

WORKING PAPER—RESET ART, CULTURE AND THE FOUNDATIONAL ECONOMY

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for the Reset Collective



ART, CULTURE AND THE FOUNDATIONAL ECONOMY

Reset

To turn a piece of computer equipment off and then on again when it does not work correctly, to make it start working correctly again.

Art and culture are in crisis, one exacerbated but not caused by the pandemic. We need to Reset our shared understandings of art and culture, and the language in which we frame them. Economic and social policy instrumentalism has hollowed out our ability to clearly address the problems we face. It has become almost impossible to articulate the specific value of art and culture as part of a democratic society. As we emerge from the pandemic, now is the time to Reset how we talk about the value, purpose and place of art and culture.

Reset draws on new thinking from feminist, post-colonial, ecological, indigenous and social enterprise movements, all swelling the river of heterodox economics and alternative political futures. These new ideas are present thematically in contemporary arts and cultural practice, but less so in art and culture as public policy. The language remains one of markets, GDP, growth, entrepreneurship, business development, exports, econometrics and social policy 'impact'.

We seek to create an open space of dialogue where new thinking and new language can be explored.

Reset is led by members of Creative People, Products and Places (CP3) at University of South Australia, Lab Adelaide at Flinders University, and from the University of Adelaide. They are working alongside the Arts Industry South Australia and other members of the local cultural sector. Together we organised a series of monthly events from April through to November 2021, culminating in a conference Reset: A New Public Agenda for the Arts, 11-12th November.

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Prologue

It's clear that if we ensure each generation immerses itself in arts and culture in all its manifestations, we'll build better citizens who understand each other's feelings and needs. That is what it is to be human.¹

So writes Peter Bazalgette, ex-Chair of the Arts Council England, in the kind of statement that regularly fronts arts advocacy documents. Who would not want to build better citizens, to improve empathy, to make us human? And yet for the last forty years art and culture budgets have been progressively cut and their position in public policy marginalised. The Australian government even left the word 'art' out of the department responsible for it. Human empathy is nice, but this does not cut it with governments organised around an economic utilitarianism requiring impact metrics of jobs created, local spend and return on investment. Art and culture have been positioned as 'creative industries', which, as incoherent and slippery as the concept might be, has completely colonised the language, the very identity of the sector. Bazalgette's words might take us back to the finer sentiments of the 3rd Earl of Shaftsbury, one of the 18th century founders of the idea that art can bring us together, but unless these can be parsed in terms of innovation and growth, then you might leave them at the door, sir.

How have we come to this, and how do we get out of it? These are the two questions with which the Reset program is concerned. This long paper is an attempt to link 'how do we get out of it' to a range of transformative social and economic programs which have emerged since the global financial crisis of 2008, though with long roots in Marxist social-democratic, anarchist, feminist, anti-colonial and environmental oppositional thinking. These strands of thought have expanded over the last decade, as the 'neoliberal consensus' has broken down, exposing massive inequalities, faltering growth, a dangerous democratic decline, and an accelerating existential crisis of the environment.

One would expect art and culture to be right in the thick of this search for a new imaginary, but it is not.

Visions of a different future, programs for social, economic, environmental and political transformation, do not include art and culture. The Foundational Economy Collective (FEC), a key focus of this paper, rarely mention them. The reasons for this are quite complex, and we touch on some of them. But in the main they reflect the way art and culture have been progressively marginalised politically, and reduced to a consumer-facing industry, with 'market failures' propped up by the public dollar. We think that such an exclusion of art and culture will weaken and impoverish these transformative visions, and we try and argue that below.

But the fault is also of the cultural sector leaders, who have been completely absorbed into the language of economic rationalism or neoliberalism, as it became known. The leaders hold tight to it even as governments around the world abandon it. Last in, last out.

Whilst they have acknowledged the deep distress faced by the art and cultural sector in the pandemic, now is the time to pick ourselves up, dust ourselves down, and learn digital. Build Back Better. As if we can simply build back. As if we actually want to build back.

Art and culture have been in crisis for many decades, but we are not allowed to mention this. Keep positive. In the Soviet Union, the onset of the Great Patriotic War brought a perverse relief to the citizens. Finally they were allowed to mourn, to cry in public, because previously to do so was to question the glorious future to which they were all headed. Perhaps the pandemic is like that – all that suffering and pain now acknowledged by the cultural leaders, the media, and even by some politicians. But the pandemic is over now, so back to work.

Now is not the time for back to normal. Now is not the time for incremental policy tinkering or better advocacy but for a fundamental resetting of art and culture – the language we use when we speak of them, the way we understand their place in our lives and how we support them to thrive and best fulfil their purpose.

Fine words acquire a sardonic, Brechtian twang when divorced from an actual program that would put them into practice. Art and culture are part of society, and you can't change one without changing the other. 'Art can change the world' has become something risible, the kind of thing punks said in the 1980s. It can't, on its own. The practical programs outlined by the FEC – and the others we discuss - do aim to change the world, and see possibilities in the concrete utopias of the everyday right here, right now. Art and culture need to be a part of this transformation. They can't change the work on their own, but without them any change will be impoverished and made more difficult.

Part of that change has to be the way art and culture are organised, how the complex ecology of public funding, commercial business and not-for-profits works. It has to be a radical reframing of art and culture away from 'industry' and as part of social system brining public value. That will demand an engagement with what used to be called 'political economy', a recognition that economies are not 'natural' but are wrapped up in a range of legal, regulatory, social and political arrangements. These need to be re-arranged, from being organised around 'prosperity' as GDP and endless growth, towards prosperity as human flourishing on a sustainable planet.

The Foundational Economy is one such program, part of a broader stream of transformational, heterodox economic thinking. In this report we try think art and culture as part of the radical program imagined by FEC and others. But this is also to rethink art and culture itself as a foundational economy. Rather than see art and culture as thematically representing social and political change, we need to enact this change as part of their own 'political economy'. We need to reset the way art and culture are funded and regulated, its workers taught and nurtured, its audiences respected, how it informs our public space and is spoken of in public policy.

Only in such a way can all those fine words not fall dead from our mouths.

Art and Culture in Crisis

The position of art and culture in public policy is in deep crisis. Never one of the big portfolios, it now lacks any real status or worth. So too its people and institutions, their struggle in the pandemic receiving a slow, underwhelming response by the federal government.¹ This isn't the result of any one particular anti-intellectual, anti-arts government – though the current Federal one is both. The crisis goes much deeper and concerns the shared understanding we have of art and culture's role in our lives and our society, and the language we use to talk about it.

The most salient aspect of this crisis has been the inexorable reduction of art and culture's worth to its economic benefit, exacerbated by the introduction of the term 'creative industry'.² 'Economic rationalism' is more than just 'instrumentalism', using culture to achieve economic impact. Nor is it about culture 'paying its way'. Economic reductionism imposes a reductive model of human behaviour and value, derived from neo-classical and neoliberal economics, in which 'utility maximisation' is the primary goal of every individual, with 'free' markets the best way to satisfy their 'expressed preferences'. Such a model of human behaviour and the 'good life' has been applied to all aspects of our private and public lives. Its mode of understanding has deeply embedded itself in our institutions and our imaginations, and the reality it evokes has become as immutable as the laws of physics. Our understanding of art and culture have not escaped this gravitational pull, and, perhaps, has been captured more completely than many other areas of public policy.

A recent report by the Australia Institute Creativity in Crisis broke with thirty years of economic rationalism³ (what they call 'market-facing economics') to argue that culture be seen as a 'public good: affordable, accessible and participatory'. It called for an ambitious, large, sustained public sector-led 'reboot', with 'large fiscal investments to help rebuild skills, jobs and incomes in the cultural sector, long-term funding for arts organisations and artists, wage subsidies, intervention in cultural regulations, and a holistic plan for culture across the nation'.⁴

Moving away from market-first policies towards 'culture as a public good' entails a fundamental shift in policy direction not just for culture but public policy writ large. But there's an immediate political problem. Australia's current political configuration is signally unable to engage in long-term systemic reform. A report by the Centre-Right Grattan Institute argued that Australian policymaking is in 'grid-lock': short-term thinking, a cowed public service, over-politicised ministerial advisors, and fear of adverse polling, has given us governments incapable of

undertaking reform even in headline areas.⁵ The author of the report, John Daley, follows a number of other commentators in looking for a return to Australia's 'golden age' of reform in the 1980s and 1990s, as if the current grid-lock was an unfortunate lapse.⁶ We suggest the problem is much more systemic, and very largely a direct result of those earlier reforms – both the language of economic rationalism in which they were framed and the long-term damage they inflicted on the Australian social fabric. We are living with their political consequences.⁷

A public policy reset for art and culture would necessarily require a wider transformation of public policy settings across such areas as health, education, and social services infrastructure – public goods also subjected to the cult of market-first principles. Contrary to John Daley and Ross Garnaut, this would also require a radical change in the principles underlying public administration and the wider political imaginary, rather than a return to the technocratic expertise of the 'golden years'. This kind of shift is visible in parts of Biden administration⁸ but barely at all in Australia.⁹

Calls for a radical policy reorientation away from the fetishization of GDP growth towards more human-centred principles of 'well-being' and 'good-living', alongside aspirations to various versions of a 'new' or 'next' economy are now widespread. These build on decades of critique of mainstream economics by feminist, post-colonial and ecological writers. They have fed into a decade of deepening discontent with neoliberal capitalism following the global financial crisis of 2008, and accelerated by the pandemic and the climate emergency.¹⁰

Discussions of post-pandemic recovery and climate change have foregrounded increased investment in social services, infrastructure and carbon neutrality, framed within a commitment to social equity and green jobs; funding aimed at 'bottom up' and the 'expanding middle' rather than 'trickle down'; a positive valuation of public provision over markets in delivering key social outcomes; and a re-assertion of the crucial role of the state in a post-pandemic world.¹¹

It is the core argument of this paper that any public policy-led reset of art and culture has to locate itself in this wider set of ideas and reform projects. As it stands, contemporary Australia's lead cultural advocates have failed to effectively articulate these alternatives. Though this reflects more widely the current stasis of Australian federal politics, we suggest the cultural sector faces its own particular challenges.

Many other areas of public policy have been captured by the language of economic rationalism, but it has been particularly damaging in culture. In part this is due to the speed and extent of the sector's collapse. Historically culture has been a privileged site of opposition to economy and bureaucracy, to the grim reality

principle of capitalism – though too frequently this opposition has been hypocritical and self-serving. This sense of opposition and critique, which as late as the 1980s seemed to define the very essence of culture, disappeared with surprising speed in the later 1990s. The sector reeks with the fumes of an historic and demoralising defeat.

Education, health, social services, public infrastructure - all have been deeply infiltrated by corporate investors and disrupted by a mix of privatisation, out-sourcing and the quasi-markets of New Public Management.¹² But these still retain their status as public goods. Less so culture. The last two decades have seen the wholesale transformation of the idea of culture as a primarily public good (even if provided by a regulated private sector) into primarily private goods delivered by the ‘free’ market to individual sovereign consumers making purely personal choices. The sector has become framed as an ‘industry’ whose primary goal is ‘growth’ and current policy settings legitimated by how far they serve this end.

Public funding for art, when it’s available, is largely justified as R&D (“the benefits of creativity”), skills training and product testing for commercial operations, ‘sustainability’ by which is meant helping the arts stand on their own two feet, and the odd case of ‘market failure’. The creative industries, made up of supposedly commercial sectors (like music, a complete economic basket-case in Australia) are jemmied out of arts and culture portfolios and inserted into economic development, and framed as export-oriented growth sectors. As the South Australian Government had it recently, a creative industries strategy,

means growing employment, foreign direct investment, revenue and exports. It means increasing technology use and boosting the ‘CreaTech’ sector, which converges creativity and technology. It means reaching new markets and new audiences.¹³

Funding cuts in the last decade have cowed its lead institutional advocates, desperate not to bite the hand that feeds it.¹⁴ Their response has been to double down on economic impact studies, handing thousands of dollars in research money to the big four accounting firms so as to acquire the smart shirt-and-tie documentation necessary for a respectable looking funding bid.¹⁵ This mostly spurious ‘impact’ research – basically advocacy PR - is done at the expense of the sector’s own research capacity. The stripping back of sectoral research resources at Federal and State levels has resulted in a widening ignorance about itself, its labour force, its dynamics and possibilities. Instead money is thrown at reports which show how much aggregate ‘impact’ they have.

John Daley suggested these impact studies were “stories about the economic value of arts and culture...told by people who don’t

believe them to people who don't believe them".¹⁶ In fact, whilst hard-headed economists in government don't believe these stories, the cultural leaders undoubtedly do. Despite the ever tightening squeeze in Federal funding – breaking out in a howl of pain during the pandemic¹⁷ – the cultural leaders are convinced more impact studies will work, always crashing in the same car.¹⁸

The first problem the cultural sector faces is over-hauling this language. What began as a 'wink-wink' appropriation of economic terms to gain funding leverage – 'we don't believe them but we need to convince the funders' – has ended up, cuckoo-like, forcing out any other kind of language. The mask is welded on. The language of 'market-first' has installed corporate values at the centre of many of our cultural institutions, co-opting representatives from mining, finance, and corporate law onto its governing boards and trusts.¹⁹ 'Public provision' is now deeply suspect, given only to the inefficient and mendicant, the last resort of the loser. This language and its metaphors are no longer opportunist blarney but have deeply embedded themselves in the heart-and-lung system of the cultural sector.

It is time we re-learned the language of the public good, and speak of citizens not taxpayers, publics not price-points. It must front-load concepts it hasn't seriously engaged with for forty years: planning, regulation, participation, and diversity not as 'audience segmentation' but as part of a foundation for the public provision of culture. As Julianne Schultz recently argued, what's needed is not just new policy settings, but an entirely new policy imagination.²⁰

In this paper we seek to reframe culture's place in public policy, drawing on a range of ideas and concepts that are gaining momentum in other domains and have potential to help shift thinking about how societies can and should support art and culture. But for such a program to be implemented, we need to acknowledge the full impact of neoliberalism - 'economic rationalism' - on art and culture, and on public policy generally.

We need to acknowledge that a return to some prior public policy settings, even if they represent valuable historical 'counterfactuals', is neither possible nor desirable. Economic rationalism has left deep marks on the world it sought so hard to change; things undone are not easily stitched back together. Whilst neoliberalism may now have run its course,²¹ the systems and imaginaries of economic growth underpinning Keynesian Social Democracy are themselves compromised in the face of climate change, even if they were possible after forty years of market individualism.

For all these reasons resetting culture as a public good is no easy matter.

We need something other than a 'restoration', either as a rapid return to pre-pandemic economic growth,²² or a more systemic return to

the 'golden years' of the 1980s and 1990s. We prefer 'reconstruction' to describe the transformative program we envisage. It echoes the program begun here in 1940,²³ as well as similar programs in New Deal America, post-1945 Europe and before that to the immediate post-civil war period in the USA. Here we use the term Reset - to acknowledge the value of the system shredded by economic rationalism, but also to call for a fundamental break with those older settings, a radical transformation to meet an epochal crisis.

In seeking to provide a coherent rationale for culture as a 'public good' after years of economic rationalism and the hollowing out of the public sector, we face four fundamental tasks.

First, we are engaged in a discursive struggle and so we have to start not with culture but economics. We need to reset our understandings of 'the economy', to contest the established definitional parameters in order to expand what can be said of that 'economy' and whose voices are allowed to count.²⁴ There are a growing number of such voices, many discussed in this paper.

Advocates for cultural policy have sought to add various cultural measures or additional priorities to the 'economic', as if it were a 'black box'. Rather than simply adding 'cultural' measures alongside economic and social ones we need to challenge the policy language around 'economy' itself, that abstract entity which sets the priorities and 'realities' to which all social and cultural activities must ultimately bend. In this paper we start from what we can loosely call 'new' or 'heterodox' economics, which seek to re-embed economics in genuine needs and social wellbeing, making the economy serve human ends, not vice versa. The economy is to be framed within the public policy goals of well-being, social justice and sustainability.

Second, we need to outline how art and culture can be understood within such a radical reorientation of public policy. We need to be able to answer questions such as how is culture a public good? Are we to reset art and culture as 'basic needs', working alongside other basic services such as health, education or social welfare? If so, what basic, common need does it satisfy? In the binary of necessity and freedom art and culture have always been placed under the second term. Most economists – including heterodox ones as we shall see – see art and culture as discretionary activities, coming after these 'basic needs' are met. As 'Doc' Tyden says to Jock in Wake in Fright: "It's death to farm out here. It's worse than death in the mines. You want them to sing opera as well?"

Our answer is to position art and culture as a combination of freedom and necessity, needs and rights.

Third, if we are to frame art and culture as a 'mixed economy' of public, private and not for profit provision, how do we ensure that they deliver the public policy goals we might set for them? If, as

Creativity in Crisis suggests, we were to regulate cultural labour markets or ensure local content quotas, would this be based on culture as a public good, or as an 'industry', a national asset requiring state investment to fully deliver on its economic benefits? How do we handle the vast diversity of art and culture, not only in its modes of production, distribution and monetisation, but also its mode of use – celebration and commemoration, pleasure and entertainment, information and education, catharsis and contestation.

Fourth, though we do not discuss this in detail here, we have to acknowledge that art and culture in Australia, like the society of which they are part, have been predicated on the dispossession and near-destruction of the existing inhabitants of these lands and their culture. This acknowledgement represents a chance to come to terms with the past and the descendants of those dispossessed and their enduring rights of custodianship over these lands. But so too, in the irreducible value First Nations give to their culture, there is an opportunity for us to re-imagine our own relationship to culture – theirs and ours, which together might be ours – outside the possessive individualism that is foundational for contemporary capitalism.²⁵

The opportunity to revalue culture and country is also part of that other great emergency – of climate change. For no new arrangement for economy, society and culture is possible without acknowledging our planetary limits. There are many things we must do to address climate change, but the First Nations peoples' connection to country surely prefigures the kind of changes we must make in our relationship to the earth, and our valuation of culture as inextricably part of that earth.

- 1 Pacella et al (2021); Pennington and Eltham (2021); more widely, cf. Justin Clemens (2020) 'Après moi, le déluge: Artists after Art', *Arena* 3: 78-89
- 2 For a recent overview of the use of impact studies see Eleonora Belfiore (2021) 'Is it really about the evidence? Argument, persuasion, and the power of ideas in cultural policy', *Cultural Trends*, DOI: 10.1080/09548953.2021.1991230
- 3 This is the term used by Michael Pusey (1991) *Economic Rationalism in Canberra*. Cambridge University Press. We would use the term neoliberalism.
- 4 Pennington and Eltham (2021, p.5)
- 5 Daley (2021). That Daley has written of the grid lock of policy in a report published the same year as his *Performing Arts Advocacy* which argues that the problems the sector has are with advocacy and representation is telling. He is able to see the problems of policy for every other area but not for art and culture. <https://apo.org.au/node/312235>
- 6 Cf. Ross Garnaut (2021) *Reset. Restoring Australia after the Great Recession*. Melbourne: La Trobe University Press. The classic account of Hawke-Keating as the triumph of policy reason is Paul Kelly's 2008 *The End of Certainty* (Allen and Unwin)
- 7 John Quiggin (2021) 'Dismembering Government', *The Monthly*, September p.25-33; George Mega logenis (2021) 'Exit Strategy. Politics after the Pandemic', *Quarterly Essay* 82. On outsourcing and NPM see Kristen Rundle (2021) 'Orphaned Responsibility', *Griffith Review Hey, Utopia!* P.80-92; Julianne Schultz (2022) *The Idea of Australia. A Search for the Soul of the Nation* (ch.17): Allen and Unwin.
- 8 Cédric Durand (2021) '1979 in Reverse', *Sidecar* 1st June <https://newleftreview.org/sidecar/posts/94>; Susan Watkins (2021) 'Paradigm Shifts' *New Left Review* 128: 5-22
- 9 Waleed Aly (2021) 'The Old Normal' *The Monthly*, p. 19-25. September.
- 10 See Adam Tooze (2021) 'The Gatekeeper' *London Review of Books* 43:8 22 April; James Meadway (2021) 'Neoliberalism is dying – now we must replace it', *Open Democracy*, 3rd September; <https://www.opendemocracy.net/en/oureconomy/neoliberalism-is-dying-now-we-must-replace-it/>
- 11 Cédric Durand (2021) 'Forces of Change', *Sidecar* 28th July <https://newleftreview.org/sidecar/posts/119>; Adam Tooze (2021) *Shutdown: How Covid Shook the World's Economy*. London: Allen Lane; Mariana Mazzucato (2021) *Mission Economy. A Moon shot Guide to Changing Capitalism*. London: Allen Lane
- 12 Quiggin (2021); On cultural policy cf. Elenora Belfiore (2004) 'Auditing Culture. The Subsidised Cultural Sector in the New Public Management', *International Journal of Cultural Policy* 10:2:183-202
- 13 South Australian Creative Industries Strategy p. 4 <https://innovationandskills.sa.gov.au/assets/downloads/PDF/Creative-Industries/Creative-Industries-Strategy.pdf?mtime=20210318144423&focal=none>
- 14 Katherine Brisbane (2021) *On the Lessons of History. Platform Paper* 63. New South Wales: Currency Press.
- 15 Georgia Wilkins (2021) 'Consultants are Making a Motza', *Crikey* August 11. <https://www.crikey.com.au/2021/08/11/consultants-are-making-a-motza-just-dont-ask-what-theyre-being-paid-to-do/>; Australia Institute (2021) Talk Isn't Cheap. <https://australiainstitute.org.au/wp-content/uploads/2021/10/P1079-Talk-isnt-cheap-Order-for-the-production-of-consultants-reports-Web.pdf>. For the UK: https://www.theguardian.com/commentisfree/2021/sep/20/britain-public-sector-consultancy-habit-pandemic-private-services?CMP=Share_iOSApp_Other
- 16 John Daley (2021) p.2
- 17 Banks, M and O'Connor, J (2021) "A Plague on your Howling". *Art and Culture in the Viral Emergency*, *Cultural Trends*, 30:1, 3-18.
- 18 Justin O'Connor (2020) *Art as Industry* <https://wakeinalarm.blog/2020/06/20/art-as-industry/>
- 19 Judith White (2017) *Culture Heist. Art versus Money*. Sydney: Brandt & Schlessinger
- 20 Julianne Schultz (2021) 'Facing Foundational Wrongs', *Griffith Review Hey, Utopia!* 11-25
- 21 Though what it is turning into is not clear cf. *Theory, Culture and Society* (2021) Special Issue on 'Post-Neoliberalism'. 38:6
- 22 Edwards (2020)
- 23 Stuart Macintyre (2015) *Australia's Boldest Experiment. War and Reconstruction in the 1940s*. Sydney: New South Books
- 24 On the gendered dimension of this see Jane Gleeson-White (2021) 'Erasure', *Griffith Review Hey, Utopia!* P.42-54; for an excellent intervention against mainstream economics as part of an explicit artistic practice see Bek Conroy's work <https://marrickvilleschoolofeconomics.com.au>
- 25 Tyson Yunkaporta (2019) *Sand Talk. How Indigenous Thinking can Change the World*. Melbourne: Text Publishing

Defining Art and Culture

Art and culture refer to those activities involved in the making, dissemination and enjoyment of goods and services whose primary value lies in their meaningfulness to us – as entertainment, transformation, education, information, challenge, dissent, and the making, changing and celebration of individual and collective identities. This meaning is not purely cerebral but involves our senses and our bodies: digital signals, aural pleasures, movement and intense materiality. It involves ‘art’, ‘culture’ and ‘popular culture’, and it folds in crafted clothes and objects, public and private spaces, buildings and infrastructures. How we produce, share and evaluate this culture is part of an on-going collective conversation at multiple levels of everyday life, cultural production, communal organisation, public opinion and government policy.

