quarterly
- the decisions of each meeting should be recorded in writing, confirmed by the signature of the Chairperson of the meeting, and be kept securely in a Minute Book
- financial statements and accounts should be received at regular intervals, not only at the year end

The running of the museum should not be left in the hands of its office holders and employees. Board members are jointly responsible for the conduct of its affairs, and they should discuss all matters of substance, including finance, irrespective of whether or not individual members of the Board hold office, for example as secretary or treasurer.

APPENDIX VII: SELECTED BIBLIOGRAPHY

Council of Europe Publications

European Charter of Local Self-government
Strasbourg 15/X/1985 European Treaty Series/122

Recommendation 34 On the European Charter of Regional Self-Government
Adopted 5 June 1997

The European Urban Charter
Strasbourg 1993 ISBN 92 871 2345 4

Books in Print catalogue for the Baltic Republics: Estonia, Latvia, Lithuania
Feasibility Study: Ingo-Eric Schmidt-Braul
Strasbourg 1996 cc/livre (96) 20

Cultural Management in Central and Eastern Europe
A Study by Gilles Guerin
Strasbourg 1994 DECS-Cult/CP (94) 2

In from the Margins
A report by the European Task Force on Culture and Development
Strasbourg 1996 CC-Cult (96) 7

The Cultural Responsibility of the State
report from the Ars Baltica Seminar Stockholm, August 1994
Georg Arnestad
ISBN 91 38 30533 x

Directions of Public Administration Reform Policy 1997-1999
Ministry of Public Administration Reforms and Local Authorities
Vilnius 1997

Baroque in Lithuania - guide
baltos lankos 1996
ISBN 9986 813 04 2

The Lithuanians - an ethnic portrait
Juozas Kudirka
Lithuanian Folk Culture Centre 1991

Lithuanian Roots - an overview of Lithuanian Traditional Culture
Rytis Ambrazevicius
Lithuanian Folk Culture Centre 1994

The Baltic Nations and Europe
John Hiden and Patrick Salmon
Longman 1994
ISBN 0 582 25650

The Baltic Revolution
Anatol Lieven
Yale University Press 1994
ISBN 0 300 06078 5

The Jewish State Museum of Lithuania
Rachel Kostanian
Vilnius 1996
ISBN 9986 9019 3 6

Lithuanian Theatres
Audrone Girdzijauskaitė
Scena 1993

Our Cultural Diversity
UNESCO Publishing
Paris 1996
CLT - 96/WS/6

Trial, Trust and Tribulation
Report of the European Round Table
CIRCLE Publication No 8
Helsinki 1996
ISBN 951 53 1077 6

APPENDIX VIII: DEBATE AT THE CULTURE COMMITTEE

Introduction

The Chairwoman of the Culture Committee Ms Anna Niewiadomska introduced the Lithuanian delegation, headed by the Minister of Culture Mr Saulius Šaltenis, and composed of Mr Juozas Sirvinskas, Deputy Minister; Mr Aurimas Taurantas, Ambassador, Permanent Representative of Lithuania to the Council of Europe; Ms Rosita Sooryte, Deputy Permanent Representative of Lithuania to the Council of Europe; Ms Jūratė Zabielaitytė, Ministerial Secretary; Mr Viktoras Liutkus, Head of the European Integration Division at the Ministry of Culture; Mr Ginas Dabasinskas, Adviser to the Minister of Culture.

Ms Niewiadomska also welcomed Mr Emanuelis Zingeris, member of the Lithuanian parliament and representative at the Council of Europe's Parliamentary Assembly, and Ambassador Soares Guerra, Chairman of the Committee of Ministers' Rapporteur Group on Education, Culture and Sport. She then introduced the Panel of examiners: the Chairman, Dr Peter Krön, the Rapporteur, Mr Bill Dufton, Ms Ruta Caupova, Professor Ilkka Heiskanen and Mr Aidan Walsh.

The Chairwoman paid tribute to the remarkable work accomplished by Ms Ritva Mitchell during the five years she spent at the Council of Europe as a programme adviser, and thanked her in particular for her work on the cultural policy review programme, which was now clearly thriving.