That’s one way of putting it, and if only it were so easy. We use the term ‘art and culture’ in this document, and these terms, separately and together, have complex historical roots. In some form or another they are co-terminus with our history. Though such a definition may sound somewhat rosy – as evocations of the power of art and culture often do – how are we to explain why they have become so marginalised, or reduced to an ‘industry’ or given over in large parts to massive global platform companies. Why does any of that matter? What is at stake in these discussions: is this the usual navel gazing of a rat-pack sector looking for more hand-outs, or does it have wider implications?

The intention of this report is to link a renewed framework for valuing and promoting arts and culture to a new transformative agenda, one that rejects economic rationalism and neoliberalism, and seeks to move our understanding of economic success away from GDP growth towards human well-being and flourishing. One might think that art and culture would be right at the front of this new future imaginary, but they not.

Art and culture are absent from the debates about social, economic and ecological transformation that we discuss in the next section. More pointedly, they are absent, or play a limited and often misunderstood role, in the vision of the Foundational Economy Collective, whose work is a primary focus of this report. On top of that, despite all the fine words, many of those in leading positions in the art and cultural sector have completely swallowed the language of economic impact, sovereign consumers, market-first principles, and the belief that with the right set of metrics all this can be turned around. It would be only a slight exaggeration to say that art and cultural sector is the last remaining home of economic rationalism as a policy principle. Last in, last out.

How we got here is a long story, too long for this report. Here we want explain why we use the term art and culture, rather than one or the other. They have a fraught, complex history together, and the move from 'art' to 'culture' is often taken as the best way to democratise the sector, and perhaps give a new legitimacy in public policy. Art has been attacked as elitist for a couple of centuries, and never more so than in the last half century. But as we now know 'elitism' is an ambiguous term, politically polymorphous and easily turned back against those who use it.

Here we simply suggest, first, that a move from arts to cultural policy does represent an opening up to a broader range of forms and practices, but this does not make art intrinsically elitist or culture intrinsically democratic. They overlap in important ways and we must keep their historical tensions in play – as 'art and culture' – rather than simply folding art into culture. We need to be clear that 'art and culture', as a set of forms, meanings, practices and institutions, is different from, though rooted in, culture defined anthropologically as 'a whole way of life'. We can accept that art and culture are 'ordinary', and part of everyday life, without us counterposing 'art' to 'a whole way of life' as if that were somehow a democratic move.

Second, we suggest that art and culture are not 'industries', but are systemic, part of a complex historically evolving social formation. Art and culture are essential aspects of modern society, and if not intrinsically democratic they are a site of democratic contestation. Art and culture can be reduced to 'industry' or privatised, but this is a deliberate choice not a natural state, and it comes with consequences. We suggest this has choice has seriously distorted what art and culture do, with unforeseen consequences for our ability to imagine a different future.

Aspirations to an expanded social and cultural citizenship, which have long historical roots, have been a target of the neoliberal revolution. So too the reduction of art and culture to their economic impact was part of a wider process of political disenchantment. Large sections of art and culture were turned into consumer industries, satisfying wants not needs, and extensively privatised and de-regulated. The transfer of systemic responsibility for art and culture to the private sector has brought consequences that are only now becoming clear. The defunding and marginalisation of the remaining public sector, the application of 'market-first' to infrastructures of communication, information, knowledge and education has resulted in a growing concentration of production and distribution around global platforms, but also the fragmentation of the space of culture – first by market segmentation and later by algorithmic bubbles.

The giving over of responsibility for developing new digital communications technologies and protocols to a group of private companies in North California is an experiment in laissez-faire

whose lessons are only just beginning to come home.¹ The massive process of print and broadcast media concentration in Australia and elsewhere is another.³

The current absence of a cultural policy in Australia affirms its de facto policy, market-first principles coupled with a growing promotion of cultural forms around a particular version of Australian national identity. Federal cultural policy is inflected by the ‘culture wars’ and with calls for ‘democratisation’ now levelled against the metropolitan elites and in favour of something called ‘middle Australia’. Philanthropist-funded think tanks such as A New Approach see this as an advocacy opportunity, and talk about ‘future’ with no sense of the changing social, political and economic landscape, or the ideas that are emerging from it.

Art and culture evolved historically, connected to class distinctions and state administration. It took a specific form in the 18th century as social change accelerated, and it has continued to shape shift. Other societies, and other civilisations, display different trajectories, where art is embedded in everyday life, in class cultures, and in relation to the state very differently to the autonomous art of the European imaginary. But something identifiable as art is present in all human societies from their earliest beginnings. Symbol making, mimesis, magical representation, warding off gods and demons – these mark us off as distinctively human. In a modern age of instrumental reason, this took the form of a radical critique and a radical re-imagining of human possibility. Contemporary art and culture may well be differently conceived and positioned, but the reduction of this cultural history to a contingent configuration of governmental operations, or the game of class distinctions, now appears as a vision from the very heart of nihilistic postmodernism.

The recovery of art and culture’s space of radical and democratic imagination is crucial to our seeking the future, in an interregnum where the old is dying and the new is yet to be born.

I grew up in a beautiful era, now sadly in the past. In it there was great readiness for change, and a talent for creating revolutionary visions. Nowadays no one still has the courage to think up anything new. All they ever talk about, round the clock, is how things already are, they just keep rolling out the same old ideas. Reality has grown old and gone senile; after all, it is definitely subject to the same laws as every living organism – it ages. Just like the cells of the body, its tiniest components – the senses, succumb to apoptosis. Apoptosis is natural death, brought about by the tiredness and exhaustion of matter. In Greek this word means ‘the dropping of petals.’ The world has dropped its petals.³

If we are in an interregnum, then culture provides a theatre for the re-imagination, the re-enchantment of the future. 'Something new is bound to follow', says Tokarczuk. Scott Ludlam, in *Full Circle*, used the ecological metaphor of 'adaptive cycle', where the old is disintegrating and new forms are still only coming through.⁴ This is where culture's new imaginary must act.

- 1 Zuboff, S. 2019. *Surveillance Capitalism. The Fight for a Human Future at the New Frontier of Power*. London: Profile Books
- 2 Benetta Brevina and Michael Ward (2021) *Who Controls Our Media?* Sydney: Getup. https://d68e-j2dhub09.cloudfront.net/2810-GetUp_-_Who_Controls_Our_Media_.pdf
- 3 Olga Tokarczuk (2009) *Drive your Plow over the Bones of the Dead*. Trans Antonia Lloyd-Jones. Melbourne: Text Publishing (53-54)
- 4 Ludlam (2021a); Ludlam (2021b) 'Reality is Irreversible' *The Monthly*, May.

Interregnum

Challenging Neoliberalism in an Age of Climate Change

Since 2008 there have been mounting challenges to mainstream economics from a wide range of different theoretical and historical perspectives.¹ This includes a resurgence of older Keynesian, social democratic, and Marxist-inspired ideas, speaking to the eroding authority of neoliberal, and indeed, neoclassical economics. These challenges all suggest that the very language in which we talk about economy is part of the problem.

Gross Domestic Product (GDP) in particular has been fetishized as the ultimate measure of economic success. The 'rebound' of GDP post-pandemic is a sign that we are returning to health. But GDP only measures formal economic transactions, ignoring all the other things that people might value. It only admits of one 'order of worth'. This focus on what GDP measures and what people, even governments, value and want to see in their communities, has justified widening deprivation, inequality, social fragmentation and environmental degradation. In the vein of *Metaphors we Live By*, talking about 'the economy', gives monolithic and unalienable status to something that is human built, human run and ultimately changeable.²

Many of the criticisms of GDP-centred economic development echo those made in the pre-neoliberal age, including by Simon Kuznets, its inventor, and famously by Robert Kennedy in 1958:

Our Gross National Product, now, is over \$800 billion dollars a year, but that Gross National Product... that Gross National Product counts air pollution and cigarette advertising, and ambulances to clear our highways of carnage. It counts special locks for our doors and the jails for the people who break them. It counts the destruction of the redwood and the loss of our natural wonder in chaotic sprawl. It counts napalm and counts nuclear warheads and armored cars for the police to fight the riots in our cities. It counts Whitman's rifle and Speck's knife, and the television programs which glorify violence in order to sell toys to our children.

Yet the gross national product does not allow for the health of our children, the quality of their education or the joy of their play. It does not include the beauty

of our poetry or the strength of our marriages, the intelligence of our public debate or the integrity of our public officials. It measures neither our wit nor our courage, neither our wisdom nor our learning, neither our compassion nor our devotion to our country, it measures everything in short, except that which makes life worthwhile.³

Kennedy was expressing himself in a very different world, one in which these sentiments would be widely shared. In just over a decade they would be marginalised by success of the 'neoliberal thought collective' and of the Reagan and Thatcher regimes which attempted to realise their ideas.⁴ Pushing back against the theoretical armature and practical policy settings that for forty years have dominated intellectual and common-sense understandings of what is 'real' and 'possible' has been a long, arduous haul.

Push-back has been accelerated by the very obvious failures of these neoliberal settings. The macro-economic collapse of 2008 was most telling, even though the orthodox neoliberal settings were soon re-asserted.⁵ But growing inequality, stalled wage growth, economic 'recovery' without employment,⁶ deepening indebtedness,⁷ the devaluation of human capital assets (education, skills), and massive wealth transfers to owners of the 'asset economy'⁸ has led to novel forms of social and political dissent⁹ and a smouldering crisis of democratic governance.¹⁰ Even before the pandemic leading economist Larry Summers was talking about 'secular stagnation' and the need for more public investment.¹¹ The pandemic, along with Joe Biden's victory, have moved the needle further away from small state austerity neoliberalism.

However, a repudiation of neoliberalism (if that is what it turns out to be) and 'economic reason' now comes with a new set of voices, stemming from the threat of climate change and the challenges voiced by women, people of colour and the 'non-West'.

Ecological economists have long sought ways to demonstrate that mainstream economics has failed to account for ecological damage and is unable to point a way out of climate catastrophe.¹² Their success in adding 'accounting' of 'externalities' into the true costs of commodities and the balance-sheet of corporations has contributed enormously to the contemporary sustainability agenda.¹³ However, their work points beyond accounting to the need for a more systemic transformation, one which might take us beyond sustainability and demand actual 'de-growth'.¹⁴ What is also clear is that some new kind of relationship to our planetary host is required.¹⁵

calculations is a key starting point, revealing this fetishized metric to having nothing to say about domestic labour (or its predominantly female labourers), simply assuming this as ‘social reproduction’. The exclusion of domestic labour from the ‘real’ economy, whilst relying on it as a fundamental precondition for the nurture of the current and future workforce reflects a wider exclusion of the social and domestic world from economic calculation.¹⁶ As with the natural world capitalism exploits ‘social reproduction’ whilst contributing to its degradation, marginalising and exploiting those who provide this care.¹⁷ This theme of capitalism’s ‘social embedding’ can be found in the work of Karl Polanyi, and other ‘moral economists’ who also have made returns recently.¹⁸

Feminist historians have linked this progressive exclusion of women to the origins of capitalism in early modern Europe,¹⁹ echoed in this by post-colonialist historians who have connected the gradual isolation of ‘the economy’ as a separate system to the ‘primitive accumulation’ of colonialism.²⁰ Violence against women and the people of the non-West is of a part with the destruction of the natural world itself, as capitalism began to exploit both people and nature.²¹ As such, any shift to a sustainable economic system will also require a fundamental ethical re-orientation toward our past, our sense of self, our social system and the planetary ecosystem which sustains us.²² Some philosophers have called for a new global ‘axial age’ in the face of climate collapse.²³

Heterodox Economics

Against this backdrop, heterodox economics has flourished. Theoretical debates between mainstream and heterodox economics are now regularly aired in the pages of the Financial Times and The Economist. Neoliberalism as practised, more or less, by nation-states and international economic bodies since the 1980s, has been declared dead or dying.²⁴ Biden’s recent actions certainly break with many of the orthodoxies set in stone since the late 1970s.

Action-oriented ideas of the ‘new’ or ‘next’ economy are now promoted by organisations such as the New Economics Foundation in the UK,²⁵ and the New Economy Network Australia.²⁶ One of the most well-known ‘heterodox’ economists is Kate Raworth, whose best-selling Doughnut Economics rejected GDP as a useful guide to social and economic health, and the illusory promise that growth would ‘trickle down’.²⁷ She talks of a return to the ‘basics’, the ‘social foundation’, beyond which a civilised society should not allow people to fall (the inner hole of the doughnut), to be satisfied within the physical boundaries of our planet (the outer edge of the doughnut). Her high-level enumeration of what constitutes the ‘social foundation’ closely follows the United Nations’ 17 Sustainable Development Goals (SDGs), which include access to basic infrastructures (water, energy), services (education,

health), employment and social rights, and linked to ecological sustainability and climate action.²⁸

The emphasis on the provision of basic infrastructure and human services (often combined into ‘social infrastructure’) rather than exports and industry marks a new trend in developmental thinking. The United Nations is working with the OECD and World Bank to mobilise the global financial sector to provide investment capital for the social infrastructure required to attain the SDGs, capital many states find difficult to access.²⁹ This focus on can be also be found in the recent report by a senior KPMG director, who, recalculating the 1972 Limits to Growth report,³⁰ sees global investment in social infrastructure (especially health and education) as the only viable way out of economic and climate breakdown.³¹

The shift of focus from growing GDP and expanding ‘free’ consumer markets towards providing for basic social needs has accelerating over the last decade, and more so during the pandemic. Hence talk of FDR’s New Deal,³² William Beveridge and the 1945 Welfare State, or Australia’s ‘reconstruction’ under the Labor governments of the 1940s. However, the social-democratic focus on social welfare is now combined with the need for climate action, a convergence made explicit in the various ‘green new deals’ across the US, EU and China.³³

There is therefore a new, positive emphasis on state action – rather than a small state ‘getting out of the way’ of markets, the state now returns as guarantor of social cohesion and well-being. This was certainly boosted by the pandemic, but the role of the state has been growing in visibility since the 2008 financial crisis. For some this new role involves the state as leading the economy out of neoliberalism’s ‘secular stagnation’, having a unique capacity to act in a ‘entrepreneurial’ fashion, launching a transformative mission as outlined by Mariana Mazzucato.³⁴ This mission involves technological innovation but also a massive re-investment in social infrastructure.³⁵

In the light of the new positive responsibilities given to the state, others have affirmed the state’s unique fiscal and monetary capacity. Though always tacitly assumed, the state’s role ‘guarantor of last resort’ re-surfaced with a vengeance in the GFC, its sovereign capacities elaborated by heterodox economists, varieties of Keynesianism, and the work around Modern Monetary Theory (MMT).³⁶ The economic success of China’s state-led development, both domestically and as a counter-model globally, has also been important.³⁷ The state is definitely back, though its emergent democratic or authoritarian complexion remains ambiguous.³⁸

Whilst the state has now been assigned a bigger and more positive role, the ‘return of the social’ has also meant de-centralisation and localisation. ‘Re-embedding’ the economy has prompted the notion of the ‘commons’, those shared social and

natural resources foundational to our lives together.³⁹ The idea of the commons surfaced at a moment when the privatisation and commodification of all aspects of our lives exponentially expanded in the 1990s. The term recalls the early modern enclosure movements which stood at the historic gateway to capitalism, linking these rhetorically with the privatisation of those basic infrastructures and services (water, public land, health, education)⁴⁰ as well as the all-pervasive presence of commercial products, especially as media turned digital.⁴¹

The 'commons' also includes the shared 'intellectual' or cultural resources that contemporary 'creative capitalism' relies on. The 'social factory' is now used to describe how creative workers are expected to mobilise their free time, their social networks, their emotional resources, in the production of symbolic value. Just as capitalism has tended to destroy the natural world on which it relies, and the care required for social reproduction,⁴² so too the shared 'cultural' commons of the 'social factory' are also under threat from gentrification, precarity, student debt, unaffordable housing.⁴³ Care for the commons (including the digital commons⁴⁴) involves both protecting and taking back public services and shared spaces, often at local, granular levels.⁴⁵ The new resurgence of co-operatives is part of this trend (including in the cultural sector) as is community wealth building.⁴⁶

As a pendant to the re-assertion of the state there has been a return of the local, with cities and regions finding space to act in ways nation-states have found difficult. This networked localism has long roots in anarchist and counter-cultural movements and has resurfaced around new 'left populist' movements since the anti-globalisation protests of the late 1990s.⁴⁷ These unorganised popular protests have expanded since 2008, with 'left populist' parties gaining formal ground in some European countries, as well as in the different context of South America.⁴⁸ As formal democracy began to creak, other forms of popular decision making – localised, participatory, permanent – were explored. Cities have taken the lead in new forms of politics, linked to social justice, digital democracy, local economies and carbon-neutral targets. The 'new municipalism' is leading where nation-states have stalled, with different attempt to re-organise local economic development and local democracy, including citizen platforms, co-operatives, local purchasing and communal wealth building.⁴⁹

Important also here is J.K. Gibson-Graham's insight, following on from the economic invisibility of domestic labour, that large parts of the economy are either not, or only marginally, capitalist.⁵⁰ Much economic activity, such as domestic labour, caring for friends and relatives, community sharing, subsistence production, sharing arrangements, is non or only partially commodified.⁵¹ Gibson-Graham, as with those writing on the commons, have highlighted these different kinds of economy-in-the-economy, where community-based trading, including non-monetary exchange and

gifting, can co-exist, often unnoticed, with the highly commercial 'capitalist' economy. This might happen in 'developing' countries, or in urban and rural communities right next to global metropolitan economies.

As with the local interventions around the commons, the spaces of non-capital can provide sites in which other values and practices can be elaborated. Building on the possibilities of the here and now, as Gibson-Graham argued, does not mean ruling out long-term, radical change; such direct interventions can prefigure the future through what Ernst Bloch called a 'concrete utopia'.⁵²

These distinct 'economies-in-the-economy' are not isolated but can connect with highly capitalised and globalised economies. Anthropologist Anna Lowenthal-Tsing, developing insights from Gibson-Graham and 'assemblage theory', explored the picking and trading of Matsutake mushrooms in North-East US.⁵³ This was done seasonally by individuals and families, for small amount of money and often more about seeking solitude or communion with nature. The mushroom pickers intersected and combined with transnational commercial supply chains, shipping mushrooms to high-end consumers in Japan. This complex articulation has strong resonances with the cultural economy, as it shows how fluid the boundaries are between different economic systems and zones. We discuss this further in Section 7.

Concrete Utopias?

Against these broader epistemic, policy and geopolitical shifts, new policy ideas have emerged, part practical, part inspirational.

Perhaps the most visible of these new idea has been Universal Basic Income (UBI) – currently much discussed within the cultural sector. Some of its proponents identify long historical roots, ultimately locating it the ethical belief that that humanity shares the fruits of the earth in common, a 'commonwealth', an idea foundational for the values of social equality and justice.⁵⁴ In its contemporary form it is a solution to the problem of work, the fact that jobs and income have become uncoupled for the first time since property-less wage labour became the basis of industrial capitalism in the 18th century.⁵⁵ The structural reasons for long-term and growing un-and under-employment are disputed, but many across the political spectrum recognise the need to address this.

Even when employment was available, persistent low-wage growth has increased the numbers of the 'working poor', many now dependent on income supplement through various forms of welfare. If this was mitigated by the ready availability of credit, along with cheap imports from (mainly) China – what Colin Crouch called 'privatised Keynesianism'⁵⁶ - this was no longer possible

after the financial crisis of 2008. The economic damage inflicted by ‘austerity’, slowing wages and employment even more, indicated that some new form of ‘demand management’ – getting people to spend – would be required. This is also coupled with the real fear of political unrest as large sections of the population felt themselves left out – the iconic images of the US Capitol riots of January 5th 2021 coming after four years of accelerating elite anxiety. For many UBI represents a way of providing an income safety net, stimulating the economy and of simplifying and reducing the cost of a complex tangle of benefits.