The Chairwoman reminded delegations that this was the second presentation of a cultural policy of a Baltic state, following that of Estonia in 1995, and requested that the Chairman of the panel of examiners, Dr Peter Krön, chair the discussions on this occasion.

Dr Peter Krön also welcomed the participants in the discussion, and, having outlined the order of proceedings, gave the floor to the Minister.

The Minister's speech

The Minister, Mr Saulius Šaltenis, spoke first of all of Lithuania's geopolitical position at the crossroads between east and west, and of the fact that the Lithuanian language had been described as the 'archaic language' of Europe's ancestors; he described how the impact of western civilisation and Christianity had influenced the foundations of Lithuania's culture as regards philosophy, theology, literature, science, farming and democracy; how, at times of repression, books had played an important part in resistance.

A popular way of describing Lithuania today was as the future 'northern Athens' – indeed this was the title of a weekly cultural paper, which the Minister himself had set up. Although almost destroyed by the Holocaust, the culture of Lithuanian Jews was also a strong element in the country's heritage, and was now under State protection (1997 was the Year of Jewish heritage in Lithuania); the co-existence of various communities and cultures – for example, the vital traditions maintained after six hundred years of Tartar and Karaite settlement – were the foundation of the particular Lithuanian culture.

The Minister was convinced of the importance of investing in culture, as an investment in the future, particularly at a time when Lithuania was joining Europe, and needed to think in terms of a sustainable culture and of its identity. The government programme for 1997-2000 therefore included culture, with particular emphasis on support for the heritage, for salary increases for cultural workers, and grant increases for artists, and on publications. The Ministry was still a vertical structure, but changes were beginning to take place in this respect, and contacts with NGOs and with other ministries – in particular the Economy and the Social Security and Labour ministries – were being developed, for example in relation to a proposal to create free economy zones in the Vilnius Old Town in order to bring in private capital, and the idea of a fund for cultural activities, which would require legislation on charitable activities.

The Ministry of Culture had agreed with the Ministry of Social Security to conduct a review of regulations on artists' pensions and remuneration, on retraining and retirement jobs for artists. Legislation had already been passed in certain areas – such as copyright – but further legal work was required, for example on taxation and on cultural tourism. The success of NGOs, as exemplified by the LIFE festival, set the example for future work. The question of decentralisation was also important: there was no set model to be applied, but instead decisions should be made in a flexible way, for example on the criteria for delegating functions, and on how separate institutions could co-operate.

The Minister concluded by expressing his satisfaction with the recommendations of the Council of Europe experts: they showed that similar thinking could be found elsewhere in Europe, and provided moral support to those in charge of making reforms, which could be a lonely process. The experts' conclusions would be taken into account in the Ministry's annual report to the Seimas, which was under preparation. Thanking the experts for their work, the Minister expressed the hope that they would return to Lithuania to see how the changes were being implemented, and that the Council of Europe would pursue its efforts to accompany Lithuania through its period of reform.

Preliminary observations

Dr Peter Krön reminded participants of some of the main dates in Lithuania's recent history, from its occupation in 1795 by Tsarist Russia, its period of independence between 1918 and 1940, to the Molotov-Ribbentrop Pact; the war years had witnessed the killing of 200 000 Lithuanian Jews; under Stalin, some 400 000 Lithuanians had been deported or killed. It was in 1991 that Lithuania had regained its independence. Since 1990, the country had had 7 governments and the last elections had taken place in December 1996. Between 1989 and 1995, GDP had halved; in 1995, the average individual income was USD 45 per month, 37% of what it had been in 1990. When discussing Lithuania, it was important to remember its history of struggle against an occupying force, the difficult economic situation, and the fact that the present government had been in place for nine months, the municipal mayors for six months only.

In addition to a preliminary visit, the examiners had undertaken two visits to Lithuania, the first to Vilnius, and the second to other cities, during which they had met some 170 people. Dr Krön expressed thanks to the Minister and to the interpreters for their co-operation, and particularly thanked Mr Viktoras Liutkus, to whom he now gave the floor.