There are right-wing ‘libertarian’ version of this – reducing bureaucracy by providing simple (often one-off) payments represents a ‘small state’ solution. For more centrist writers such as Ross Garnaut, it has a place in a post-pandemic public policy which needs to stimulate spending and provide un- and under-employed workers with a secure basic income, to retrain, or to seek better paid work as the economy picks up.⁵⁷ The more ‘social democratic’ version has UBI as a reassertion of the social responsibility to ensure that everyone has a basic means to live. If access to decent employment can no longer be secured, the old full-time well-paid jobs of Fordism giving way to the ‘precariat’ of low-paid, self-employed and ‘zero-hours’ jobs, then a UBI becomes a necessity.⁵⁸ UBI also provides a social foundation that prevents the slide into underpaid, exploitative jobs, allowing an assertion of social and employment rights from a population not cowed by threat of poverty.⁵⁹ That is (and Garnaut would appear to agree) it would also ‘raise the game’ of employers to provide better paying and more productive jobs.

However, for many the problem is not a temporary issue of secular stagnation produced by some bad policy settings – Garnaut’s ‘dog days’ – but a long term problem of automation.⁶⁰ The jobs are not coming back! The extent this is due to automation is debated, but the long-term trends towards un- and under-employment and wage suppression are clear. This has stimulated a more radical approach, which is not to ‘compensate’ people for lack of work through a UBI but to celebrate the liberation from wage-labour, and from work as such. Whereas capitalism and communism have valorised work as the ethical foundation of society, an older anarchist tradition saw work as something to be reduced in order to provide for a full-flourishing of human beings.⁶¹ This was a belief held by many artists and cultural thinkers.⁶² Feminists (aware of the exclusion of domestic labour from ‘real’ work) have also critiqued this valorisation of labour.⁶³

In this sense it links with the ‘artistic critique’ of capitalism that exploded in the 1950s⁶⁴ and associated with May 68 and the counterculture.⁶⁵ But also with the new theorists of automation, who see the extension of automation as a liberating force, releasing people from the need to work. The uncoupling of work from income, and the transformative promise of lives lived in ‘post-

scarcity', is central to this utopian vision.⁶⁶ This would provide the leisure time, unconstrained by fear and poverty, to develop the self, to perform acts of care, to create new social networks and re-invigoration the commons.

Whether directly linked to automation or not, the concrete utopia of UBI lies in its solution to a pressing need coupled with an opening to another possible world. Some of this could be glimpsed in the Australian government's Jobkeeper/ Jobseeker payments, which not only provided a much needed income supplement but provided artists with an income not attached to the onerous grant and reporting machine which these have become.⁶⁷ The scheme was ended prematurely, in the view of many economists, despite its clear stimulant benefits. Most likely because it exposed, in quite direct fashion, the ideological nature of neoliberal nostrums around the unaffordability of welfare payments, scared employers who relied on minimal welfare to make low wages attractive, and gave a glimpse, beyond the relentless trudge of punitive job applications and dire poverty, of different possibilities.⁶⁸

Leaving the question of the value of work aside, debates continue around the affordability of UBI and whether an individual-based payment would lead to the kinds of transformative outcomes imagined.⁶⁹ We won't engage these here, just note that a response to both of these comes from those who see the provision of basic social services as more affordable, politically more realistic and promoting a more collective ethos. These have been termed Universal Basic Services (UBS)⁷⁰. The collective provision of social services can be related to Raworth's 'social foundations' discussed above, and the 'foundational economy' approach discussed below. They have tended to focus on social services at the expense of infrastructure (foundational economy includes both) and have been supplemented by universal basic infrastructure.⁷¹

UBS is closely linked to the idea of the 'social guarantee', which also has access to services as a basic right of citizenship, explicitly guaranteed by the state, which has an enhanced role in their provision.⁷²

Closely aligned also, and often positioned as an alternative to UBI is the idea of a Job Guarantee.⁷³ Often linked to MMT, the Job Guarantee involves the state, as sovereign monetary authority, providing funds, usually to states or other sub-national authorities, to guarantee everyone who wants it employment in socially useful work at a (relatively) high minimum wage. Harking back to the New Deal's Works Progress Administration (WPA) of the 1930s,⁷⁴ this idea sets out to offer, on a completely voluntary basis, jobs to work on social, community, sustainable and cultural projects. The WPA provided artists and cultural workers with jobs during the New Deal and contributed to what Michael Denning called the 'laboring' of American culture, a profound political shift.⁷⁵ Yet outside the US it has been UBI that has appealed to art and cultural workers rather

than the WPA or Job Guarantee. We will not discuss this here, touching on it briefly below.

These ideas come along with new initiatives around co-ops, community wealth building, alternative development, participatory budgeting that are also made inroads in Australia.⁷⁶

Conclusion

This move away from neoliberal settings have been flagged by left-leaning think-tanks in Australia – for example Per Capita and the Australia Institute – as well as finding echoes in the Grattan Institute, who argue for investment in services and basic infrastructures rather than ‘mega-projects’.⁷⁷ The case for a recovery through investment in basic services (health and education, social services and basic infrastructure), directly addressing those in need as well as lifting wages and welfare, income that will be spent rather than saved (or put into renovations and investment properties) and help reorient the economy to new green jobs is now a point being made widely. This stimulus-oriented neo-Keynesian approach is set against any return to the ‘dog days’, with its tax cuts (favouring the better off) funding house purchase rather than (social) house building (exacerbating inequality of access), and of course giving boosts to large-scale extraction industries who employ fewer workers, pay (relatively) less tax, and who offshore much of their profit.⁷⁸ The World Bank, the IMF and the OECD tend to agree.⁷⁹

As usual though there is a disjuncture between this work and the art and culture sector. It is not just that these important advances in economic thinking do not centre or even mention art and culture but, holding fast to the idea of culture-as-industry, they often actively work to exclude them from this agenda. At the same time, the art and culture sector holds fast to its metrics and narratives of economic growth, often in face of all the evidence.

We have termed our conjuncture an interregnum, a state of uncertainty between the end of the old and the emergence of the new.⁸⁰ In Australia we may be in a more dangerous situation, where the dead don’t die. John Quiggin called it ‘Zombie economics’, and there is much evidence of this.⁸¹ After the heady days of Jobkeeper and Jobsaver, the current government wants a rapid return to pre-pandemic settings. Government spending will be linked to the extraction and large infrastructure companies, the ‘middle class welfare state’ of non-progressive taxation and various subsidies (franking credit, negative gearing etc.), and foot-dragging on any transition to a low-carbon economy.

The problem is not just economics but the drift away from democracy to authoritarianism, marked by corruption and cronyism, coupled with a serious degradation of the capacity of

the commonwealth to actually carry out policy.⁸² Grid-lock is one description; more organic metaphors would point to a stunted evolution metastasising within the body politic, producing the morbid symptoms – what Guy Rundle called ‘sheer bastardry and nihilism’ - we see all around us.⁸³

It may seem like an unpropitious time to be resetting art and culture. Perhaps at the commonwealth level we will need some years for this to happen. As we suggested above, if the cultural sector simply doubles down on the economic impact arguments of the last twenty years, then it too will remain a zombie. Now is the time for the new ideas that are out there to enter culture. It is likely that these will come from below rather than think tanks funded by trust funds and corporate donors.

It is also clear that the Morrison government has passed the primary responsibility for the pandemic to the states – including borders and quarantine – as he has with major policy areas such as renewables.⁸⁴ Over the last decade, whilst the commonwealth has cut cultural funding, states and local governments have increased theirs. It might be at this state level that we need to look for the new policy settings, at local government level for the experiments. It is with this in mind that we turn to the idea of the foundational economy, which is very much focused on local and regional development, even if it keeps national settings in its sights.

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The Foundational Economy

In this section we will focus on the idea of the foundational economy, which has emerged out of the kinds of thinking discussed above, and has indeed contributed much to a more robust policy agenda. The Foundational Economy Collective (FEC) is a group of interdisciplinary researchers, based mainly at European academic institutions. As with other instances of 'concrete utopia' above, whilst FEC look to wider, longer term social transformations, their starting point is the mundane reality of the here and now, and the practical points of policy intervention this might allow.

The FEC are aligned with those who call for the prioritisation of investment in basic services and infrastructure, in tandem with policies to enhance wages and income, to ensure the equitable foundations of a civilised life. This is more than neo-Keynesian 'demand-side' management, or simply a call to improve services, though this is important. It is a transformational approach that re-embeds the economy in the social. The economy is not an end in-itself but should serve social needs, provide the basis for citizenship, social justice, and wellbeing. They also are broadly aligned with the 'green new deal' agenda, in moving beyond earlier the versions of 'municipal socialism' and Fordist social democracy, in that an equitable economy needs to work with, not against, ecological sustainability.

There are three key reasons we focus on the FEC.

First, their work has a detailed grasp of social and economic policy often lacking in many high-level calls for a return to 'social foundations'. Though various 'doughnuts' are very welcome, the FEC are able to combine high level conceptual analysis with actually existing policy settings, informing actionable policy proposals. They bring a depth of academic research and experience, with an expanding portfolio of academic papers, policy reports, manifestos and conference presentations, all of which can be found on their website.¹

Second, they break from the focus on GDP and assert the need for economic policy to serve social ends rather than an abstract and aggregated 'growth'. They build from this to provide an account of how economic development might be radically reframed. They do this by analytically disaggregating 'the economy' into distinct zones, and showing how the foundational economy of basic needs – 'the infrastructure of everyday life' – as the largest part of economic activity can become the central focus of local development strategies. This is useful to us in understanding art and culture as a complex economy distributed across multiple zones.

Third, they give a clear and coherent account as to why the foundational economy necessarily entails public and often collective delivery, and how this has been historically linked to a sense of citizenship. However, they are also aware of the extent to which highly extractive finance-based companies have moved into the foundational economy, and that any reform has to start from that reality. Returning the social foundations to a non-extractive economic model has many pointers for rethinking art and culture.

Beyond GDP

Following the kinds of critique noted in the last section, the FEC aims to shift attention away from GDP statistics, 'jobs and growth', and the glossy images of hi-tech, innovation-led industries, towards an economy that is socially embedded, serving our essential needs.

'Foundational economy' refers to the economic essentials, the everyday basics required for people to live a decent life. FEC argue for a policy approach focusing on foundational needs such as health, care, education, housing, utilities and food supply. They place priority on social needs and ecological sustainability rather than profits, markets and growth. The FEC:

breaks with the national income accounting-based understanding of a unitary economy where the aim is to increase the value of marketable output through growth. This has failed us because it has produced a 21st century version of Galbraith's 'private affluence and public squalor' while dividing income and wealth unequally so that most ordinary citizens see few gains.²

FEC thus focuses on providing for real household needs rather than GDP growth, a focus not just on incomes but costs and quality of essentials like housing, transport and utility bills. Rather than reply on income metrics, the FEC focuses on what households have left to spend after the essentials have been met. London has higher average incomes, but housing costs take up a large proportion of that, compared to Wales, for example. As with those arguing for universal basic services (UBS), FEC show how affordable and accessible basic services and infrastructures have a direct impact on real household disposable incomes. Real household income and expenditure, they argue, is a better measure of economic development than aggregate GDP.

As with UBS, the foundational economy is concerned with the collective provision of infrastructures and services, as these – housing, education, health, communications networks – cannot be purchased into being by individuals (though of course they may have to pay for use).

FEC argued that policy makers need to balance concern with jobs and wages with more attention to the essential goods and services like housing, utility supply, health, education and care. These are not individual consumption from income but collective consumption because they depend on social provision of the foundational reliance systems which keep us safe and civilised.³

FEC is concerned with basic needs rather than ‘wants’ or ‘expressed preferences’, and the extent to which these needs are provided for (we discuss needs and wants below). It is the satisfaction of these needs that forms the foundation of a decent, civilised life and of the possibility for individuals and communities to participate in the wider society. As such this relates back to the origins of the foundational economy in the municipal ‘corporations’ of the 19th century, followed by the ‘nationalisation’ and extension of these provisions after 1945, and their continued growth (even if stigmatised) under neoliberal regimes. Access to these basic services is part of what TH Marshall in 1949 called ‘social citizenship’ - the positive welfare rights which came after the civic and political freedoms of the 18th-20th centuries. Social citizenship ranged from:

‘from [granting] the right to a modicum of economic welfare and security to the right to share to the full in the social heritage and to live the life of a civilized being according to the standards prevailing in the society.’⁴

FEC argue for “universal service provision” and “foundational supply”, suggesting that ‘policy makers in high-income countries have unbalanced the relation between market income based private consumption and social infrastructure based collective consumption’. This echoes those more macro-economic claims that it is services and infrastructure that will allow a transition to a sustainable and equitable society.

These social foundations should not be seen as wealth-consuming, with the private sector as wealth-creating – the neoliberal common sense that the private sector generates the tax-income that is then spent on public services. This false division between welfare ‘spending’ and economic growth can be found even amongst commentators seeking to justify such spend, such as John Daley:

Economic impacts are not the main aim of government support. Governments care about a lot more than GDP. Over half of all government spending is directed to ends such as health and welfare, which primarily serve ends

that the community values rather than growing the economy.⁵

The FEC argue not just for increased welfare spending but that this should be seen as a central aspect of economic development. The foundational economy is the primary source of income and employment in national economies, and can account for up to 70 percent in some regions. As such the foundational economy should be the primary focus of economic development, delivering both employment and valuable local services.

This means breaking with those local economic development settings of low wages and a ‘flexible’ workforce, tax breaks and other ‘sweeteners’ to attract inward investment, and pursuing high-tech, high growth industries – settings which have self-evidently failed so many communities. These ‘high growth’ industries have limited impact on local employment outcomes, with much of their profit taken out of the local area, whilst the foundational economy is seen as a low-wage, low productivity drag. Quite often the opposite is the case.

As alternative, FEC suggest that “welfare-critical goods and services” should take centre stage in economic development efforts. The absence of such services restricts the possibilities for citizens to live decent lives, whilst investing in these foundations also enhances the quality and quantity of local employment, increases household disposable income, raises skills levels and participation rates.⁶

Zonal Economies

To further this argument analytically, FEC suggest there is not one economy but multiple economies, or economic zones, which operate on different principles, have different structures and dynamics, and which should be valued in different ways. They outline a core household community economy (mostly untraded); a foundational (material and providential) economy, an ‘overlooked’ economy (sometimes combined with the former as “foundational economy plus”), and the ‘tradable competitive’ economy.



FEC's Zonal Schema of the Economy

There are two major components to the foundational economy:

First, the 'material infrastructure' of energy, water, housing, public and private transport, cables and pipes, supermarkets and food, retail banking/ ATMs. That is, the 'social-technical' networks connecting households to 'reliance systems' which make everyday life possible & safe. Second, 'providential services' such as education, health, social and community services, prisons/ police, public administration, funerals, public/ social housing. That is, services that would need to be provided in a fair society.

FEC empirical studies have shown that the foundational economy makes up nearly a half of national economies on standard measures (employment, GVA), often more in particular places/regions.⁷

Alongside the foundational economy is the 'overlooked' economy of goods and services which we take for granted as part of any decent life. These include basic furniture, clothing, home maintenance, hairdressers, vets, hospitality and recreation. These make up to around a fifth of national economies, and when added to the foundational economy (as FE+) can make up around 50 percent of a national economy, more in specific places.

Then there is the 'tradable competitive' economy, which concerns purely commercial goods and services, which makes up (again on standard measures) 40 percent of national economies. In the last 40 years this 'tradable' zone became the paradigm for all the others, and the primary focus of government policy. (It is this 'tradable competitive' economy with which the 'creative industries' strongly identified, and also to which the cultural sector looks when it describes itself as 'an industry'). It comes with a focus on 'frontier' high-tech sectors, as found in the UK Governments recent Industrial Strategy, which make up a very small percentage of employment, is pursued at the expense of the foundational or everyday economy.⁸

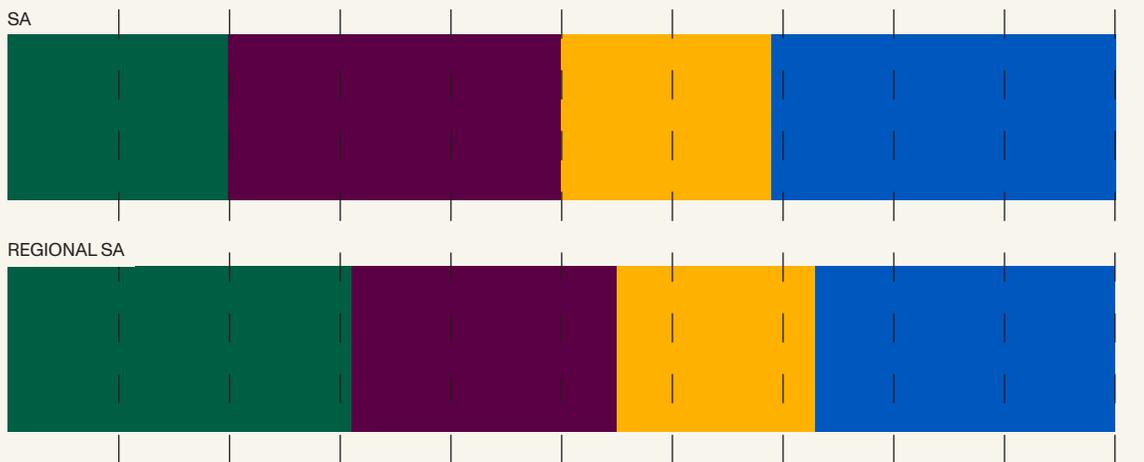
Figs. 1 & 2 below are FEC for figures for the UK and Wales.⁹

Figures 3 & 4 showing the situation in South Australia, and regional South Australia (note importance of material infrastructure employment outside the metropolitan areas).¹⁰

FEC empirical studies have shown how the foundational economy is centred on supplying local economies, tending to employ locally.¹¹ Compared to the tradable economy it is more employment rich, and a larger proportion of its value-added goes to employees, rather than companies/ shareholders. The foundational economy should not be seen as a low wage, low-productivity economy – though parts of it are that – but includes highly capitalised, and commercially successful businesses (large and small), as well as skilled workers and professionals. We should note however that



Figures 1 and 2: Share of Foundational Economy Employment, 2016 (UK)



Figures 3 and 4: Material, Overlooked, and Providential Economy South Australia, 2016

though wages earned through the foundational economy are important, the value is also in the services that they provide, which are key to well-being.¹²

Collective Provision and Social Licenses

FEC are also aware of how the foundational economy has become increasingly dominated in its more profitable areas by the tradable and competitive economy – privatisation and outsourcing of basic services, linked to global finance seeking high returns. Promoting the foundational economy cannot mean generating ‘extractive’ profits.

When the pandemic is over, we need to rebalance away from the tradeable and competitive economy towards the mainly sheltered foundational economy producing daily essential goods and services which underpin liveability and sustainability. And, equally, accept that the financialised business models of public companies and private equity funds are an extractive intrusion on foundational activities which offer modest, steady returns on long term investment.¹³

The FEC note the move of finance into basic services, part of the process of privatisation and outsourcing noted above, which has done much damage the provision of essential services. This is marked by the lowering of wages, squeezing suppliers, rising debt, erosion of working conditions and reduction of service quality. Demands for efficiency and productivity are made at the expense of the actual value they are meant to deliver.¹⁴ In the name of efficiency, government responsibilities are turned into contractable services, with deleterious consequences.¹⁵ The transformation of citizens into ‘consumers’ has also changed their relation to these services, and undermined the very idea of citizenship.¹⁶

FEC start not by demanding an end to private sector provision but by calling for a ‘social license’, stipulating ‘obligations regarding social returns in the form of e.g., training, minimum wages and the use of local suppliers, as well as requirements regarding financial practices, including limits on the use of debt financing’.¹⁷ That is, FEC are not just asking for increased investment in foundational services and infrastructures but also in how they are managed by government, taking into account how far they have become dominated by the private sector, itself dominated by finance requiring high levels of return.

(We might add that this ‘rentier’ or ‘extractive’ model is itself now linked to new forms of ‘political capitalism’ – “a form of profit-oriented activity in which returns are largely the result of the direct use of political power”.¹⁸ The growing corruption of Australian politics, where competitive lobbying for outsourced government contracts in health, education, employment, legal, technical, security and other services is now rampant.)

Conclusion

The FEC have articulated a coherent and practical policy agenda to make investment in the basic goods and services the centre-piece of economic development. By focusing on these foundations government can improve the quality of everyday life via enhanced local services, better jobs and greater sense of citizenship and cohesion.

They provide a way an analytically showing how the different parts of the economy work under different dynamics, and thus guide policy intervention to ensure better outcomes for local citizens and communities. Though markets will be involved in the foundational economy, markets are no longer paradigmatic of efficiency, growth (in GDP or productivity) is not the prime goal, and citizens are not best served by being reformatted as 'customers'. A new investment in the social foundations must also involve a 'social license' for private sector providers as well as underpin a renewed ethos for the public sector.

Without these ethical-political shift towards a socially-centre view of the economy increased investment in the social foundations may lead towards increased financialisation, inequality and indebtedness (as these become paid-for services).¹⁹ It must be more than neo-Keynesian demand management, requiring a broader transformation of the kind associated with the New Deal and post-war reconstruction. That is why a return to the 'Golden Age' of the 1980s and 1990s cannot act as exemplar.

Whilst the vision and competence of the politicians and public administration of those times put the current government to shame, we suggest many of their reforms led directly to the degradation of politics and administration. If, as Will Davies claimed, neoliberalism is the disenchantment of politics by economics, then it is some form of re-enchantment that is required, not technocratic tinkering.²⁰

As we shall argue below, art and culture can play a central role in such a re-enchantment.

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- 16 Wolfgang Streeck (2012) 'Citizens as Customers. Considerations on the New Politics of Consumption'. *New Left Review* 76:27-48
- 17 Teis Hansen (2021): 4
- 18 Dylan Riley (2020) 'Faultlines', *New Left Review* 126: 35-52: 36; cf. also Christophers (2019); Adkins et al (2020).
- 19 Daniela Gabor (2021)
- 20 Will Davies (2014)

Moving on from Culture-as-Industry

It is the argument of this paper that we need to find a way to reposition art and culture at the centre of these transformative new ideas, rather than remain captured by neoliberalism or its contemporary variants. Art and culture are not only being marginalised and slowly strangled, but their desperate attempts to present themselves as a ‘growth industry’ stultifies their own thinking and that of the many local and state governments who do actually value them. The answer, we argue, is not to place art and culture back in a separate realm, apart from the economy, but challenge what ‘economy’ actually means.