The National Report

Mr Viktoras Liutkus, co-ordinator of the National Report on Cultural Policy in Lithuania, explained that the report concentrated on the period between independence and the present day, although it also provided an introduction to Lithuania's culture and history. The report had aimed to show clearly the principles, processes and development of cultural policy. It had not been possible, however, to cover the audiovisual sector, where changes made it difficult to monitor the situation, and figures were not available, nor had it been possible to report on NGOs, which were booming. Reporting on their activities and on their relationship with the State was a task for the future.

It was important to observe trends, and as no model could suit all countries, it was also important, as the Minister had already mentioned, to be flexible.

The report was also intended to provide information on the processes created by the State and institutions in Lithuania which would be useful to other countries, since one of the aims of the programme of cultural policy reviews was to ensure continuous debate at national level on cultural policy, without isolating it from other matters – bringing culture 'in from the margins'.

Mr Liutkus expressed his gratitude to the examiners for their perceptive work, to Ms Ritva Mitchell for her support and advice, to the Secretariat for their support, and finally to Mr Hans Sand, a former Chairman of the Culture Committee, for having placed Lithuania on the list of countries to be reviewed.

The Examiners' Report

Mr Bill Dufton described how the first meeting with the Minister of Culture had occurred last December (1996), when the Minister had only been in office for a few hours! This was a time of transition for Lithuania, which meant that the door was open for development and change. The examiners' task had been to understand the situation currently facing the Lithuanian Government, to review cultural policy between 1990 and June 1997, and to reflect on what should happen next. In this task they had been greatly helped by the landmark National Report, the well-organised, instructive and enjoyable visits, the response they had received to their requests for information, and the helpfulness of their interview partners. The examiners had aimed to complement the National Report, reflecting on an overall model for Lithuanian cultural policy, which would combine integration, diversity, innovation in addition to continuity and authenticity.

The examiners' report was structured as follows: the Lithuanian and European context; sections on financing, structures, on decentralisation, the role of elected local authorities and the regional dimension; a section on the conditions for creativity, another on participation, including national minorities; a section on new ways of working, and 70 recommendations, which were intended to serve as a starting point for debate.

The examiners had selected themes which would be of general interest to the Culture Committee for the discussion of the day: the dilemma of how to allocate resources; the question of devolution of responsibility and resources to the local level; access, participation and multicultural issues; and the question of putting culture at the heart of government.

What were the key elements for a cultural policy? Political recognition and commitment were essential, as were effective structures at different levels, and within cultural institutions; adequate resources were of course needed, but above all the vision of artists and creators was essential – and the passion of the people for their culture – and these, according to Mr Dufton, were found in abundance in Lithuania.

Statements from the Committee of Ministers and the Parliamentary Assembly

Ambassador Soares Guerra welcomed the Minister of Culture on behalf of the Committee of Ministers of the Council of Europe. He had been struck by the Minister's speech – and agreed with his description of books as 'arms for freedom'. Lithuania was a paradigm of cultural diversity, and the Minister's call for moral support would be heard. This debate was a welcome opportunity for dialogue – one of the objectives of the Council of Europe.

Mr Emanuelis Zingeris, Chairman of the Human Rights Committee in the Lithuanian parliament (Seimas), and a representative in the Council of Europe's Parliamentary Assembly noted that this debate on cultural policy was a second major event for Lithuania, following the conclusion at a recent Parliamentary Assembly debate that the country had made clear steps towards honouring the obligations relating to membership of the Council of Europe. In the 1990s, Lithuania was establishing its independence and creating an open society: it was a pleasure to see Mr Saltenis, who had previously been part of the circles which had resisted occupation, now leading the cultural sector.

'Balancing budgets and priorities'

Dr Krön opened the debate by asking Professor Ilkka Heiskanen to introduce the first theme – balancing budgets and priorities. Professor Heiskanen noted that excellent background information had been provided by the Ministry. As for the dilemma, it was one which most countries were facing: how to maintain basic services, support for artists, cultural industries, and at the same time fund innovation? The Minister had been active in obtaining public funds for culture (for example, 3.5 million Litas for organisations or individuals to start projects), but could State spending be increased? What were the alternatives over the next four to five years?