We said above that our discursive struggle must begin with economy not culture. To be clear, that means that we need to challenge the understanding of ‘economy’, the way it fixes a particular set of meanings and values, rather than add ‘cultural value’ as supplement. Advocacy such as the ‘fourth pillar’, adding culture to the ‘triple bottom line’ of economic, social and environmental impact, is quite typical. Seeking to add ‘culture’ leaves ‘economy’ unexamined.¹ Like many such attempts, it is constantly surprised when the real bottom line turns out to be ‘economy’ after all.²

The traditional view of culture as part of the ‘superstructure’ was challenged in the 1980s and 1990s, as culture gained a new importance, politically, philosophically, and economically. But this expansion of culture’s role tended to position the economy as something to which it must relate ‘out there’. By the end of the 1990s there was a kind of backlash, as a new emphasis on ‘material culture’ and, more generally, a ‘new materialism’ emphasised interactions of people and things in ways that made the abstract lines between ‘culture’ and ‘economy’ look purely contingent and artificial. We discuss this more in the next chapter when we define ‘art and culture’. Here we want to underline how crucial it is to look inside that black box of the economy, and explore the ways in which art and culture are entangled within it, and how we might want to re-arrange that entanglement.

For art and culture are economies – they employ people, deal in commercial IP, sell services to businesses, charge entry fees and subscriptions, generate profit, pay taxes, sell advertising, import and export goods and services and so on. So too are health, education, social services, utilities, care and the rest of the foundational economy. The question is what kind of economy and what social value should we ascribe to them. If we approach the foundational economy as serving social needs rather than generating profit, and providing decent employment and enhanced

services to localities, then aligning itself with this presents new opportunities for art and culture.

The foundational economy approach can help us to engage with the language of economic development without presenting as 'an industry', and whilst centring basic needs, social equity and citizenship rather than GDP growth. This presents two opportunities for art and culture.

First, it repositions art and culture as foundational, alongside health, education, care, utilities, housing and other everyday needs. Rather than positioning culture as 'outside economy' it allows it to ally with these other sectors to push back against the extension of financially extractive, profit driven markets into the social foundations and argue for the wider social and economic benefits of investing in the public provision and social licensing of essential goods and services.

Second, rethinking art and culture as part of a foundational economy allows us to use the zonal schema to specify its location in public policy. As we shall see, culture is a 'mixed' economy located across multiple zones, rather than in a separate 'cultural' policy sphere. This does not mean, however, that it cannot be viewed as a complex whole.

Breaking with Culture-as-Industry

Beginning in the 1980s the 'cultural industries' were seen as replacing traditional industry, building on the growth and democratic energies of commercial 'popular' culture. In the later 1990s, the 'creative industries' were re-positioned as a cutting edge part of the 'new' or 'knowledge' economy, exemplary of those vital creative inputs now sought across the whole economy, especially after the rise of web 2.0. In both cases, public investment was framed as generating employment, incomes, IP assets and exports. They were placed firmly in what FEC call the 'tradable' economy. The subsidised arts either clung onto their coat-tails – 'we are all creative industries now' – or presented as R&D, and/or crucial components in the creative ecosystem.³

The rhetoric of creative industries or creative economy, heavily promoted by UNESCO and other international agencies, allowed arts and cultural policy to ride an economic development wave in many parts of the world. The abandonment of 'creative industries' at the Australian federal level from 2013 has blocked this option – though it remains in play at state level. In response Australian advocates have stressed their importance as an industry in terms of aggregate employment, lumping together a diverse range of statistical categories (engineering design, coding databases etc.) in which some 'creative' input can be discerned. Big numbers dissolved under close inspection.⁴

Even when the numbers can be accepted, as with an earlier Australia Institute report, ‘productivity’ - financial output per employee - is incredibly low.⁵ Culture might have ‘more jobs than mining’ but every individual miner generates far more profit. So too, cultural sector wages are low and getting lower, even though educational qualifications are going up. Why would governments invest in such a low-productivity, low wage, over-credentialised ‘industry’? On top of that, cultural sector employment growth has stalled more than it has stalled generally, and the growing precarity of employment has seen a massive shift to the agglomerations of Melbourne and Sydney, where lack of affordable work and living space just adds to the misery.⁶

The cultural sector strategy, self-presenting as a growth industry worthy of government ‘investment’, has been a disaster. It has located itself in the cutting edge, high-growth, high-tech zone of the economy, where it has singularly failed to deliver. At the same time US digital platform monopolies have pushed cultural imports to an all-time high.⁷

Not only have governments ignored its somewhat shaky and over-inflated claims, the sector itself has let its self-understanding be colonised by economic rationalism. The most commercialised parts – digital design, advertising, PR – are taken as exemplars, to which the rest of the sector must aspire. ‘Start-ups’ and ‘creative entrepreneurs’ are the default model for artists and organisations. People from the ‘tradable economy’ are given control of boards, trusts and public agencies, even directly appointed to manage cultural institutions. Creative education, increasingly hollowed out on the one hand, is, on the other, given over to Business 101 programs, adapted to suit the laggards in art and culture.⁸ Struggling sectors such as music continue, against all the evidence, to present themselves as export dynamos, potentially, with just a bit more government cash.⁹

Is this not the moment to ‘pivot’, to embrace the idea of art and culture as part of the social foundations, providing the kind of public value we seek in health, education and social services, but on its own specific terms? It would mean dis-investing from a self-image of a cutting edge, high-tech, globally competitive, fast-growing industry and re-locating to the foundational economy, contributing to social value and equity rather than GDP growth.

However, what is clear is that the foundational and ‘overlooked’ economy together are much larger than the transactional economy, making up 70 percent in many places. The contribution of the high-tech, high-growth commercial sector is much smaller – yet culture as ‘creative industries’ continues to identify itself in this way, as if only in that way it can claim to be on the side of the future. The foundational economy gives culture a different future.

Industry and Social Justice

Breaking with culture as industry is also crucial if art and culture are to properly confront issues of social justice that have grown strongly in the last decade as areas of concern. The strident discord between a social justice discourse within the cultural sector and its self-presentation as 'industry' externally itself is now deafening.

In parallel to culture-as-industry, the last decade has seen publicly funded art undergo an accelerated accommodation with the corporate world, through sponsorship, philanthropic tax-breaks, and the appointment of business people to its various boards and trusts. Culture still thinks of itself as somehow 'good', which to some extent is why so many corporates are attracted to it, pro bono work delivering its own reputational benefits.¹⁰ But this easy image of 'culture is good' has been challenged for some time now.

Feminist and anti-racist artists, academics and activists have presented a growing challenge to the dominant over-representation of white, male, and wealthy individuals within the sector.¹¹ These are struggles around representation and recognition – 'identity politics' – but also the unequal distribution of money, power and employment within art and culture. #MeToo, Black Lives Matter, First Nations Justice and others have sparked a radicalisation within the sector. This has converged with a growing trend of 'political art' concerned with climate change, class inequality, divestment from fossil fuels and defence sponsorship, repatriation of art objects and so on.¹²

These movements are of a part with a growing criticism of the lack of a wider 'participation' in the arts. The over-representation of educated middle classes in the production and consumption of publicly funded arts has been noted since the 1970s, notably by Pierre Bourdieu. This concern lay behind the 'audience development' debates of the 1990s, the community arts movement, cultural studies and the 'cultural democracy' tradition within cultural policy.¹³ Whilst the charge of 'elitism' tended to be associated with a left-leaning critique, more recently it has been used by right-wing governments to undermine the case for arts funding per se, attempting to isolate the 'metropolitan elites' from the 'blue collar' workers and 'middle Australians' (in the UK 'red wall' areas).¹⁴ This is now a serious issue, one any new vision for art and culture needs to confront.

However, whilst diversity initiatives are of great importance within the cultural sector, this version of a social justice agenda within culture is focused very much on issues of 'recognition', - identity politics' – and would do well to turn outwards to its wider relations to the social whole, to 'redistribution'.¹⁵ We need to re-connect the cultural sector's own internal inequalities to those wider inequalities in which it itself is implicated. We should also note here that whilst

the arts have to confront charges of elitism, the ‘creative industries’ agenda – predicated on the democratisation of creativity – is also implicated in the polarisation of blue and white collar workers, and of college educated and non-educated.

The creative industries agenda claimed to be the next stage in an economic evolution from the industrial age, separating creative workers from the blue-collar ‘losers’ of a now redundant manufacturing. The last remnants of this agenda can be seen in the claims that somehow creative jobs will be spared automation, and artists are thus encouraged to celebrate their escape from the inevitable hunger games when the robots arrive in force.¹⁶ This attempt to associate creative jobs with the ‘winners’ of de-industrialisation and ‘industry 4.0’, is no longer a viable imaginary for the cultural sector, and has come at considerable political cost.

The pandemic only brought to light long-term problems of cultural sector wage stagnation and indeed, reduction. This comes with a rise in precarious employment at a time of rising rent, debt levels and health care costs. Creative workers now pay for their own sick leave and pension funds, vacation leave, re-training, audition-time and expenses, against a backdrop of under-payment, working for free, and impossible deadlines. All this, and the blows to their self-worth from the obvious indifference of the federal government to their struggle, has punctured much of its self-image as cutting edge industry, though we were still hearing about an ‘arts-led recovery’ in the early pandemic. The idea of culture as a ‘sun-rise’ industry, part of the knowledge economy where the main assets were creativity and education, has dimmed since 2008. The assets that count are financial and material.¹⁷ Though educational capital still brings economic returns for some, these are increasingly downgraded, part of a general (and global) crisis of the middle class.¹⁸

Thus the moment is right for an acknowledgement that the plight of insecurity and wage stagnation in the sector is part of a wider economic and political process. As in the 1930s (in very different circumstances¹⁹) un- and under-employed cultural workers need to find common ground with the other ‘losers’ in the current set up – and there are many. The challenge of low wages, precarity and degraded public services are widely felt. Re-orienting art and culture to the social and infrastructural foundations is of vital importance in re-establishing these cross-class, cross-sectoral connections.

The ability of art and culture to connect to those other vital areas we touched on in the opening – First Nations and environmental sustainability – are also hampered by the culture industrial imaginary. The term ‘aboriginal creative industries’ grates deeply. Aboriginal communities may well make a living from art, as they should, but the idea that their culture thereby becomes ‘an industry’ is clearly a threat to the integrity of that culture.

Rather than gazing on these cultures for exemplary practices and techniques of conservation, perhaps we should accept the gaze turned on us: how we have reduced and impoverished our own 'culture', submerging it for so long under economic and industrial rationalisations.²⁰ Culture as industry means we cannot meaningfully engage in such an exchange.

Similarly, the intersection between art, culture and sustainability has received growing attention, and we discuss this more below.²¹ UNESCO now ties its cultural policy work to the UN Sustainability Goals, and most other arts and cultural agencies also declare such a commitment.²² Yet the persistence of a 'creative economy' theme, structured around growth, commodification, 'scaling up', and the notion of creativity as an infinitely renewable resource has meant much of the culture and sustainability agenda is contradictory and incoherent. UNESCO's own policy reporting combines 'sustainability' as the resources required for continued growth, and sustainability in an ecological sense.

The pandemic has not just coincided with an accelerated awareness of climate change and planetary interdependence but has heightened the potential for a planetary consciousness that we might see as reversal of the globalisation of the 1990s.²³ Yet 'culture as industry' turns the global into an 'export opportunity' and an exercise in 'soft power'. This at a time when contributions to UNESCO's solidarity fund for developing countries is at an all-time low.²⁴

The cultural sector can play a crucial role in the transition to whatever is coming next in this interregnum. There is much within it that points this way. Indeed, as we shall argue below, without the contribution of culture and its ability to re-imagine the future, that landscape of the interregnum will be more constricted and uncertain. But while as a public policy object it remains a limping, dysfunctional, under-performing 'industry' its ability to contribute to this future will be hobbled.

Culture's Social License.

Art and culture need to renew the 'social license to operate'. For Terry Flew, a leading proselytiser for creative industries, culture's social license could rest only on its economic contribution.²⁵ This contribution is to be audited by metrics, which of course reduce a broad accountability to 'accounting', and thus inevitably to productivity, efficiency and return on investment.²⁶

For us, that social license has to begin with a recognition of culture's distinct social contribution. It cannot do so as a branch of industry, a self-presentation that hampers its connection to a new imaginary.

We can see new imaginaries around culture emerging already. The severe economic impact of the pandemic on the sector by necessity forced a shift towards a new self-identity outside of 'industry'. But the pandemic, in part, overturned the economic priorities that had been central to our collective imaginary of progress. The pandemic emphasised the centrality of the state to collective 'bio-security',²⁷ and of social solidarity, framed as 'care'.²⁸ Social solidarity as 'care' expands 'state provision' to include a whole range of paid and unpaid activities which, as feminists frequently argued, were always excluded-assumed by mainstream economists.

Care involves not just those in hospitals and aged care, but those who keep the essential services going, often underpaid and at risk (contrasted with the highly paid 'bullshit' jobs, undertaken from the safety of the home office²⁹). Importantly, care focuses on the everyday care of others which is unpaid, unsung and (not unrelated) highly feminised (as many other care professions). Paid and unpaid care, starkly revealed in the pandemic, are hugely important to our personal well-being, our households, the fabric of our communities, and yet these barely register when we talk about 'the economy'. So too, 'care of the self' now extended from the everyday necessity of washing and masking, to the mental health issues exacerbated by lockdowns, isolation, fear, and disrupted work and travel. Care then refers to being attentive to people, things, self, and passing time. It represents a way of expressing a bundle of values and experiences that were marginalised in a world of creative reinvention, competitive individualism, time-is-money entrepreneurialism and so on.

Though care prefigures a change in how we might understand art and culture's role, we don't use the term 'care' economy here.³⁰ Though both the foundational economy and the cultural sector are concerned with 'care', they also go beyond it in important ways, that we shall discuss when we look at 'needs'. Moreover, as we suggested above, our discursive struggle needs to start with the idea of the 'economic'. A crucial first step in renewing art and culture's 'social license' is to locate itself in relation to the full breadth of social life covered by the foundational economy.

Aligning art and culture with the foundational economy would help reframe them as part of basic needs and services and as part of a local economy. It would valorise rather than demonise their notoriously 'low productivity'. Like other services they are employment rich and (relatively) productivity low. As one of the foundational works of 'cultural economics' suggested, the productivity of live art is resistant to productivity gains.³¹ Productivity in art and culture comes from replication at scale – a function of large cultural industry systems, which again are heavily skewed to metropolitan areas and in fact, to certain countries like the US and UK (Australia is a 'net importer' of such products).³² These have their place, and will be discussed below,

but framing the whole of art and culture as if its primary value lay in its contribution to the growth of these cultural industries, and positioning art and culture as ‘less productive’ in comparison, has been extraordinarily damaging.

Outside of the corporate command-centres of the digital media and entertainment sectors, productivity is low, often comparable to hospitality.³³ As a growth industry this is damaging; as part of the foundational economy it is not. Whilst we look for efficient services, that efficiency should not be measured in terms of its profitability. In this model reducing employment in aged care makes it more productive – the ratio of capital to labour is high and thus returns will be higher. Yet as we all know this does not generate an ‘efficient’ age care sector but a dysfunctional one. Productivity is not a value we should look for in the foundational sector, and this would apply to art and culture too.³⁴ Nor, beyond a certain level, should ‘efficiency’ be an absolute, as the pandemic showed, designing for efficiency has routinely undermined resilience.³⁵ In a slowdown world the cultural sector comes back into its own.³⁶

Art and culture can be positioned as part of a foundational economy which is employment rich and provides ‘high-touch’ services – like the care services whose essential role in any liveable society has just been illustrated by the pandemic, by the bushfires, and no doubt by the floods to come. These employment rich, high care, high touch art and cultural services have all been damaged by the pandemic, culture amongst them.

Can shifting the framing from ‘creative entrepreneurs’ to workers in an essential service change the way we approach the treatment of these workers? The evidence from the UK and Australia, and from Germany, suggests it has some effect. In the UK and Australia the impact of the pandemic on the sector led to encouragement to go find jobs outside the sector – to retrain and adapt, as with any other impacted industrial sector. In Germany, cultural workers were deemed ‘system relevant’ – essential workers – and so supported as workers that the state would not want to leave that sector. However, this applied mostly to public employees, and it was uncertain how the commercial, not-for-profit and other civil society actors might be viewed.³⁷

So we cannot simply describe art and cultural workers as ‘essential’ in any simple sense, as the sector is highly complex – though of course, so are health and education, which do not just include nurses and teachers but also highly differentiated researchers and service providers. The FEC’s zonal approach disaggregates ‘the economy’, showing how the foundational and ‘overlooked’ economies have real weight. But it also helps us understand how art and culture are distributed across the different zones of the economy. This is crucial for culture as it is a ‘mixed economy’ - not only in that it inevitably involves public, private and not-for-profit sectors, but also in that different parts of the cultural sector have

different relationship to 'basic needs'. A zonal approach allows us to better understand the 'cultural ecosystem' in relation to public policy. This we attempt in section 5.

In identifying a foundational economy the FEC are better able to call for increased investment, higher wages, secure work, enhanced local services, improved training and education. That is, to focus on developing this local sector for the benefit of the workers and those whose lives are improved by these services. This could be a central focus of arts and cultural policy – rather than money wasted on impact metrics there could be a proper audit of needs and potential to grow as part of this foundational economy. Only on the basis of a secure 'social license' could calls for a UBI, or living wage, or job guarantee make sense. Whilst it remains a fast-growing industry this makes little sense.

Art and culture could be reframed as (in part) basic services, whose provision is guaranteed by the state, and be located with other basic services – material infrastructure, health, education, social services, public administration and so on – in state expenditure. As it is they would be a very small part of that 'foundational economy'. 'Recreation and Culture' accounts for 0.7% of federal government spending (and that includes sport). Health was 15.3% and Education 7.3%.³⁸

We suggest it is important to increase that percentage, but to do this would require a wider recognition of art and culture as a public service, and that this spending should not be framed exclusively as 'subsidy' to artists and institutions who would not otherwise survive in the market ('market failure').

In moving away from a 'jobs and growth' rhetoric, the cultural sector can then join the wider debate on work - processes of precarity, wage stagnation and un- and under-employment – in the context of social need. It would be better places to raise questions about the connection of income and 'work'. The disconnection between these two – who is actually paid for all the hours they put it? – is at screaming pitch in the cultural sector. But we know this is also true of the 'care work' more generally – so much of it being unpaid. Finding ways to recognise these different kinds of work, and paying or giving resources to those who undertake it, is a debate cultural workers can directly engage in. These are the kinds of debates that unlay call for a UBI, living wage or job guarantees.

A renewed social license would thus allow the cultural sector to connect to the issues around both unpaid work and precarious labour, both of which are endemic to it. In this way we can look to reviving the solidarities evoked in 'workers by hand and by brain' that were sundered in the 1990s – though the grounds of this solidarity will be very different from those established in the 1930s and 1940s. The 'labouring' of culture under the impact of new deal era struggles, discussed by Michael Denning, had a powerful

transformative effect. This evaporated in the era of 'creative industries'. However, we are not looking at a mass industrialised unionised (and male, white) working class anymore, but one that is structured along different political, economic, gender and racial lines. Culture's cross class connections would also be profoundly different from new deal era radicalism.

However, art and culture remain uniquely positioned to open up the debates on the liberation from work, which underpins key aspects of the basic income and job guarantee debates. That is, the possibility for every individual to have the resources that would allow them to fulfil their creative potential, de-coupled from income-generating labour. If in the era of mass employment the 'counter-culture' presented this as a utopian dream, the realities of contemporary capitalism have made it an everyday reality, and a concrete utopia.

Conclusion

Art and culture have a chance adopt a new imaginary, to look to a different future than the creative industries and other versions of the 'culture as industry' imaginary. It can guide new forms of solidarity, with those seeking the social justice of recognition as well as that of redistribution.³⁹ It connects with the current contestations around work and income. It provides a way of connecting to country and those who have acted as its custodians for long millennia. It renews culture's social license, providing a transformative vision that can start with the concrete utopia of the here and now.

But this new imaginary is not just about aligning with 'social outcomes' set by health, or education, or care services. Rather it is about identifying and renewing culture's own distinct contribution. It is not just about 'participation' or 'community' arts – important as these are – but also the contribution across multiple social levels to our social and political democracy. The cultural sector needs to make a contribution, for without art and culture any transformative social vision will be the poorer.

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Art and Culture – Necessity or Luxury?

The Strange Disappearance of Art and Culture

The foundational economy collective (FEC) and others argue that ensuring the adequate provision of basic social needs is a central responsibility of government, its ability to do this a mark of economic success rather than GDP growth. They separate the foundational economy of services and infrastructure from the everyday, 'overlooked' economy and from the commercial, 'transactional' economy. They call for long term, socially licensed and sustainable investment in the foundational economy.

Our goal in this paper is to reposition art and culture as part of this new policy agenda and help shape its transformative vision of the future. But is art and culture part of the social foundation? Can, and should, art and culture be described as 'basic needs'?

The literature on heterodox economy and social foundations rarely mentions art and culture. Although the FEC make reference to some services which we can call culture – libraries, streaming services, parks – they never include culture or the arts in their enumeration of 'needs'. Kate Raworth, in describing the 'social foundations', does not include art or culture.¹ Her social foundations closely follow the United Nations' Sustainable Development Goals (SDGs), whose 17 goals do not feature anything called 'culture'. The UN's lead body on culture – UNESCO – lobbied hard for such an inclusion but failed, obliged now to pick out a range of what they consider to be 'cultural' measures from sub-clauses distributed across different goals.

In the Australian interventions noted above, from Per Capita, the Grattan institute, Ross Garnaut and others, though the cultural sector is noted in its casualty lists, there is no mention of culture's role in any post-pandemic 'reset'. Jess Scully's recent 'Glimpses of Utopia', written by a self-identifying creative practitioner, fails to mention art and culture. The Australia Institute's paper written early on in the pandemic presented the arts as a 'jobs rich industry', but failed to define its importance beyond that.² Their more recent Creativity in Crisis, as we have seen, calls for culture to be returned to the public sphere, but it is not clear on what new 'social license' this would be done.

This mirrors the general crisis situation, where culture lacks distinct policy status and has been forced to frame itself either as an 'industry' or as delivering public benefit to other policy portfolios

(health, education, social cohesion and so on). This relates to the particular version of utilitarianism that economic rationalism imposed on public policy. Market first principles meant ‘needs’ were not distinguishable from ‘wants’, both simply a matter of individual preferences, and not something to be decided by the state. Where some sort of public provision was required – the welfare ‘safety net’ or public goods like education – the ‘needs’ that public policy addressed must be framed as a service to a quasi-consumer, involving choice, competition and contracted deliverables. This has resulted in the kinds of dysfunctional hybrids we see across the public sector, where public goods are increasingly dominated by commercial imperatives – higher education, public-private health services, employment services, aged care and so on.

This has been particularly challenging to the cultural sector, who have found it difficult to pinpoint its utilitarian function. Art and culture are notoriously hard to describe in the language of clear needs and direct social outcomes. The better they are at showing clear social outcomes, the more any specifically cultural outcomes seem to recede. At the same time, the expansion of cultural consumption over the last forty years has taken place under neo-liberal settings of privatisation and de-regulation. Art and culture have been caught between being viewed as a booming consumer industry and as a soft, somewhat ‘flaky’, public policy area. Caught in this way, they have been marginalised in public policy but also in programs of radical social change.

Whilst we might assume that most of those arguing for the social foundations would see art and culture as essential to any civilised life, they rarely appear in accounts of the social foundations. Instead they are often positioned as discretionary spend, after the basics have been provided. As FEC write:

But life in the 21st century is not only about making a life with security and choices about these basics. It also about a life which is satisfying and this often depends on cultural and leisure activities like eating out, cinema and streaming, sport and holidays which are individual familial and social. And here foundational liveability is crucial... because when foundational provision is relatively affordable (through cheap prices or off market provision) then the overall household budget easily allows the discretionary spend that sustain such activities. It is this margin of discretionary income, left over after taxes and daily necessities are paid, which enables access to take away food, restaurants, haircuts, pubs and bars, gyms and sport equipment, media subscriptions and holidays which are all largely on the market.³

For us, this is a problematic statement. The argument is that investing in the foundational economy will free up disposable income to be then spent on discretionary cultural goods and services. This is the zone of the ‘overlooked’ economy, consisting of “lifestyle and comfort support systems” which includes mundane cultural necessities (e.g., haircuts, holidays, bars, restaurants, gyms) where purchase can be postponed and occurs on an occasional basis.⁴

Art and culture are here about the market, though it’s an open question if this is the ‘everyday’ or the more fully commercial ‘transactional’ economy. Either way, if government’s role is to ensure affordable basics to free up discretionary spending then art and culture might be best paced to present themselves as a (mainly service) industry focused on satisfying these wants. From a foundational economy perspective, perhaps affordability, and meeting local and community wants would be important, rather than up-market, inaccessible cultural offers. But other than that, these would not form part of the providential economy of needs.

Yet the traditional infrastructure of arts and culture – libraries, galleries, museums, concert halls, parks, recreation spaces and so on – all date from the same period of ‘municipal socialism’ that saw the provision of water, gas, roads, schools, social housing, hospitals and so on. The FEC, attentive to the privatisation of public utilities and services established in the 19th and 20th centuries (initially at municipal levels then extended by the post-war nation-state) tend to underestimate how ‘culture and leisure’ have themselves been subject to the same story of the erosion of social infrastructure.

As with rest of the foundational economy, in the last forty years, art and culture have experienced massive privatisation and de-regulation. Yet this systemic change for culture is barely registered in the literature discussing the privatisation of the public sector generally.

We have already noted FEC concerns around highly commercialised businesses providing basic social services in the foundational economy, often in extractive or rentier fashion. But whatever the mix of state and market in education, health, social care, and utilities, that, in form, they are basic needs and require state provision as a ‘public good’ is rarely questioned. This is not the case for art and culture. Yet not only does this view hand art and culture over to the market, it excludes them from the program of investment into the social foundations that lies at the heart of the FEC’s vision.

As we shall see in the next section, though much of art and culture is produced via the market, to allocate art and culture to the market in such a blanket way would be a mistake. Not only does it give a

pass to huge global corporations (Netflix, Spotify, Apple, NewsCorp) reaching into the heart of home and community, but in so doing it restricts the notion of the foundational economy to material basics conceived in a narrow way. A key value in the foundational economy is collective provision, which delivers material benefits as well as building community solidarity and citizenship. How then does this square with the handing over of all the enjoyable bits of life to the market? Again, the FEC have been very concerned to align the social foundations with the sustainability agenda, but this formulation fails to see the connection between a commercial culture and leisure economy and the wider structures and ideologies of an unlimited consumption economy.

In order to challenge this seeming exclusion of art and culture from the radical reform agenda for the social foundations, we need to ask two questions. First, are art and culture part of our basic social needs or simply the discretionary spend after basic needs have been met? Second, where are art and culture to be located in the FEC's zonal economic scheme – foundational, overlooked/ everyday, or transactional?

This section will attempt to answer the first question, arguing that 'needs' or 'social foundations' are being too narrowly defined, and that they should be supplemented by the notion of capacities and rights, as well as social purpose.

In answer to the second, in the next section, we will argue that art and culture are a 'mixed economy' of public sector, market and 'civil society' provision, involving a complex ecology of hand-to-mouth artisans, small businesses, not-for-profits, public institutions and global corporations. We will locate this within the FEC's zonal schema but note two things. First, the specific zonal 'mix' is not historically fixed and is a result of deliberate government policy (such as the privatisation of public media). Second, whilst culture is a zonal mix, it is still subject to a holistic policy vision, one based not just on the satisfaction of basic needs but also the wider social function of art and culture.

Basic Needs

Need is not an absolute. We can't set the benchmark at the level of 'bare life', for as King Lear (Act II. Scene iv) had it:

**Our basest beggars
Are in the poorest thing superfluous.
Allow not nature more than nature needs,
Man's life's as cheap as beast's.**

argue, are indispensable for life and are satiable – you can have sufficiency. Wants are not indispensable, and unlike needs ‘they vary infinitely and can multiply exponentially’.⁵ They then list a series of ‘needs’ which might have a universal, anthropological basis (such as water, food, and shelter) but are clearly being defined in terms of historical expectations (we do need water, but being piped through to the tap is a very recent ‘need’) or are new needs (motor transport and the internet, for example).⁶ Needs such as ‘education’ are highly historically specific, ranging from the anthropological requirement that infants adopt taught rather than instinctive behaviour, to complex systems of high schools, universities and life-long learning.

For the FEC, as with others who work on indexes of poverty, basic needs are defined in terms of changing social expectations. As two well-known materialists argued:

[L]ife involves before anything else eating and drinking, a habitation, clothing and many other things. The first historical act is thus the means to satisfy those needs, the production of material life itself.... The second point is that the satisfaction of the first need... leads to new needs.⁷

As the FEC suggest, nail-bars, cafes and annual holidays are now seen as ‘everyday’ essentials for a decent life. But since the pandemic the FEC have distinguished more sharply between the ‘real’ basics – those things you cannot do without – and the ‘everyday’ economy of culture and leisure outlined above, which people can do without, even if life is not so pleasant.

But the present crisis underscores the importance of the narrower focus because it demonstrates the importance of the foundational as that part of the economy which cannot be shut down. And the list of essential workers in each national economy provides a common sense and practical definition of what counts as foundational.⁸

This seems to us too restrictive. Without water one dies in nine days, yet one can live for years without human touch. Is the latter a luxury? Of course, the removal of water, food, electricity or shelter make life incredibly difficult very quickly, but it would take some time (apart from immediate child care issues) for the closure of schools, or general health and social services to register an impact – yet these are things we all accept are part of the social foundations. ‘Essential worker’ is also a contested term, as those aspects of life that might have to be stopped for pandemic health reasons cannot necessarily be described as ‘inessential’ or secondary. Are teachers essential workers, or university lecturers?

Or alternatively, are cancer check-ups 'non-essential' or just more immediately deferrable?

Identifying the social foundations is surely not just about 'bare life' or the immediacy of need but relates to the whole system required for the social reproduction of life. These have different temporalities of impact, if absent or removed, that should not be used to establish a hierarchy. Göran Therborn, for example, makes the distinction between 'vital' and 'resource' inequalities, the former referring to those impacting directly on 'health and death', the latter to both access to education and 'social capital', and to income.⁹ We think it is too narrow to confine the foundations to the 'vital'.

So too, though less pronounced in FEC, the counter-position of 'needs' and 'wants' should be handled with care. For many of the needs listed by Anna Cootes - shelter, secure and non-threatening work, education, healthcare, security in childhood, significant primary relationships, physical and economic security, and a safe environment – it makes little sense to talk about sufficiency in the same way as you might with food or water. Can you have sufficient health or education or even security?

Equally, we can argue that wants are as fundamental to humanity as needs, and are difficult to tell apart. Indeed, the very prioritisation of 'needs' by a profit oriented capitalism which constantly fails to satisfy these needs, is part of a system of narrowing and control that any progressive solution would seek to dismantle. As Theodore Adorno wrote:

If production were unconditionally reoriented to the satisfaction of needs, even and especially those produced by capitalism, then needs themselves would be decisively changed... If [deprivation] disappears the relation between need and satisfaction changes.¹⁰

It is easy to understand why the FEC (and others) would focus on the provision of basic needs and the reproduction of material life, as it provides a seemingly firmer basis for social policy. Utilities, housing, education, health, transport evoke a material, even physiological reality. Needs also can be set against wants, as socially established requirements rather than the unsustainable expansion of 'free', individual consumer choice. But framed in this way they can easily become reductive and utilitarian.

The utilitarian definition of the good life as the satisfaction of the material needs required to reproduce life underpinned many of the aspirations of both capitalist (social democratic and consumerist) and communist (historical and contemporary) regimes. But, as Hannah Arendt forcefully argued, the basic reproduction of life is always a means and does not supply an end or purpose to that life.¹¹ The 1960s saw an upsurge of discontent with this reduction

of life to the administered efficiency of material needs, building on a long history of anti-materialism, of conservative and radical varieties. Art and culture, as we have noted, were highly critical of a purely materialist modernity, and in the 1960s this ‘artistic’ critique came into its own, informing what we can broadly call the ‘counter-culture’, becoming mainstream over the 1980s.¹² We cannot simply ascribe these aspirations to individual consumerist desire.¹³

The discontent with GDP fixated economics, described above in Section Two, was not just about its failure to capture significant social inequality but also its inability to adequately describe ‘human development’, ‘flourishing’, ‘quality of life’, the ‘good life’, ‘well-being’ and so on. As Tim Jackson wrote, when trying to describe sustainable prosperity:

Beyond these material needs, prosperity is as much about social and psychological functioning – identity, affiliation, participation, creativity and experience – as it is about material stuff.¹⁴

Making hard and fast distinctions between needs and wants, allocating the second to discretionary spending in the market, runs the risk of accepting as inevitable the association of wants and consumerism that occurred in the 1980s, a post-Fordist ‘niche’ ‘experience’ economy driven by endless, insatiable wants. It was this hyped-up consumption as much as market-first, small state welfare cuts that underpinned the erosion of the social foundations and citizenship. We might want to reclaim want and desire for a more radical agenda.¹⁵

Following Tim Jackson we need to expand our notion of ‘need’ to include meaning and purpose, which also make up the very bedrock of social organisation, as Coote and Percy acknowledge in their invocation of the sociologist Emile Durkheim.¹⁶ This is also where the debates around ‘recognition’ and ‘respect’ come in, what Göran Therborn called ‘existential inequality’, as we discussed in the last section.¹⁷ In the broad anthropological sense we discussed in Section 5, this is the domain of culture, of ‘a whole way of life’, within which we might locate our aspirations to enhance equal respect and human flourishing. Allocating culture to the ‘overlooked’ zone of ‘non-essential’ ‘comfort goods’ is, to us, discordant with then saying ‘these are essential for social participation’.¹⁸

Stated simply: if we define the social foundations as purely concerned with the material reproduction of life, we are already restricting our vision of social transformation and our ability to mobilise the energies required to achieve it. To restrict our vision of the good life to the ‘realm of necessity’ and allocated the ‘realm of freedom’ to the market would be catastrophically self-defeating.¹⁹

Art and Culture as Human Needs

Let's revisit the idea that, by definition, art is related to some elitist, 'higher order', as far away from needs as it is possible to be.

There is no question that our idea of art is embedded in a long tradition of elite thought and practice. The idea of a 'cultured person' as a person versed in 'art', and strongly aligned with social class, informs Pierre Bourdieu's very influential (and much travestied) argument that 'art' as we know it was part of the distinction strategies of the modern bourgeoisie. The bourgeoisie had the material means to enjoy art (leisure, education, money) unlike the working classes, who were driven by the necessity of labour. This formed deeply ingrained social personas (habitus) in which a sense of self-worth was constructed as a class hierarchy – the worthy bourgeoisie and the worthless masses, and so on. Bourdieu also suggested that an 'aesthetic' way of experiencing cultural objects (and the indeed the world) had emerged with the bourgeoisie. This 'gaze' was 'disinterested', separate from the mere satisfaction of immediate desires or interests. The working classes, by contrast, driven by necessity, sought in popular culture immediate satisfaction - entertainment, fun, diversion, titillation and so on.

This conception of art has been systemically challenged by a whole range of Marxist, feminist, anti-racist, post-colonial and queer critics. However, though deeply implicated in capitalist, patriarchal and colonial histories and ideologies, for us, this does not mean that the human needs from which art derives are to be dismissed as simply bourgeois, or Euro-centric, or one particular governmental technique. How then are we to think about art and culture in a more open sense, without denying the history in which they are embedded.²⁹

Let's look at an attempt to justify the 'creative arts' in opposition to 'GDP' and 'industry', made by Brian Eno in his John Peel lecture of 2015. Eno's paradox is that something basic, essential and necessary to human beings is also opposed to 'necessity'. His definition of art is 'everything that you don't have to do.'

Now what I mean by that is that, there are certain things you do have to do to stay alive. You have to eat, for example. But you don't have to invent Baked Alaskas or sausage rolls or Heston Blumenthal. So you have this basic activity that we and all other animals do, which is called eating, but then unlike all other animals, we do a lot of embroidery and embellishment on top of it. We make eating into a complicated, stylised activity of some kind. You have to wear clothes. But you don't have to come up with Dior dresses or Doc Marten boots or

Chanel little black frocks... So, once again we have an essential need – clothing ourselves – which we then do with intense sort of interest. We stylise and embellish and ornament and decorate.²¹

At first glance this seems to endorse the view that art is that which comes after, made possible by the satisfaction of basic needs. Bread first, art (and croissants) second. But, Eno says, 'it is central to everything we do'. Art is not material necessity, rather it is something we do in response to necessity that is fundamentally human.

We can contrast this with the famous 'hierarchy of needs' outlined by Abraham Maslow in 1943. For him, anticipating some of the social foundations theorists, it is only after the basic physiological and relationship needs have been met that we engage in various forms of 'self-actualisation' including art.²²

Basic material provision is crucial to any flourishing life, without them nobody is really free. Lives of crippling poverty are not conducive to participation in the creative arts. "It's death to farm out here. It's worse than death in the mines. You want them to sing opera as well"? This seems like simple common sense, but the 'hierarchy of needs' is saying something else. Not just that a range of basic needs and social arrangements are needed for a full human flourishing but that it is only after these basic needs were met could people begin to think about 'self-actualisation', and art and culture.

This claim – food and shelter first, art later – involves an index of progress familiar to Mathew Arnold and Edwin Taylor. Only as history progresses and material civilisation improves can society enjoy the arts. But locating art and culture only after basic material needs are met is anthropologically wrong. Throughout history, as in this present age, lives are crippled by poverty and grinding labour, but it is not the case that these lives do not seek meaning, or latch onto symbols, words, rhythms and melodies, which articulate this meaning.

The world's oldest continuing living culture, Australia's First Nations people, show a depth and complexity of art in the earliest recorded finds. Aboriginal rock paintings, as with those in pre-historic European caves, show a basic impulse to make symbolic or mimetic marks, movements and sounds, conterminous with the extreme challenge of a dry continent or one creaking under the icesheet. Peasant icons, songs of work and grief, oral narratives passed on between generations of enslaved groups, collective markers or sacred spaces, liturgies and rituals – these have been present in the very earliest records of human existence. As Raymond Williams argued, creativity is in every one of us as a central aspect of how we relate to the world.

Maslow's 'hierarchy of needs' related more to neoclassical economics than any anthropological reality. As an argument for an ascending hierarchy of values beyond basic utility, it came into its own in the 1980s when it was linked to an argument about epochal change. We were now in a 'post-scarcity' economy where the material means for the reproduction of life were assured (though some in the developing world would have to wait). In this 'post-materialist' society we sought self-actualisation, meaningful experiences and aesthetic choices through which we could shape our identities.²³

This arrival of post-scarcity, or post-materialist societies seemed to announce the emergence of a 'cultural economy'. After the era of Fordist mass-consumption, which for large parts of the population had made the material deprivations of the past a distant memory, we were now in the post-Fordist era of individualised, niche consumption. We were able to spend money on goods expressive of our identity, our everyday lives could be 'aesthetised', stylised.²⁴

Indeed, the cultural, or creative industries after 1998, were positioned as a new kind of industry, ones that produced non-essential goods.²⁵ Because they were about immaterial desire and wants rather than material needs, they would never be satisfied (you can have enough potatoes but never enough CDs). The creative industries promised endless consumption, and as discretionary spending expanded, an accelerating source of growth. As we suggested, this 'industrial' redefinition has had a profound effect on how art and culture policy have been understood, including in the more radical social foundations literature discussed here.

Rather than being a universal truth, it is only our own modern civilisation that thinks culture can only happen after the 'essentials' have been met. When Indigenous peoples talk about culture it is of something foundational to their lives. This has been the case historically for most societies and civilisations. Only in the 18th century does a space called 'economy' or the 'sphere of needs' get separated out into an autonomous system not amenable to morals and meaning. It is this idea of the amoral 'modern economy', imposed by colonial gunboats, that non-western societies found so existentially shocking.²⁶

In Europe, the idea of art and culture was one important source of opposition (there were others) to the economic and instrumental logic that came define our lives in society. That, in the 1980s and 1990s, this very 'anti-materialist' objection becomes a way to position culture as a foundation for a post-industrial economy, is as much part of the neoliberal revolution as new public management or reducing the welfare budget.

Art, as Eno describes it, is 'central to everything we do', and, as historical records and anthropological studies show, it is coterminous with recognisable human existence. Whilst we need

a whole range of material and social arrangements to flourish as full human beings, this is not the same as saying we can only engage in art after these basic needs are met. An Australia Council survey in 2020 found 98% of the population engaged in some form of art and culture.²⁷ Art and culture are woven into the lives of the most deprived individuals and communities, and we would consider someone with no concern for even the smallest element of these as somehow dehumanised.

That's why the absence of art and culture from the social foundations agenda has the potential to be so damaging. Not just in what such a narrow focus on basic needs omits from our lives, but in the vacuum this leaves in the radical agenda. Ignoring culture does not make it go away, as the current right-wing monopoly of the 'culture wars' shows only too clearly. Ernst Bloch was writing in 1930s Germany, where the Communists and Social Democrats were focused purely on the material economic struggle. Bloch was very clear what happens when people feel their sense of meaning has been eroded, and the kinds of powerfully affective, atavistic symbols that would step into the vacuum. 'Man does not live by bread alone', he wrote, 'especially when he does not have any'.²⁸

Communal Luxury

Eno's definition of 'creative arts' is provocatively wide:

Symphonies, perfume, sports cars, graffiti, needlepoint, monuments, tattoos, slang, Ming vases, doodles, poodles, apple strudels, still life, second life, bed knobs and boob jobs.

Here 'art and culture', as we term it, spills over into all aspects of anthropological culture. Stefano Harney, echoing Eno, gives us a wonderful picture of art and culture as intimately interwoven with everyday life.

Art is closer to people than at any other time in history. People make and compile music. They design interiors and make-over their bodies. They watch more television and more movies. They think deeply about food and clothes. They write software and surf the net of music videos and play on-line games together. They encounter, study, learn and evaluate languages, diasporas and heritages. There is also a massive daily practice in the arts, from underground music, to making gardens, to creative writing camps. And with this there is production of subjectivities which are literally fashioned, which are

aesthetic, which are created... There is a massive daily register of judgment, critique, attention, and taste.²⁹

This too could be read as a space of discretionary spending floating atop a base of material needs.³⁰ Alternatively, we can see this as a description of the shared social space where meaning, enjoyment, learning and celebration happen, that which makes us human, part of a common flourishing. This is the social world evoked by those arguing for UBI, in the tradition of a liberation from paid labour rather than its glorification. A basic or guaranteed income, (or indeed affordable basic services and guaranteed jobs) would allow us to escape the drudgery of labour, the routine reproduction of our material existence, so as to engage in the world of (self) creation and the activities of citizenship.

If that is so, then the task of guaranteed social provision does not stop when the basics are met but has to build them into its vision from the very start.

The collective provision of cultural and leisure services and ensuring a certain quality of built environment was long seen as an essential part of the welfare state and democratic citizenship. It was important for many of the 'social liberal' and social democratic municipalities who first provided these spaces and facilities.³¹ They formed part of what one of the Paris Communards called 'communal luxury', which recognised the value of collective provision of beauty and aesthetic form.³² This was important throughout the workers movement as it was for modernists such as the Bauhaus.