This was a 'Hamletian' question, according to the Minister. There had been a fight in the Parliament about the budget, but he himself had different ways of exerting pressure, one of which was the Council of Europe. This year, for the first time, funding had been increased for culture, and the Minister hoped to increase cultural workers' salaries by 50%, and in this way also restore artists' prestige in public opinion. He knew that it was difficult to obtain funding for culture, but hoped during his term of office to prove that culture could improve the quality of life. Historically it had helped to preserve genuine values, and it was important both as an index of stability, and in terms of its contribution to the economy. The Minister was therefore working on legislation, and encouraging cultural workers to innovate and find alternative sources of funding.

Mr Juozas Sirvinskas noted that the rapid changes in cultural life in Lithuania were meeting some resistance in the institutions, while the emerging NGOs were making a significant contribution. Previously, the Ministry had simply allocated funds to institutions, but now, with new programmes and expanding international co-operation, there was a need for a flexible and strategic approach in the allocation of funding. The State had to assess the significance of the NGOs in the cultural sphere, and examine how to provide favourable

conditions for their activities. As for the state institutions, it was also necessary to provide favourable conditions to allow them to generate their own revenue. For example, the excise duty on tobacco and alcohol could be allocated to institutions; they had the liberty to set their own ticket prices; State guaranteed loans were available to those in charge of institutions. But the institutions had also to adapt to the new conditions, and in particular to learn to co-operate with the ministries, for example on questions of social security. Ms Jurate Zabielaite added that a recent article had spoken ironically of the Ministry of Culture becoming a 'joint stock company', after it had introduced a programme in which business links were mentioned.

The Albanian delegate noted that both Albania and Lithuania were small countries facing grave economic problems; in Albania, the chaotic situation meant that the illicit traffic in heritage items was a particular problem. What strategy had Lithuania adopted for this issue?

The Netherlands delegate pointed out that since lack of money was a perennial problem, choice was an essential element in policy. Was the aim to support art or artists? There was also a need for efficiency measures: previously there had not been any unemployment, but now there was a need to slim down the institutions. Was there a market that could 'take up the slack'? There were alternative ways of funding culture – such as lotteries (as in the Netherlands and the United Kingdom), or sponsorship – but these also had disadvantages and would not provide guaranteed income. As for decentralisation, it was important to decentralise resources too, not just responsibilities.

Dr Krön added that it was true that institutions such as libraries had many employees, but they were on low salaries – if made redundant, they would burden the unemployment budgets.

The Minister agreed that the questions of effective management and decentralisation were interesting, and noted that in the creation of cultural events, money was not the only factor: people's enthusiasm was also important. The Ministry's role in this context was not to hinder the grassroots movements. The Minister's colleague Ms Jurate Zabielaite added that there were plans to use some of the profits from activities such as gambling for culture and to pass a law providing for tax reductions for investors in culture.

The Latvian delegate congratulated the Lithuanian delegation on the National Report and on the remarkable fact that since independence no theatre had had to close in Lithuania. How was financial responsibility for the theatre shared between the different levels?

The Slovenian delegation also expressed admiration for the National Report as well as for the Examiners' report, but sounded a note of warning to those who believed that public money for culture could ever increase. On the contrary, in a situation where most public spending went to institutions, it was necessary to be more output-oriented, to invest in programmes rather than salaries, and to abandon the idea of the artist as a public servant. Instead, concepts such as competition, accountability and transparency needed to be emphasised.

The Slovak representative explained how between 10 and 20% of expenditure on cultural institutions in Slovakia had been saved through the creation of regional cultural centres, which provided centralised services – such as maintenance and accounts – for museums, theatres and other institutions in a particular region.

Decentralisation

The Minister agreed that this was an interesting example, about which he would welcome further information. In eastern Lithuania, the Ministry was funding a mobile theatre together with the county and the municipality, but conditions differed in the regions, and it was difficult to say now which system was most appropriate. It was important to maintain a balance between the authorities – something which the Ministry was able to promote by acting as an arbitrator, and providing advice and funding for specific projects.

Mr Viktoras Liutkus noted that he had seen many changes in Lithuania: deconcentration had been occurring for some time, while decentralisation, which was the object of a recent law passed by the Seimas, had as its weak point the counties, according to the Examiners. It was important to ensure that the various structures, functions and the relationships between the different levels were clear. The Ministry intended to discuss these points with the heads of the counties. Experience differed according to countries, and it would be interesting to look at examples.

The Bulgarian delegation congratulated their Lithuanian colleagues on their work, and noted that the problems in Bulgaria were similar. The Bulgarian Council of Ministers had suggested that 2% of privatisation be allocated to culture [to be checked], and this proposal was currently being examined by the parliament.

The representative of the Congress of Local and Regional Authorities of Europe (CLRAE), Mr George Lycourgos, welcomed the emphasis placed on decentralisation, since this process enhanced the responsibility of local authorities, and on behalf of the CLRAE expressed willingness to support efforts in this field.

The Austrian delegation congratulated all concerned on the excellent reports, notably Mr Liutkus for his work, the Chairman and Rapporteur of the Panel of examiners and Ms Ritva Mitchell. What was the necessity of the intermediate 'regional' units? The 56 local authorities came under 10 higher administrative units – which meant an average of 5 or 6 authorities per 'region'. It was also striking how many cultural laws were in existence.

Mr Liutkus confirmed that there were some 50 legal acts which had influence over the cultural sector. As for the county governors, their role was to co-ordinate the action of Ministries, and to ensure that priority was given to development.

Professor Heiskanen took the floor to explain that the counties were an extension of the national government. The problem lay in extending the link to the local level: work had started with the mayors, but how successful would it be? How could municipalities be encouraged to co-operate with each other? And how would financial responsibility be divided between the national and local governmental levels?

The Netherlands delegate noted that in his country two thirds of expenditure on culture came from local government, partly from its own income. There were agreements between the Ministry and the provincial authorities to fund institutions. Under the Dutch plan system, set up in the 1970s, the central level allocated funding to local authorities which was tied to specific aims, to ensure that it was spent on culture. The aim was to bring funding as close to the decision-making level as possible.

The Slovenian delegate on the other hand was distrustful of decentralisation, especially in a situation where funding was lacking. It was important first to solve cultural policy problems at national level.

The Finnish representative pointed to the parallels between education and culture: in Finland, there was a strong belief in allowing institutions and amateur arts to be managed at local level. But, like science, the professional arts could not be left to the responsibility of the local authorities alone. The university and arts council systems had therefore been deconcentrated to regional level – ie they were still State-run, but no longer geographically so centralised.

The Austrian delegation felt that the backbone of a national cultural policy should be the regional policies – otherwise the national policy was imposed on the provinces.

The Danish delegate disagreed, arguing that it was not worth decentralising a small country. In Denmark, the quality of public libraries had gone down since decentralisation – as local authorities were choosing to spend more on other sectors, such as hospitals. To ensure artistic quality, it was important to have some centralisation, as was the case with broadcasting.

The French delegation expressed satisfaction that some of the limitations and dangers of decentralisation were being addressed. In France, there were cases where elected local authorities were making decisions based on ideology – notably for libraries – and this was jeopardising the participation and the policy of the State.

Mr Liutkus explained that after decentralisation, some 200 libraries had been closed down. This had led to social unrest. As the State was trusted to act as the guarantor for institutions, a law had been passed in 1993 to prevent closures without ministerial approval. It was worth noting that only six municipalities were able to survive on local taxes – the others needed State support.

Mr Aidan Walsh emphasised the importance for those working at local level to know that they had the government's trust – in this respect, decentralisation was essential for the cultural sector, since it was an area where personal values were fundamental.