Of course much of this practice is quite rightly open to challenge. But simply assigning culture and leisure to market based discretionary spend, even if rooted in small-scale local economies, glides over how their privatisation has been part of the 'unpicking' of the welfare state. The shift from 'mass consumption' to 'personalised choice', whilst providing some clear gains in terms of individual autonomy, was also an intentional shift away from public to private goods. It was a source of profit through the privatisation of the cultural commons, with a consequent erosion of public life, which in turn was part of its wider ideological project. The transformation of the railways from a service provided to the public to one sold to private costumers is a case often quoted, but this has been far more extensive in the field of art and culture.

Public provision got caught up in anti-elitism debates, where subsidy for the arts was parsed as taxpayer subsidy for middle class consumers. This is an important debate, but it is not the same as whether arts and cultural goods could, or should ever, be collectively provided public goods. How we determine what should be public goods, what form 'communal luxury' should take, and at what point individual user payment should kick in – that's

something to be explored. But that some communally provided or guaranteed art and culture ought to be provided as an essential part of the social infrastructure, a collective contribution to a life in common worth living - this, we suggest, is something that could gain a wide acceptance.

This would be more so if these cultural services could be seen as part of that 'foundational economy' which accounts for a majority of local economic activity, and represents a key investment objective for an alternative, sustainable development. As Tim Jackson suggested, in relation to those needs of 'identity, affiliation, participation, creativity and experience' noted above:

[T]here is very definitely a subset of service-based activities which offer multiple dividends for a sustainable prosperity. These activities tend to focus on 'human services' such as health, education, and social care. Or to be located in the sectors of craft and culture. Taken together with the 'servicisation' of material sectors such as energy or housing, these activities offer a real potential for transforming the economy, in ways which reduce material throughput, increase employment and contribute positively to the quality of our lives.³³

We will discuss this more in the next section.

Capabilities and Citizenship

If we are to expand the idea of the social basics beyond the simple reproduction of life, we need a much more holistic definition of 'need'. We suggest this can be found in the related concepts of capabilities and rights of citizenship. From this perspective, 'basic' does not refer to claims of material or physiological urgency, needs versus wants, but rather **that with which we cannot do without if we are to fully participate in society and realise our potential.**³⁴

In rejecting GDP as a measure of our welfare, both Raworth and the FEC – along with many others – refer to Amartya Sen and Martha Nussbaum's 'capabilities' approach.³⁵ They look to human well-being and flourishing as the primary ethical objective of any society (Aristotle's eudaimonia). They emphasise substantive or positive freedom – not just the formal freedom to do something but the means and resources that make that choice real. This requires an identification of what capacities are essential to empower humans, as Sen has it, 'to choose a life they have reason to value.' These capabilities directly inform the idea of human rights, what should

be accorded everyone if they are to be able to live their lives in ways that fulfil their potential.

In contrast to the strange absence of culture from the contemporary social foundations agenda, the United Nations 1948 Universal Declaration of Human Rights, article 27i states: Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits. This was re-affirmed in the 1955 United Nations International Covenant on Economic, Social and Cultural Rights, Article 15a, which notes the right to fully participate in culture (and science).

Human rights formulated in this way clearly overlap with the idea of citizenship. TH Marshall's famous 1949 definition of social citizenship describes the substantive welfare rights which were won after the civic and political freedoms acquired between the 18th and 20th centuries. Social citizenship ranged from:

from [granting] the right to a modicum of economic welfare and security to the right to share to the full in the social heritage and to live the life of a civilized being according to the standards prevailing in the society.³⁶

Participation in culture was envisaged as a universal human right, and participation in some form ('social heritage' and 'the life of a civilised being') was an essential part of citizenship. Martha Nussbaum's list of ten capabilities includes being able to use the senses, imagine, think, and reason; and to have the educational opportunities necessary to realize these capacities. Culture is used in the sense of 'cultivation', human growth, and includes artistic, musical, literary, religious and scientific works.³⁷ We might note that both the 1949 formulation and Nussbaum's would have provided the basis for a cultural SDG, yet this did not happen. There is an ongoing campaign for a cultural goal.³⁸

What Marshall called social citizenship was unbundled in the 1970s in claims for a distinct cultural citizenship, a more explicit identification of art and culture than Marshall's formulation but clearly in line with it. Whether in the form of 'the democratisation of culture' or 'cultural democracy' art and culture were held to be essential to citizenship and (local) democracy and thus required some form of public provision or framework.³⁹

The UK's Greater London Council can be seen as pioneering a lot of this – involving not just subsidised art but a whole range of collective goods (events and festivals), infrastructure and service provision aimed at widening culture as part of local citizenship. Much of this found its way into both the cultural industries (more or less invented by the GLC) and creative cities agendas.⁴⁰

In the same period, international cultural policy agencies and NGO organisations made strong claims for the crucial importance of culture to ‘development’, the economic agenda established by President Truman as an international counter-weight to communist propaganda. It culminated in the United Nations’ Decade of Culture and Development 1988-98, and had an crucial impact on the 2005 Convention of the Protection and Promotion of the Diversity of Cultural Expressions. Culture here was seen as a means of effectively engaging and addressing local needs, grounded in local cultural understandings and values rather than top-down development. But it also held that a thriving cultural life would be its true goal, the ‘soul of development’.⁴¹ This notion of culture was effectively sidelined as UNESCO adopted the ‘creative economy’ perspective – culture as an engine of economic development.⁴²

As we enter the interregnum, ideas of cultural rights, founded on version of the capability approach – not just the formal right but the substantive means to make effective choices and act upon them – have resurfaced. Restoration certainly, but demanding reconstruction for a new era. We can highlight in this context the recent ‘Charter of Rome’ initiative which seeks to embody Sen and Nussbaum’s Capability approach within a reformatted ‘bottom up’ version of article 27, culture as a basic human right.⁴³

If basic needs are those capabilities with which we cannot do without if we are to fully participate in society and realise our potential, how does that relate to culture? The capabilities implied by citizen’s rights are broad, but they would involve a more or less equal ability not just to pay for art and culture but a shared cultural competence, the capacity to make informed choices.

Do apple strudels and Ming vases, symphonies and tattoos require the same cultural competence to enjoy them? Or evaluating diasporas and surfing music videos? This is not about which is ‘better’ but that some parts of this list require a level of education and exposure that is not equally distributed.

Eno, the rock star from an art college, can move between symphonies and sports cars, but there are many for whom a Ming vase, a symphony or a creative writing camp are ‘closed books’. This has long been a criticism of the ‘cultural omnivore’ thesis, which argues that we all now see a rap song and a piano sonata, clubbing and going to the theatre as equally valid.⁴⁴ The problem is that some people are more omnivore than others – they can move freely across the cultural register because they have the education and interest – the particular habitus - as well as the income and the time, to invest in this. Sen’s and Nussbaum’s idea of ‘capabilities’ require more than the display of available cultural goods before the choosing individual. To make real, informed choices requires education, respect and recognition, a sense of self-worth and confidence that are not equally distributed.

Russel Keat talked about ‘cultural meta-goods’, those cultural capacities that allowed one to make informed, freely made choices about other cultural goods.⁴⁵ This refers primarily to education, and to arts and cultural education specifically. It also means an environment where one is exposed to different cultural ideas and images – libraries, galleries, events, festivals, public buildings. It means an environment where citizens – you! – are held in some kind of respect and institutions open themselves up to you. This is the ‘communal luxury’ of the great state art galleries and museums, the libraries and theatres and concert halls. It is the everyday luxury of community centres and local libraries. But it is also the railway and bus stations, shopping streets, public offices – and, imagine, even Centrelink! It is the free wi-fi and information services, the citizen platforms that Australia has been so remiss in providing. What Dan Hill calls ‘the quietly radical importance of everyday infrastructures’.⁴⁶

J.K. Galbraith’s ‘private affluence, public squalor,’ to which the FEC refer, when talking of the decay of the social foundations, equally describes the degradation of citizenship in art and culture. The shift of investment from public to private has fuelled the unequal distribution of capabilities and access to possibilities across the whole spectrum of basic needs. Art and culture as collectively provided goods – events, activities, exhibitions, performances, environment – or as the daily exercise of ‘judgment, critique, attention, and taste’, rely on the shared capabilities, the ‘cultural meta-goods’ which allow individuals to make informed choices about ‘a life worth living’.

That is, art and culture cannot be fully accessible as either collective or discretionary goods unless they are part of the broad education of each person. As restoration this would mean the reinvigoration of arts education, art schools, design schools, public art, public architecture, and an urban planning based on communal luxury not maximising real estate value. As reconstruction it would mean re-thinking all these in the light of the erosion of the public realm of culture, the attacks on arts education at all levels, and what it would take to put this back together.

But it would also mean reconstructing art and culture as more democratic, participatory, co-created, flexible, local and ecological. It would also mean breaking from the reduction of education primarily to the acquisition of employment-based skills, a goal that we fully share with the FEC.⁴⁷ That is, recognising culture’s role – in formal education and in public life – as helping to articulate a common good, essential to our ability to envisage the good life and to look to the future.

Dancing Together

What is the wider social function of art and culture? Eno again:

You know, we live in a culture that is changing so incredibly quickly...probably in a month of our lifetimes we have about the amount of change that there was in the whole of the 14th century. So we have to somehow come to terms with all of that. None of us have the same experiences: you know you might know a lot about what's happening in cars and you might know a lot of what's happening in medicine and you might know something about mathematics and you might know something about fashion. None of us are at all expert on everything that's happening. So we need ways of keeping in synch, of remaining coherent. And I think that this is what culture is doing for us... So, I'm starting now to propose the idea of culture as a sort of collective ritual, or a set of collective rituals that we're all engaged with.

This is crucial. It adds to the importance of collective provision and informed cultural choice by articulating the wider social function of art and culture. Not just human flourishing and self-actualisation, but the collective importance of art and culture.

The most important thing is that we have been altogether – that doesn't mean just 'the artists', so called, it means everyone, it means all the people actually in the community, everybody – has been generating this huge, fantastic conversation which we call culture. And which somehow keeps us coherent, keeps us together.

Culture as a 'fantastic conversation' amongst ourselves keeps us coherent, together, and is crucial to our collective futures. This is certainly social democratic in intent, but it is also compatible with the classical liberal idea of the free citizen, possessed of the 'virtue' required to fully participate in public life.

Pointing to the accelerating change of modernity, of how we have to adapt ourselves to this change, individually and collectively, Eno says: 'what we tend to do is we get a sense of what everybody else is thinking about things and we sort of work out our attitudes in relation to everybody else, as we generally think quite collectively.'

This takes us beyond just ‘Australian stories and identity’ or ‘happiness’ (easily reduced to individual consumer satisfaction) to the idea of a complex, multifaceted on-going public conversation about the future, and the past. This conversation, importantly, is conducted as much through the senses, through the movement of bodies separately and together, through the emotions, desires and imagination, as it is through formal, rational speech.

The German romantics thought the task of art was to ‘digest’, to make sense of the dislocations of the present in order to orientate ourselves to a future.⁴⁸ Raymond Williams, in *Culture and Society* and *The Long Revolution*, envisaged this as an expanding democratic project, involving more and more people in Eno’s ‘fantastic conversation’. This democratic project is more than the extension of ‘access’, the great shibboleth of recent cultural policy thinking.

When Eno talks of a ‘collective ritual’ as keeping us ‘in synch’ and ‘remaining coherent’ he’s referring to forms of patterning, of individual and group interactions, practices and shared meanings than have always been central to the idea of culture. This is what is meant when people speak of culture and ‘social cohesion’, ways of collectively organising and regulating social practices. It’s what Confucius called ‘rites and music’ (; L), the rituals through which a social order is formed. However, this is not just about rituals of social order but practices of individual and collective ‘cultivation’, of growth and development. This takes us back to the Latin roots of culture, *colere*, ‘to till, cultivate or inhabit’, later expanded to become the ‘nurturing of one’s interests, spirit and intellect’. And as Wang Hui wrote of China:

[t]he Chinese concept of ‘culture’ came together from the words *wen* and *hua*. *Wen* refers to natural patterns as well as the order of rites and music. *Hua* connotes the developmental stages of *wen* (birth, transformation, change).⁴⁹

Michel Foucault wrote of cultivation as an ethical injunction to care for the self, but it refers also to social formations.⁵⁰ Williams talks about this more general process, not of human perfection, which implies a known ideal, but of human evolution, of general human growth.

For it seems to me to be true that meanings and values, discovered in particular societies and by particular individuals, and kept alive by social inheritance and by embodiment in particular kinds of work, have proved to be universal in the sense that when they are learned, in any particular situation, they can contribute radically to

the growth of man's powers, to enrich his life, to regulate his society and to control his environment. ⁵¹

He calls this a 'general tradition which seems to represent, through many variations and conflicts, a line of common growth'. These are difficult words to read after a half century in which the concept of the 'universal', and its implications in colonialism, patriarchy, class domination and so on have been thoroughly aired. Indeed, Tony Bennet suggests he has caught Williams out in an inadmissible romanticism, and a Euro-centric one at that, simply by quoting these words.⁵² But such postmodern relativism has led us to the alternatives, of the patterning of our lives performed by markets and contract law, the nudges of behavioural economics, or the algorithms of the contemporary click-on-demand economy and its cultural industry platforms.

It is the perceived collapse of anything like Williams' tradition, especially in the last 40 years, that is the source of so much contemporary anxiety, which adds alienation and anomie to the distributional inequalities of capitalism.⁵³ Williams, on his own admission, saw these early works as lacking a political analysis, which is why he turned more to the idea of a 'cultural formation', in which the 'many variations and conflicts' over our 'line of common growth' could be more adequately addressed. But he remained committed to the idea.⁵⁴ The conflicts over our common growth are currently running at fever pitch, with deep, destabilising divides running through many western societies. As we can see in theatrics of the culture wars or in the fragmented media bubbles promoted by the privatisation of the sphere of social media. But the high stakes involved in our fantastic conversations and collective rituals, our processes of individual cultivation and common growth, have not gone away just because we might prefer an easy disavowal.

As Gillian Rose wrote, in relation to ideas of 'reason':

The only way forward [is] to make a virtue out of the limitation: the boundaries of legitimate knowledge are endlessly challengeable, corrigible, moveable, by God, by man, by woman. There is no rationality without uncertain grounds, without the relativism of authority. Relativism of authority does not establish the authority of relativism: it opens reason to new claimants.⁵⁵

Art and culture are part of a common social life, and whether we acknowledge that and address it in policy and politics, or devolve decisions to the 'market' – if that's how we want to describe the kind of politically connected, platform capitalism at work here – will make a huge difference to the way this interregnum evolves. We have no answers here (though the next section will provide more detailed pointers) other than to state that art and culture, whatever

their myriad manifestations, is somehow ‘in common’ and that the forms of that art and culture are intertwined with the present and future prospects for human flourishing.

Conclusion

In trying to ascertain whether art and culture could be described as ‘basic needs’, we were led to question the more reductionist, materialist (in the 18th century sense) and utilitarian conceptions of that need. Whilst acknowledging that needs are socially defined, the FEC tend to revert to the immediate physicality and urgency of certain needs, which serves to marginalise those such as education or well-being which are rarely disputed as part of the social foundations. We suggested that the starting point should be the whole system of the reproduction of material and social life, and that whilst there would be different levels of immediacy (water, power supply) this should not serve as a basis of a hierarchy of needs.

We also suggested that a focus basic needs as immediate, material needs could reproduce a utilitarianism in which ‘the good life’ was defined in a one dimensional way. For us art and culture are, in some form or another, co-terminus with human existence on the planet and this should be acknowledged. Discontent with GDP-focused economic growth stems both from distributional issues, but also its impoverished conception of human life. Much new thinking around human flourishing and well-being has this expanded conception of the ‘good life’ which the FEC might wish to develop more.

Giving over non-essential ‘wants’ to a secondary stage ‘after’ needs can also lead to the kinds of historical schema we find in Maslow and in creative economy thinking. This positions non-material wants as a set of niche markets whose inherent insatiability generates new forms of post-scarcity economic growth. The FEC and others risk positioning art and culture uniquely in this zone of ‘discretionary spending’, which we suggest would be a mistake. Collective provision for art and culture emerged alongside the early ‘foundational economy’ of municipal infrastructure and services. The privatisation of the foundational economy applies to art and culture too.

In seeking to establish basics or fundamentals, rather than going in the direction of essential need versus inessential wants, we have suggested the ‘capability’ approach and of social citizenship. Basic needs are those capabilities we cannot do without if we are to fully participate in society and realise our potential. In this way the participation of individuals and communities in the full range of social and cultural life can be made central to thinking about the foundational economy, rather than a market-focused ‘after’ made easier by cheaper services releasing discretionary spending.

At the same time affirming the role of the collective provision of art and culture, as with other providential services and infrastructure, serves to underline the citizenship rights around culture and the responsibility for ensuring equal access to the capabilities required to exercise full individual choices in art and culture.

Finally we suggested that art and culture were a systemic part of the social whole – akin to health and education, communications and transportation – and as crucial to human flourishing, both individually and collectively.

- 1 Interestingly, in her work for Regen Melbourne, Kate Raworth was encouraged by extensive local consultation to include art and culture as part of the 'social foundations'. <https://www.regen.melbourne>
- 2 <https://australiainstitute.org.au/wp-content/uploads/2020/12/P901-Art-vs-Dismal-Science-WEB.pdf>; cf. Justin O'Connor (2020) *Art as Industry* <https://wakeinalarm.blog/2020/06/20/art-as-industry/>
- 3 FEC (2021) 'Meeting Social Needs on a Damaged Planet: Foundational Economy 2.0 and the Careful Practice of Radical Policy', *FEC Working Paper 8*. <https://foundationaleconomycom.files.wordpress.com/2021/01/fe-wp8-meeting-social-needs-on-a-damaged-planet.pdf>
- 4 FEC (2018) p.28; FEC (2020) The Foundational Approach <https://foundationaleconomycom.files.wordpress.com/2020/08/fe-approach-2020.pdf>; See also Richard Bärnthaler, Andreas Novy and Leonhard Plank (2021) 'The Foundational Economy as a Cornerstone for a Social-Ecological Transformation', *Sustainability* 13 <https://www.mdpi.com/2071-1050/13/18/10460>
- 5 Anna Coote and Andrew Percy (2020) p. 12
- 6 Cf. Anna Coote (2020) 'Universal Basic Services and the Foundational Economy'. *FEC Working Paper* <https://foundationaleconomycom.files.wordpress.com/2020/10/ubs-and-fe-working-paper-wp7.pdf>
- 7 Karl Marx and Friedrich Engels (1846) *The German Ideology*.
- 8 FEC (2020) *What Comes after the Pandemic? A Ten-Point Platform for Foundational Renewal*. https://www.researchgate.net/publication/343110880_What_Comes_after_the_Pandemic_A_Ten-Point_Platform_for_Foundational_Renewal
- 9 Gören Therborn (2009) 'The Killing Fields of Inequality', *Soundings* 42 https://www.researchgate.net/publication/235388737_The_Killing_Fields_of_Inequality
- 10 Theodore Adorno, Friedrich Pollock and Greta Adorno (2021[1942]) 'Theory of Needs', *New Left Review* 128 March/ April
- 11 Hannah Arendt (1958,1998) *The Human Condition*. Chicago: University of Chicago Press. Chapter on Labour
- 12 Boltanski and Chiapello (2005); Eve Chiapello (2004) 'Evolution and Co-optation: the Artistic Critique of Management and Capitalism', *Third Text*, 18:6: 585-594,
- 13 In this we would disagree with Richard Bärnthaler et al (2021), as we make clear below.
- 14 Tim Jackson (2016). p. 14
- 15 For example Jeremy Gilbert (2020) *Twenty-First Century Socialism*. Cambridge: Polity.
- 16 Coote and Percy (2020) p. 13
- 17 Göran Therborn (2009)
- 18 Richard Bärnthaler et al (2021) p.13
- 19 Aristotelian terms used by Aaron Benanav (2020) p. 86-90 which we discuss further in the conclusion.
- 20 An on-going discussion of art as 'disinterest', from a contemporary Marxist and Feminist perspective, can be found in Sally Rooney's 2021 novel *Beautiful World, Where are You?*, New York: Farrar, Straus and Giroux.
- 21 <https://www.bbc.co.uk/programmes/p033smwp>
- 22 https://en.wikipedia.org/wiki/Maslow%27s_hierarchy_of_needs
- 23 Inglehart, R. (1977) *The Silent Revolution: Changing Values and Political Styles Among Western Publics*. Princeton: Princeton University Press.
- 24 Featherstone M (1991) *Consumer Culture and Post-modernism*. London: Sage. Perhaps the more persistent damage done by simplistic use of Bourdieu is how the experience of art has been reduced to sociology, an expression of distinction and class habitus only. Against Bourdieu's critical intention, this quickly become a sociology of taste, the radical class analysis sloughed off to leave an analytics of market segmentation.
- 25 Scott Lash and John Urry (1994) *Economies of Signs and Space*. London: Sage.
- 26 O'Connor and Gu (2020) *Red Creative*. Chapter 2.
- 27 Australia Council (2020) *Creating Our Future*. <https://australiacouncil.gov.au/advocacy-and-research/creating-our-future/>
- 28 Ernst Bloch (1991 [1935]) *Heritage of Our Times*. Cambridge: Polity Press.
- 29 Stefano Harney (2012) 'Creative Industries Debate: Unfinished business: Labour, Management, and the Creative Industries', in Mark Hayward (2012) *Cultural Studies and Finance Capitalism*, London: Routledge.
- 30 We will postpone until the next section the question of the labour involved in these activities, which after all is the focus of Harney's chapter.
- 31 On social liberals, see Tristram Hunt (2005) *Building Jerusalem: The Rise and Fall of the Victorian City*. London: Metropolitan Books.
- 32 Kristin Ross (2015) *Communal Luxury: The Political Imaginary of the Paris Commune*. London: Verso
- 33 Tim Jackson (2016)
- 34 Richard Bärnthaler et al (2021) suggest that the capability approach prioritises free consumer choice, which is unsustainable on a limited planet. There's no space to debate this here; whether this is an apposite characterisation of Sen's intent, we don't think the capability approach implies individual consumption but rather democratic participation.
- 35 Amartya Sen (1999) *Development as Freedom*, New York: Knopf; Martha Nussbaum (2011) *Creative Capabilities. The Human Development Approach*, Cambridge, Mass.: Harvard University Press.
- 36 T H Marshall, T. H. (1963)
- 37 Marth Nussbaum (2007) 'Human Rights and Human Capabilities' in *Harvard Human Rights Journal* 20: 21-24 <https://wtf.tw/ref/nussbaum.pdf>
- 38 <https://www.agenda21culture.net/advocacy/culture-2030-goal>
- 39 See Merrick (2021)
- 40 Franco Bianchini (1987); Owen Hatherley (2020a) & (2020b)
- 41 Arizpe, Lourdes. 2004. "The Intellectual History of Culture and Development Institutions." *In Culture and Public Action: A Cross-Disciplinary Dialogue on Development Policy*, edited by Vijayendra Rao and Michael Walton, 163–84. Stanford, CA; London: Stanford University Press.
- 42 Ben Garner and Justin O'Connor (2019) 'Rip it up and start again? The contemporary relevance of the 2005 UNESCO Convention on Cultural Diversity', *Journal of Law, Social Justice and Global Development* 24: 8-23
- 43 <https://www.2020romecharter.org>; cf. Jonathan Gross and Nick Wilson (2018) 'Cultural Democracy: And Ecological and Capabilities Approach', *International Journal of Cultural Policy*, 26:3: 328-343,
- 44 Alan Warde, David Wright and Modesto Gavo-Cal (2007) 'Understanding Cultural Omnivorosity: Or, the Myth of the Cultural Omnivore', *Cultural Sociology* 1:2:143-164
- 45 Russel Keat (2000) *Cultural Goods and the Limits of the Market*. Basingstoke, Macmillan. Also Mark

- Banks (2009) *The Politics of Cultural Work*. Palgrave Macmillan; David Hesmondhalgh (2010) 'Russell Keat, Cultural Goods and the Limits of the Market'. *International Journal of Cultural Policy*, 16:1:37–38
- 46 <https://medium.com/slowdown-papers/30-the-quietly-radical-importance-of-everyday-infrastructures-f6e588d88d24>; See also the Reset#5 event <https://resetartsandculture.com/2021/08/05/reset5-dan-hill-slowdown-reimagining-the-infrastructures-of-everyday-life/>
- 47 See the FEC's 2020 report for Colleges Wales 'Enabling Renewal' <https://www.colleges.wales/image/publications/reports/Enabling%20Renewal%20-%20FE/Enabling%20Renewal%20-%20FE.pdf>
- 48 Sebastian Olma (2016) *Autonomy and Weltbezug: Towards an Aesthetic of Performative Defiance*. Breda: Avans Hogeschool.
- 49 Wang Hui (2016) *China's Twentieth Century*. London: Verso.p.49
- 50 Michel Foucault (2005) *The Hermeneutics of the Subject: Lectures at the Collège de France, 1981–1982*. Translated by Graham Burchell. New York: Palgrave MacMillan.
- 51 Raymond Williams (1965) *The Long Revolution* p.59
- 52 Tony Bennett (1998) p.96
- 53 The work of Axel Honneth, Charles Taylor, Richard Sennett and Helmut Rosa come immediately to mind.
- 54 Raymond Williams (1977) *Marxism and Literature*. Oxford University Press.
- 55 Gillian Rose (1995) *Love's Work*. New York Review Books. p. 158-9

Art and Culture in the Foundational Economy

In this section we explore the idea that art and culture are a 'mixed economy' of public sector, market and 'civil society' provision, involving a complex ecology of hand-to-mouth artisans, small businesses, not-for-profits, public institutions and global corporations. We will attempt to distribute this ecosystem across the FEC's zonal economy.

The zonal 'mix' is not historically or anthropologically fixed around a hierarchy of need but is a result of specific evolutions and deliberate government policy (such as the privatisation of public media, or reduction in funding). Further, whilst culture may be a zonal mix – providential, discretionary, transactional - it is still subject to a holistic policy vision, one based not just on the satisfaction of human needs but on the wider social function of art and culture. 'Capabilities' includes caring for systemic functions, as well as individual choice and positive freedoms.

In the forward to their book, the FEC (quoting Wolfgang Streek) talk about 'everyday communism'.¹ We think art and culture have a crucial place in this 'everyday communism', and in what follows we try to outline how we might approach this.

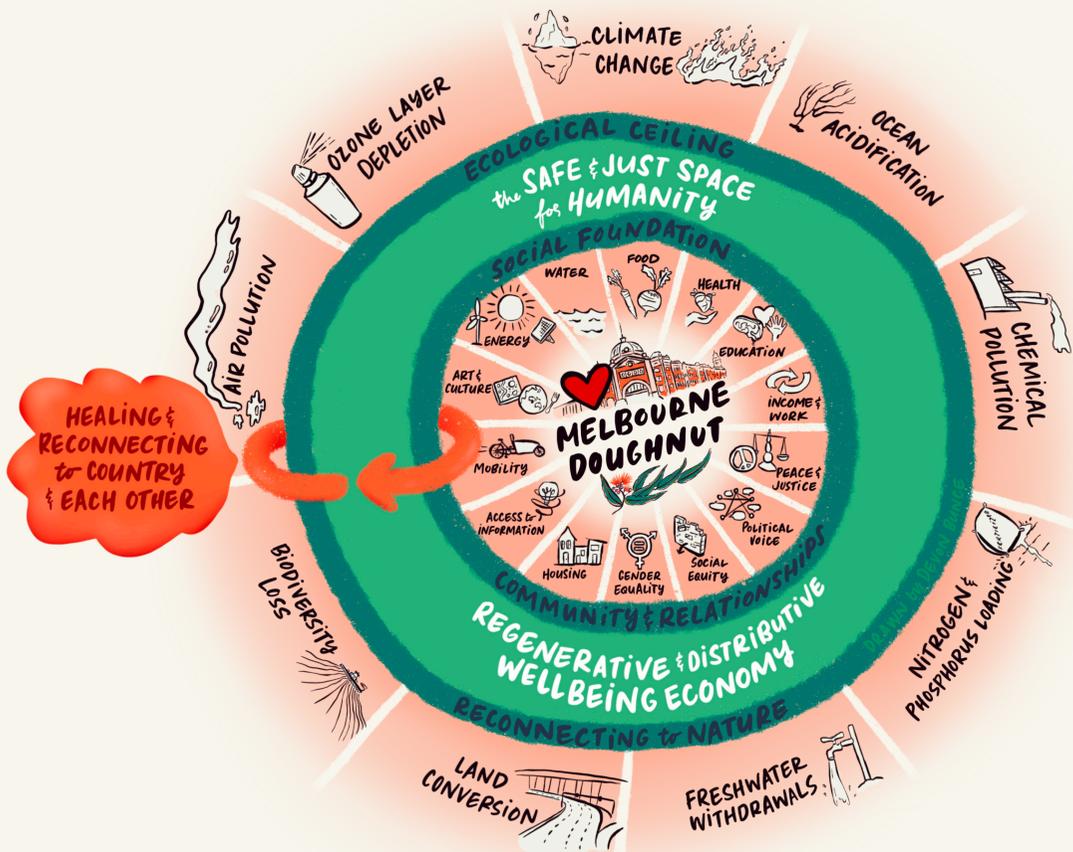
Aligning with the Social Foundations

Our intention in this paper has been to break art and culture from their language of 'industry' and economic impact, and reposition them as part of the social foundations, or foundational economy: those systems supplying basic needs conceived (as we have defined them) as those we cannot do without if we are to fully participate in society and realise our potential. Many of these foundations are urgent 'vital' and essential goods and services – water, utilities, shelter, food and so on. Others are more enabling, providing for the substantive capabilities and positive freedom to make real choices – education, health, social services, public administration.

In Sections 4 & 5, we suggested that we drop the language of 'culture-as-industry' and align with these social foundations. This would return art and culture to the realm of public service and public value, so providing a rationale for increased investment in the sector as part of a shift to a more equitable, 'well-being', human services-based economy.

These social foundations, required as necessities for decent, fulfilling lives, are not to be seen as taxpayer spend, made possible by the growth of the 'real' economy. They are themselves a substantial proportion of economic activity – up to 70 percent in some cases. In the post-pandemic world of accelerating climate change, as we suggested in Section 3, investment in these sectors makes sense as part of a recentering our economic strategy away from unsustainable growth towards social well-being. Tim Jackson, already quoted above, sees culture as part of this new sustainable economy:

[T]hese sectors of the economy – care, craft, culture – are among the 'human services' that stand at the heart of [this] vision of enterprise.... In short, achieving full employment may have less to do with chasing after endless productivity growth and more to do with building local economies based around care, craft and culture; and in doing so, restoring the value of decent work to its rightful place at the heart of society.²



Kate Raworth may have left art and culture out of her original ‘doughnut’, but a recent attempt to identify a doughnut in Melbourne saw these being added in. It is telling that this addition did not come from the policy expert group (which suspended its activities during the pandemic) but the community groups consulted.³ In this model art and culture are part of the foundations of a decent sustainable life. How art and culture are to be refigured as social foundations is not clear, but it is a welcome start.

More generally, though the doughnut identifies a range of different requirements, based around the 17 SDGs; it has less to say on how these are structured as public services or foundational/ transactional economies. Education and health are complex social service systems; food involves giant global corporations; gender and social equity are values; income and employment are contested industrial policies. It is by no means clear how art and culture are to be located in this mix.

The Foundational Economy Collective (FEC) has more precision and policy ‘bite’ than Raworth’s ‘doughnut’. The FEC disaggregates the singular economy captured by GDP into different zones –household, foundational, ‘overlooked’, and commercial-transactional.⁴ This allows them to identify different characteristics and dynamics in each zone and assign different public policy priorities to them. They are specifying a mixed economy, in which the quality and purpose of services provided, the expected returns on investment, the nature of employment, and the public value ascribed to them differ considerably. They do not describe these in terms of non- or post-capitalism (see section 3 above), but there are different levels of commodification, gift-giving and non-commercial reciprocal obligations in each.

<p>Tradeable economy</p> <p>(Cars, electronics, new kitchens and bathrooms, private housing)</p>	<p>Overlooked economy</p> <p>(E.g. sofa production, haircuts, holidays)</p>
<p>Foundational economy</p> <p>(Material and providential essentials)</p>	<p>Core economy</p> <p>(Family and community)</p>

FEC’s Zonal Schema of the Economy

This disaggregation allows them to break with models of economic development derived from the ‘commercial-transactional’ zone – focused on efficiency, productivity and maximisation of profit. The foundational economy, they suggest, ought not to be subjected to these rationales. High productivity - the ratio of capital investment over labour costs – is not desirable, where reducing labour is counter-productive, as we have seen in aged care. So too ‘efficiency’, the maximisation of profitability, can often cut against equity – look at the current debates around

trying to reduce the payment of disability benefits or outsourcing employment services.⁵ More generally 'efficiency' has proved brittle in the pandemic, as 'just-in-time' systems with little 'slack' shut down rapidly. Resilience and adaptability derive from different principles, which, the FEC argue, need better recognition within the foundational economy.⁶

The importance of the foundational economy to a decent life in common means that principles of economic efficiency and growth, derived from the market-first, commercial-transactional model imposed by neo-liberalism across all sectors of the economy and the public services, needs to be reversed. The purpose of the economy is not growth but well-being, and so should be judged on these grounds. Above all, the foundational economy needs to be assertively framed in this way, and the creeping financialisation and commodification resisted or regulated.

For three decades art and culture have been pushed into, and gradually accepted, the position of 'industry' whose core default settings – fringed by subsidised 'market failure' and community value – are those of the transactional-commercial economy. Not only has this bent the sector out of shape, it has aligned it with a high-value but minority-employment economic zone, in which only a few can succeed. Culture's high-touch, high-care, jobs rich nature has been squeezed into an efficiency-maximising, profit-driven, winner-takes-all competitive pyramid model. Small wonder the bank of flashing red lights – of precarity, low pay, debt, miniscule sick leave/ holiday/ pension, lack of professional recognition or career structure and so on.

Locating art and culture with the social foundations allows us to reframe them as part of an economy of basic needs, and one that makes up the main part of national and local economies. It valorises their low productivity-high employment as high-touch and high-care. Productivity gains in art and culture come from replication at scale – a function of large cultural industry systems, which again are heavily skewed to metropolitan areas and in fact, to certain countries like the US and UK (Australia is a 'net importer' of such products). These have their place, and will be discussed below, but framing the whole of art and culture as if its primary value lay in its contribution to the growth of these cultural industries, many sections positioned as 'less productive' in comparison, has been extraordinarily damaging.

This re-framing would also allow the cultural sector to address persistent problems around precarious work, low-pay, lack of career paths and so on as part of a wider debate about the future of work, which would involve UBI, Job Guarantees, cooperatives, unions and so on. It would also boost the sectors' engagement with social justice issues – both recognition and redistribution – coming at these not as an industry but as part of basic citizenship rights. Finally, in reaffirming art and culture's public role it would

have to extend this remit beyond the big, state funded public institutions and initiatives and towards a more local, community and mixed economy role as befits a social foundation agenda. But it is important to note this is NOT a zero-sum opposition.

We also made two points in the last section – about ‘needs’ and about social systems.

Art and culture, like education or health services, are essentials but not always ‘basic’ in terms of immediately responding to physical need. Needs evolve socially, and they involve relational and spiritual ‘wants’ - human connections and recognition, meaning and purpose – which are as essential as food and drink. An overly utilitarian approach to needs may not only exclude these other essentials from the social foundations (such as putting art and culture into market-based discretionary spending) but result in restricted vision of human flourishing and a diminution of the energies we might require in achieving a new kind of economy and society.

If basic needs are defined as those capabilities we cannot do without if we are to fully participate in society and realise our potential, then this requires a systemic approach to the provision of these basic services. Energy, food and water are highly complex systems, so too education and health. Education, for example, includes local childcare and pre-, primary and secondary schools, TAFEs and Universities. Along with teacher training programs, research institutes and councils, professional accreditation, publishing and media, and related public administrative bodies. It is for this reason that the FEC warn against seeing the foundational economy as low wage, low skill, low productivity – parts are highly capitalised, high waged and skilled. It is important to remember this systematic, complex aspect when talking about the ‘social foundations’, which can often conjure up ‘local services’ in simplistic fashion. Art and culture as foundational economies does not mean simply parks and what is currently labelled as ‘community arts’.

Art and culture then are not just about individual discretionary wants but part of a wider system that is as complex and distributed as the other social foundation systems – and needs to be taken care of as such. There are different levels of individual and collective consumption, of commercialisation and public subsidy, of corporate and not-for-profit. So too, like public service workers, those who make and provide cultural services also need to be taken care of, as creative labour essential to the system as a whole – not just treated as zero-hours contractors in the guise of self-employed ‘creative entrepreneurs’.

As Adam Tooze suggested recently, the urgency of climate change - which informs the ‘doughnut’ as well as Foundational Economy 2.0⁷ - means the necessity of planning.

What does a serious climate policy actually entail? The pursuit of net zero is a deliberate effort to make history by restructuring national economies. This involves planning, which will scare conservative liberals who prefer to let nature, as they understand it, take its course.⁸

This applies to the whole economy, not just the foundational part. It suggests that investment in, and greater regulation ('social licensing') of, the foundational economy will require more systemic planning. This is important for art and culture, because they are located in multiple zones, from the small, gifted and localised to the global hyper-commercial. But as FEC note, the foundational economy is increasingly penetrated by financialised capital seeking high, short-term and 'extractive' gains. The FEC's economic zones are not geographically or ontologically distinct. Local and community economies sit cheek by jowl with other forms of market based – small scale or global corporate – economic activity. Thus, from one perspective, the 'core' zone of 'home and community' might be a space mostly about gift and free exchange. However, the communication devices which are frequently crucial to the organisation of that home life are manufactured, programmed and loaded with content by some of the most highly capitalised and globalised companies on the planet. As we shall also see, these zones are articulated in complex ways, as we hinted with the solitary mushroom pickers in the forests of the America Northeast, part of a value chain supplying high-end Japanese restaurants.⁹

Which is to say, these complex systems are not 'naturally' part of the state, or market, or not-for-profit, but are so as the result of a complex set of political struggles and choices about how we want to organise these systems and for what defining purpose. Choosing to align art and culture with the foundational economy is not only about identifying a different kind of economic rationale – local, service or foundational economies – so much as about redefining its wider social purpose and what it would take to achieve that purpose.

Networks and Sandwiches

In the last section we were concerned that the FEC suggested spending on culture and leisure was discretionary, over and above the basics, and belonged to the 'overlooked' or 'everyday' economy.¹⁰ We argued that art and culture were basic human needs, central to who we are as people and communities, and the capabilities required to engage in them should be seen as foundational citizen rights.

from a wider consideration of capabilities. These capabilities are rooted not just in available (and unequally distributed) disposable income but in the ‘meta-goods’ of education and the social and material infrastructures. Art and culture are thus closely related to publicly provided education (in many cases they are part of the education sector), and to the planning and design of urban services and spaces, where cultural consumption might take place.

Indeed, elements of art and culture are, or might be, provided collectively. FEC speak about libraries often, and streaming services. One can exercise choice in both but they are dependent on a collectively provided infrastructure (one free, one currently subscription based). FEC also speak about the importance of ‘social infrastructure’ - public services aimed at collective consumption. Their shorthand is ‘parks, libraries + free/ cheap activities’. Parks and libraries (like streaming services) obviously need to be provided collectively, and as such form part of both the providential and material infrastructure, the foundational economy.

But why are ‘free/ cheap activities’ part of the ‘social infrastructure’, that which makes social life possible and ‘liveable’. Why are they not allocated to the discretionary market spending of the ‘overlooked’ economy? The answer, clearly, is that ‘free/ cheap’ is not just about saving money (freeing up more discretionary income): there is a public good involved in communally shared events and activities, as there is in the enhanced quality of the environments in which social life takes place. That is, it is not just that some cultural and leisure goods need to be delivered collectively (libraries, parks) but that the collective nature of the (free or partially subsidised) provision is itself part of the value of these public goods. (This is an argument also many apply to other services.)

Art and culture are essential to individuals and society, and their provision can be considered, in part, as a citizenship right to ‘basic services’. Some might be collectively provided, free and subsidised, others more about discretionary spend and catered for by the market. Those aspects that are deemed essential, whose provision is guaranteed by the state, would be located with other basic services – material infrastructure, health, education, social services, public administration and so on – in state expenditure. They form only a very small part of public spending within the foundational economy. ‘Recreation and Culture’ accounts for 0.7 % of federal government spending. Social security and welfare (33.9%), Health (16.3%) and Education (7.3%) together account for two thirds of total federal spending.¹¹ We suggest it is important to increase that percentage, but to do this would require a wider recognition of art and culture as basic need, and that spending should not be framed exclusively as ‘subsidy’ to artists and institutions who would not otherwise survive in the market (‘market failure’). It needs a more ambitious rationale.

The key issue, central to this paper, is not just how big (or small) the arts and culture budget should be, but on what basis might it be maintained or increased. We suggest that only by aligning with the social foundations, social services or infrastructure, and as a basic right can this budget grow. But the further issue would then be in what form should this duty of provision be acquitted.

In a recent paper on Morriston, a small town in Wales, the FEC authors pose the following question:

More research is needed but the implication from Morriston is that social infrastructure should be prioritised in any plans for foundational renewal. Beyond that, we have complex issues about which foundational goods and services are citizen rights, which services should be free, full cost priced or subsidised, what are the appropriate business models of for profit and not for profit providers and how should the central and local state tax and spend as we move towards a society where all have access to the foundational goods and services they need to flourish.¹²

These are precisely the questions that we pose to art and culture.

As Tony Judd wrote about railways: the network might need to be collectively organised by the state, but not necessarily the sandwiches. In shorthand, this suggests a 'mixed economy' - but where does the network end and the sandwiches begin?

As we have seen, art and culture as such are often considered 'sandwiches', discretionary consumer spending on non-essential leisure goods. We have argued here that key aspects of art and culture can be considered 'networks' – foundational services and infrastructure provided collectively or publicly assured. But even for discretionary spend, the question would be: are the sandwiches provided by the local corner café or street van, or by a multinational food chain using Chilean avocado, Finnish smoked salmon, assembled by a Ghanaian migrant worker somewhere near Lille? Are they part of the local, everyday economy or a global corporate supply chain?

And of course, networks (infrastructures) themselves have been increasingly given over, if not to markets (in the sense of open competitive markets) then to the private sector, dominated by financial or rentier imperatives which bear very little direct relationship to the needs and preferences of the end users. This is one of the key claims of the FEC (and others of course) – that the basic services that should be provided by the public sector (free or otherwise) have been allowed to let-rip on a profit-spree with deleterious consequences.

We argue that a thriving art and cultural ecology requires significant components of the arts and culture sector to be considered part of the train network – the tracks, the electrification, the stations, the timetabling and most significant of all the staffing – and provided by the state (at the appropriate level – national, regional, local etc.). But the ‘sandwiches’, those parts of art and culture which are not directly provided, have also to be nurtured, and decisions made about the kinds of companies involved and the conditions of the workforces, as well, as the quality of the product.

Foundational Economy Zones

The foundational economy approach helps not only with shifting the normative status of art and culture in public policy, but to situate its own economic activity in the topology of economic ‘zones’. Let’s see how this might work.