The Minister admitted that, although he was in favour of decentralisation, he was not sure of the best way to implement it. The remarks made by the Slovenian and Danish delegations showed the importance of ensuring adequate funding for culture to avoid a decrease in cultural values and the closure of cinemas, libraries, and other institutions.

In answer to a question from the Croatian delegation about the one million Lithuanians living abroad, the Minister explained that they had a 'congress' which looked after their interests, and co-operated with the Lithuanian government. The main aim was to provide suitable conditions for those choosing to return to Lithuania; a register of well-known cultural figures living abroad was also maintained..

Concluding statements

Closing the discussion, Dr Krön expressed best wishes for the follow-up to the review process, quoting the words of the Lithuanian Minister of Culture, during one of the

examiners' visits: 'culture is expensive, but it will be more expensive for nations if there is none'.

Ending the session, the Chairwoman of the Culture Committee invited the Secretariat to assist Lithuania's work in the cultural sector, and expressed the hope that the review process and this debate would enable the Minister and others in the cultural sector to feel less isolated in the difficult task of implementing reform.

APPENDIX IX: ISSUES FOR THE CULTURE COMMITTEE DEBATE

1. Balancing budgets and priorities

In Lithuania, as in other countries, one priority for cultural policy is to support the infrastructure and networks that are needed for ongoing service delivery, another priority is to encourage creative innovation, new ways of working, and new kinds of network.

These two aims are frequently seen to be in competition for restricted public funds. How is the resolution of this dilemma best approached?

How can cultural development and innovation best be supported when budgets are at standstill or being reduced?

Is this an area in which a division of responsibilities between the national, regional and local levels can be at all helpful?

2. New structure for new tasks

In Lithuania, the Ministry is structured vertically as a series of specialist subject departments aligned to the main state institutions. However, as in other countries, there is a need to develop an issue-based approach to policy-making, to work across the specialist departments, and to work in concert with other ministries and agencies and the local authorities, in order to ensure the integration of culture in all the relevant areas of public policy. These new tasks suggest that a horizontal organisational structure is needed.

What structures does the Minister believe are best suited to the Ministry's new tasks?

What is the experience of this organisational dilemma in other countries and what solutions have emerged?

3. The role of arms-length bodies and non-governmental organisations (NGOs)

In Lithuania, as in the other new democracies, the number of arms-length bodies and NGOs is rapidly growing.

In the context of democratisation and development of civil society, how well suited are such bodies for the management of the cultural sector?

4. Cultural policy and decentralisation

In Lithuania, as in other countries, decentralisation is a major issue, not least in cultural policy. The government needs to deconcentrate by handing over responsibilities to the local authorities. Equally, the local authorities should have the freedom to develop their own policies

based on their independent assessment of local needs and aspirations. Is a straightforward division of responsibilities in the cultural field desirable or possible? What is the central/regional overlap in the maintenance of infrastructures and in the financing of cultural development?

Is decentralisation best approached as the local administration of central policy or as the devolution of resources and decision-making to equal partners at the regional and local levels?

How does the Minister feel the process of decentralisation can best be reinvigorated? What would be his criteria for the devolution of responsibilities, resources and decision-making to local authorities?

Does the Minister believe that the ten County Administrations will have a real role to play in the development or implementation of cultural policy?

What suggestions does the Minister have for the effective articulation of cultural policy between the Ministry, the County Administration and the local authorities?

5. Public participation in cultural policy and decision-making

In Lithuania, cultural policy is widely debated at national and local levels - although perhaps not as widely as it was in the years immediately prior to independence. The opportunities for debate, in congresses, commissions, Arts and Cultural Councils appear to be impressive but, as elsewhere, it seems probable that these mainly comprise experts and interest groups rather than the general public.

How is ongoing public participation in cultural policy and decision making best encouraged?

Is there a wider role for public consultation, and would it assist in extending the reach of cultural policy to involve more people as consumers or active participants?

6. At home and abroad

In the face of the "westernisation" of culture, can national and regional cultural identities be sustained without adopting a defensive posture or without practising a negative kind of cultural protectionism?

What is the essential value of international exchanges in the development of national cultural policy?