Households-Community

FEC see this first zone as mainly an untraded or gift economy – ‘we must love one another and die’ - and as such they do not talk much about it.¹³ We suggest that ‘the household’ should not be considered a distinct economic zone at all, and certainly not one that is characterised as non-commodity based. Similarly, ‘community’ here is undefined, and it’s a highly elastic concept. As with the household, the ‘community’ cannot be seen uniquely as a zone of non-commodity exchange. Further, identifying the household-community with a particular ‘economic zone’ undermines the analytical power of the foundational economy and isolates the gift/ non-commodity economy as a specific economic-ontological zone rather than a political aspiration.

The FEC rightly focus on the household, rather than individual income, as a key analytical unit of access to resources. Per capita income figures say little about the disposable income of households when, for example, housing accounts for over one third of expenditure, as in London, or when they have to pay for education, or health insurance and so on. So too, low per capita income may ignore low housing costs as well as a thriving local community services sector – libraries, good schools, cheaper utilities, shorter commutes, allotments and community gardens and so on. Household spend better reflects the reality of how people live and how basic budgets are managed. They look to the basic infrastructures and services that allow households to thrive.

Households are key units of social reproduction – the raising of children and the maintenance of adults, caring for the old, disabled, and sick. They are a complex mix of free or subsidised services, highly commodified services, gift economies (money,

time, care) and more coerced or onerous unpaid labour. As such the household is not a distinct economic zone but rather a site of struggle around free /subsidised and collectively provided services (the key focus of FEC and UBS advocates), a living wage, debt, gender rights, disability rights, and so on. The thriving household is a major stake in the struggle over the foundational economy.

Households are also central to a highly commercialised consumer economy, from renovation, decoration, furnishing, food, 'consumer durables', private tuition, cars and so on. They are also asset units, where mortgages, rental income, pension schemes, wealth funds and so on are managed.¹⁴ From our perspective, they are also key sites of cultural consumption, with family media subscription and streaming packages (sports channels, Netflix, Spotify) books delivered via Amazon Prime, multiple internet-integrated screens, VR-headsets, game consoles, speakers and so on, along with the all-pervasive advertising (and data-extraction) that keeps the whole thing ticking over. Whilst parents (in more or less 'traditional' households) may 'gift' such services to kids or others in the household, to describe these epicentres of a global consumption economy as 'non-commodified' is somewhat misleading.

Rather than describing a distinct zone, the project to provide free and subsidised services in the house – utilities, broadband, public housing itself – or used by the house – education, health, public transport – is precisely a political project to de-commodify the household in order to increase prosperity. How this project might apply to art and culture – the services, 'content', hardware, data extraction of the household cultural economy – is less a question for a so-called de-commodified zone than for its apparent 'opposite' – the highly commercialised, tradable economy whose end-users these households are.

Similar things could be said of 'community'. However, in addition, community is harder to specify, stretching as it does from extended family and friends to a local area, or an interest, religious, or ethnic-cultural group, all now involving a sprawling social media space. Local communities are heavily reliant on levels of investment in services and infrastructures, which the FEC right argue are often as crucial in quality of life as actual employment or average per capita income. Again, communities are a site of struggle for higher investment in the foundational economy. Decreasing commodification, increasing free/ subsidised, collective services and material infrastructures is a political project to enhance the lives of families and communities.

We will discuss the role of art and culture in family and community primarily through the lens of the other economic zones. Material and providential foundations are crucial to thriving local cultural life, which benefits from, and further contributes to, the de-commodification of public and private life. Local cultural life is an essential part of 'everyday communism', as the FEC say,

or we might call it 'the commons'. This potential is missed if culture is framed purely as discretionary spend made possible by cheaper services (or better wages). As with many arguments for UBI, cheaper public services allow more anxiety-free leisure time and energy for a fuller family and community life – including art and cultural activities. The collective provision of such services can encourage the sense of participative citizenship in which art and culture thrive, and which re-enforce and manifest a de-commodified public realm or commons.

We should also note that a community-based 'gift' economy can also be found in the cultural ecosystem which makes up the 'overlooked' or 'everyday' economy. As we shall argue, this overlooked/ everyday economy is a crucial component of local art and culture – and indeed the cultural ecosystem writ large. Gift exchanges, along with complex economies of reputation and connection, rub shoulders with small scale trading, and highly commercial, often global transactional economies. The 'everyday' economy needs nurturing and is, in itself, a political project for the enhancement of household and community well-being.

We don't, therefore, include household-community in our zonal schema of art and culture.

Foundational Economy: Material infrastructure

The foundational economy is divided into material infrastructure and 'providential' services. Some UBS arguments tend to down-play this material aspect and focus only on services. FEC rightly do not do that.¹⁵

FEC see material infrastructure as the physical, distributional network of pipes, fibres, cables, telecom masts that underpin the utilities of gas, electricity, water, and telecommunications. They would also add roads and transportation, food, garbage collection and recycling, on-line retail banking, and the built stock that is implied by hospitals, schools, social centres, and above all, housing.

All of these - including the social housing which in Australia has been so diminished¹⁶ – involve highly capitalised investment, highly skilled technical and managerial workforces, as well as more routine management and workers. FEC show that these jobs tend to involve locally employed labour, and that expenditure on these flows more to wages than to profits, as compared to the commercial/ transactional sector.

In terms of art and culture, we can break down this material infrastructure into communications – primarily cables and satellite telecoms – and the built environment.¹⁷ The first of these is now

Material	Providential	Everyday	Transactional
 Communications Fibreoptics Telephony Built Environment	 Public Realm/ Built Environment Parks Libraries Museums and Galleries Community Centres Performing Arts Theatres (and screens) Festivals and Events Public Broadcasting Literature Art Education Arts for Health Community Arts Public Art Community Radio Experimental cinema Crafts	 Music/ performance venues Dance clubs Small cultural retail Book shops Small galleries Creative spaces Independent cinemas Local Radio Crafts Cultural manufacture Poetry clubs Art supplies Private music and art tuition Urban gardens and markets Pubs and Cafes	 Cinema chains Big concert venues Commercial theatres Commercial galleries Big music festivals Commercial radio Screen (Film and Television) Games Music industry Steaming services – (music, television) Publishing Large retail – (bookshops, art, music, games) On-line retail – e.g., Amazon

Art and Culture in the Zonal Economy

accepted as an essential infrastructure by the mainstream. Being deprived of access to broadband now puts you on the wrong side of the 'digital divide', and most arguments for universal public services include it. The question of public ownership and/ or subsidy of broadband is disputed, of course, but the question at least gets mainstream airing. The nature of the content services that are put down the pipes or through the airwaves is far less debated.

Communications and the Public Sphere

Art and culture, in this digital age, obviously have a crucial stake in the communications infrastructure. But before jumping straight to the Web, we should note that 'communications' was long co-terminus with the idea of culture in its widest sense. Culture is symbolic and symbols need to be communicated. The new means of communication that emerged in the modern era – fast sail ships, steam transport, telegraphy, radio, television, satellite, computing protocols – as well the social arrangements involved in these communications – states, companies, citizens, consumers – forms a political economy of communication of which art and culture are part.¹⁸ The 'public sphere', as it emerged between the 15th and 18th centuries in Europe and North America, consisted of a loose network of public and private institutions and communications infrastructure (printing presses, roads, sea-lanes, and railways, as well as coffee houses, academies and societies, journals, newspapers, political parties and public assemblies).¹⁹

In the 20th century the public sphere consisted of corporate and state-owned media, both regulated as part of an essential public service. Communications infrastructure required high levels of capital and access to audiences/ consumers, demanding either state or large corporate investment, as well as complex regulations and market shaping. Since the 1980s the material infrastructure of telecommunications became increasingly privatised, commercialised and globalised, dominated by US/ Northern Hemisphere companies (and governments) (at least until the rise of East Asia, especially China). We might say it was the privatisation of the material infrastructure of communication, followed by a 'convergence' of telecoms with companies providing 'content' that stands as the background to the shift of art and culture from public goods to private consumer goods.²⁰

The privatisation of much of the public sphere was continued rather than begun by the take-off of the commercial Web 2.0 after the Dot-com crash, and the subsequent rise of 'platform capitalism'.²¹ We have become far more aware of the results of that privatised public sphere over the last decade. However, the material infrastructures – rather than the platforms which use them – have their own causality. Not just where the physical cables are laid, or who controls the satellites but also the operating protocols and the technologies required to run them.

Who owns and controls the physical infrastructure is important, not least geopolitically, as seen in the Huawei 5G standoff. There is the question of each individual state's control of communications, and how, what are often, natural monopolies have been 'auctioned' to the private sector who then charge rent.²²

These infrastructures are not only important for communications as in the public sphere but also determine logistics, where digital signals sent down physical fibres, interact with bodies, machines and space (think of container shipping).²³ The huge growth of Amazon, Alibaba and other internet shopping giants is predicated on this control of the communications and logistics infrastructure. This is not simply a technical question, as anyone from the 'first world' will discover if they step outside that charmed circle.

Given the immensity of this system, art and culture's main entry point is the access to the internet, in Australia's case via the National Broadband Network (NBN), and the various ex-state telecom companies. Access to these is already commonly accepted as an essential service along with the other utilities such as water and electricity. So too, access to 'news and entertainment' is deemed near equivalent to telehealth, emergency services, on-line education and others. Quite clearly the public service nature of the NBN has been underlined further by the pandemic and is one privatised service that is routinely called on to be either be renationalised or more heavily regulated – with many, here and elsewhere, demanding access to broadband be seen as a universal basic service, free or subsidised.

As to the streaming platforms and their ‘content’ – these are far less subject to public debate. The lightning rod currently is the ABC, which is under continued threat from the Federal government. Outside of this, it is assumed that the ‘market decides’, in terms of owners/ producers (will they or won’t they buy or invest in this or that network or service) and the ‘sovereign consumer’ (what are they watching, in what numbers or rather, with what value to advertisers). The link between media infrastructure and nation-building, so strong in a place such as Australia, has been almost completely broken. Whilst the Federal government allocated high profile investment to infrastructure, including the NBN (though most of this was cost over-runs through politicised technology decisions²⁴), there was little talk of supporting the national broadcasters in developing new content.

Any call to develop digital communications, as an essential or foundational material infrastructure, would be well advised to link this to a strengthening of the public sphere, and the public sector, as part of what used to be called ‘nation building’. Without this link public investment would be to the benefit of global content corporations and data-extractive planforms which would undercut the collective nature of public provision and the sense of citizenship this sets out to promote.

Hardware

The actual limits of material infrastructure can be hard to define,²⁵ but in terms of digital communication this must include the various computers and communications devices without which this network cannot be accessed. For that reason, phones, computers, modems etc. are often provided to groups and communities that cannot afford them (for example, many school kids during lockdown). It may well be too late to even think of alternatives to the system we now have. Since the first iPhone in 2007, we have allowed both the hardware and the software of the most revolutionary transformation of public media since the television to be almost entirely determined by a handful of tech companies in North America. But ultimately, if we are to rethink public media in the age of the web, then looking beyond the system of personal devices running platforms driven by data-extraction and advertising might be a way forward.

It might also be obvious to state that, whilst communications infrastructure rollouts and maintenance involve lots of high skilled and routine local jobs, the computing and communications hardware upon which this new quasi-public sphere runs, is almost entirely manufactured outside Australia (as are most of its trains, planes and automobiles). This is unlikely to change in the near future, but perhaps if Australia were to rethink how its digital public communications infrastructure were used, in the house and the local area, as well as in the larger public spaces, there may well be hardware and software benefits in terms of innovation and jobs. The primary beneficiary though would be the public sphere.

Buildings and the Cultural Infrastructure

Buildings, other than social housing, tend to be passed over by the FEC and UBS advocates. Calling for more investment in art and culture (as in health and education) also implies buildings and facilities - community arts centres, dance, theatre and music schools, recording studios, film production facilities, libraries, galleries, concert halls, theatres and so on. Arts agencies and consultancies talk about the 'cultural infrastructure', which normally refers to a combination of buildings and facilities with the institutional capacity (cultural organisations, robust public administration, research ability, skills and training etc.) required to make them operational.²⁶

When we speak of increasing the numbers of hospitals or schools, we imply a fully functioning human capacity to deliver the services they house – doctors, nurses, technicians, administrators. But this is not necessarily so in arts and culture. No government would build a hospital without thinking through the personnel required to make it work; but this is routinely the case in arts and culture. That is, whilst there is provision for the administration and maintenance of the buildings and technical facilities, funding for curation, commissioning, artistic development, community engagement and the rest is often lacking. New physical infrastructure often assumes an endless supply of 'art content' and is rolled-out by urban planning and economic development departments with minimal consultation with the cultural sector. Rarely is there an attempt to assess the relationship between the programming requirements of the new building and the wider capacity of the arts and cultural sector to provide the content.

This is the 'edifice complex', whereby it is the shiny new buildings that garner the attention rather than the cultural product and the ecosystems which sustains these. This speaks to the instrumentalization of art and culture in the 'creative city' agenda, where the marketing benefits of 'iconic' buildings and the 'regeneration' effects on land prices and attracting higher value users, is prioritised over their cultural value.²⁷ In both state and federal pandemic recovery programs aimed at art and culture, the vast majority of funding went on infrastructure projects rather than to artistic programs.²⁸ As with Australian pandemic stimulus programs writ large, construction rather than services have been the winner.

The 'edifice complex' is symptomatic of a disjunction between the symbolic value of certain kinds of high prestige art and culture – most recently contemporary art, but before that it might be opera – and the lack of care for the workers and the ecosystem that actually produce that art and culture. Though cultural projects are required to show direct economic impact (jobs created, local spend) this is rarely applied to the edifice, whose aspirational visitor spending figures supplied by the consulting accountancy

firms are rarely held to account post-opening.²⁹ On the other hand, the benefits to the private sector in the form of linked commercial development (hotels, leisure, retail, apartments) is not recouped by the art and culture sector and rarely even attributed to them on their 'impact assessment'. So too with the reputational benefits to those businesses seeking to attract global 'footloose' personnel, via city ranking ('most liveable', 'most vibrant' etc.): as with public transport, public investment is seen as an expense, whereas the private beneficiaries of the 'vibrant city' in hospitality, retail, leisure and apartments are seen as wealth creating.

The disjuncture between the built form of art and culture, and the wider sector whose 'service delivery' it is meant to house, is more acute than any of the other public sectors, who are not averse to a shiny new wing or bombastic 'teaching and learning' centre. But in art and culture, far more than in these, it is quite normal to think built infrastructure without a second thought for those whose work is expected to fill it.³⁰

The 'edifice complex' relates to the economic objectives of the 'creative city' – urban regeneration, global branding, attracting the creative (and not so creative) class. Their ability to perform this role is linked to the historical function of art and cultural buildings as part of the infrastructure of municipal services which the FEC see as the historical antecedent of the foundational economy. Though most social foundation thinkers do not include art and culture, the cultural infrastructure (buildings and institutions) of cities does still get assessed in many countries and is counted on various creative city indexes.³¹ In Australia, where in-house art and culture research capacity has been decimated, and the primary research spend is on various forms of economic impact surveys, this more detailed infrastructural assessment is less marked. But including cultural infrastructure as part of the wider social foundations at city level is quite feasible, given the will. The 'Melbourne doughnut' for example, could include such a cultural infrastructure assessment in relation to all the other aspects of the socially sustainable city enumerated in their document.

An equally pressing issue, alongside the predominance of buildings over content, is the evaporation of both living and working space available to art and cultural workers – but we will discuss this below in relation to the overlooked/ everyday economy.

Built Environment

There is an additional aspect of material infrastructure as basic service that needs to be stressed. The one-sided focus on 'iconic' buildings and 'starchitects' is a distorted tribute to the intimate connection between the built environment and civic space.

The laying out of buildings associated with art and culture, and with learning or public administration, is itself a civic gesture, a statement about the importance of the public realm.

The renaissance cities of Florence, Rome, Urbino, Dubrovnik, following on their medieval and classical forebears, or the cities of Peking, Kyoto, Tenochtitlan, Benin or Delhi: all these testify to the complex relationship between the built form and the society they sought to reflect and shape. A key component of the municipal buildings that emerged in the 19th century alongside the new services of water, gas, housing, schools, hospitals, cemeteries, parks and so on was the attempt to give symbolic shape to the often-inchoate urban form that had emerged in the wake of industrialism.³² The great town halls of the industrial cities of the UK, mirrored in colonial Australia, were one such attempt. So too the state libraries and museums, galleries, universities, art schools, concert halls and exhibition centres of Adelaide, Melbourne and Sydney.

From the grandiose schemes of Baron Haussmann's Paris, Vienna's Ringstrasse, Victorian London, Chicago's 'City Beautiful', or the colonial piles of Calcutta or Shanghai, to the smaller towns and cities which followed them, the physical-aesthetic form of the material infrastructure attempted to shape a new public realm.

The 'fine arts' in their post-Renaissance conception included architecture in prominent position. Cities declared their identity, their commitment to civilisation and citizenship, their place wider culture of their communities through this built form – and this was as true in Kyoto and Peking, Delhi and Tehran as it was of Melbourne and London.

'Beaux arts' declared a symbolic commitment to human culture and progress, often conceived as what Raymond Williams called 'achieved perfection', and rooted in social class, gender divisions and the claimed superiority of European civilisation. In the 19th century this could be used in projections of national power and patriarchy, the state towering over the individual, civilising the urban masses and so on. These public realms, and the built forms associated with them, were themselves - like citizenship, democracy and culture - sites of struggle. However problematic, the modernist city of 'the masses' was also part of this struggle. They were built (usually top-down by the genius-architect) for the democratic 'common man' (though women were thought of sometimes) who needed a place to live, to shop, to catch a train, to relax, to attend cultural events, to read books and newspapers, to access state services. All these called for a new mass democratic physical infrastructure that also expressed, afforded and enhanced the new kind of democratic, socialist, (and indeed fascist or nationalist) world they created.

The built environment is not just functional infrastructure but can make manifest the public services it helps deliver – hence the great 19th and 20th century hospitals, schools, universities, train stations, post offices and 'people's palaces'. The expressive form of the built environment is an intrinsic part of that service – emphasising

transparency, access, citizenship. The degradation of the public realm – private affluence and public squalor – is not just a result of the diversion of funds from public services but expresses quite clearly that these services are residual, given on sufferance, to the losers in the great race, and a drain on resources not to be exacerbated by fancy seats or artists' murals. As Kieran Long, Director of ArkDes, the Swedish National Centre for Architecture and Design, had it:

It is architecture and design's task to give form to a societal idea (like justice) through the creation of a setting for people to encounter that idea (like a courthouse). We see in our public buildings and spaces (our park benches and metro trains; a hot dog kiosk and a monument to the dead) what we are made of. Design cannot avoid this assignment—it either embraces the task, or it unwittingly displays, or even conceals, society's prejudices and weaknesses.³³

However, as we know from the 'beaux arts' traditions, Bauhaus' 'master-builder' syndrome or Soviet monumentalism, expression is one thing, the quality of the services is another. Facilitating the linkages between the services delivered, the complex material (including digital) structures required for their delivery, and their expressive form is beyond the scope of this paper.³⁴

Which points to the other aspect of material infrastructure. The built form is part of the necessarily collective provision of services we associated with networks (trains, telephony) – you can't build your own city. But to this functional necessity is added the dimension of 'public luxury'³⁵ - the delivery of beauty, pleasure, delight, prestige, respect via a shared public realm that no individual could afford to buy. The great social housing complexes of modernism, the stations and parks, the boulevards and shopping complexes and so on provide a collective service through their beauty that cannot otherwise be provided. The first modern experiment in 'everyday communism', the Paris Commune of 1871, also coined the term 'communal luxury'.³⁶

The commitment to a built environment in which beauty – the third element of Vitruvius' famous *firmitas, utilitas, and venustas* – plays a central role may not absolutely define a civilisation, as John Ruskin suggested of Venice, but its absence is telling.³⁷ What Robyn Boyd called, in a 1960 book, 'The Australian Ugliness', suggested an immature country insecure in its relation to the Australian terrain and lacking the confidence of Europe and North America. What we have seen in the last 30 years perhaps is a gain in confidence but also a retreat from any commitment to the beauty of the public realm in large parts of our towns and cities – a retreat driven by the *utilitas* of profit rather than functionality. The development of private

architecture, with a distinct Australian modernism, accompanies a withdrawal from public service, a degradation of the public built infrastructure which is in effect a privatisation of communal luxury.

The shaping of material infrastructure, our material culture, is of course the province of design, which itself has been increasingly broken up into techno-functionality on the one hand, and the aesthetic-appeal to consumers on the other.³⁸ This undoes the union of the two that much of modernist design sought as a core social democratic principle. Herbert Read, one of the great British design theorists, following Walter Gropius, argued in 1934 that the presence of an artist-designer in the most everyday as well as 'high-tech' industrial and civil engineering processes was an essential.³⁹ The restriction of the artist-designer to either corporate or high-prestige art galleries or museums is a sign of this stepping back from the public realm.

This is not to argue for a return to beaux-arts, or even the grand designs of modernism – social and cultural change point us in new directions. But designing communal luxury for the 21st century is an exciting challenge and would perhaps follow less Le Corbusier and more the architect collective Assemble or the French duo of Anne Lacaton and Jean-Philippe Vassal.⁴⁰

Foundational Economy: Providential Essentials

If art and culture were to be considered as foundational, much of their publicly funded delivery would be located in what the FEC call the 'providential' economy, where advocates for universal basic services and the social guarantee focus their attention.

In section 6 we argued that art and culture should be considered as part of the social foundations, and that handing them over to the market as discretionary spend would be a serious mistake. The market is not able to guarantee equal access to the full range of participation (as producers and audiences) in art and culture, and given full reign, it represents a principle of individual sovereign consumption which cuts against the deeper intent of the FEC program. Whilst the market has its role (network/sandwiches) it cannot be viewed as the primary normative model for the organisation and dissemination of art and culture. Art and culture are not things made available after the basics are met but essentials that should be built into the vision of the foundational economy from the very start. However, they do present a real challenge for the role of small scale markets, the commons, collective ownership and distributed decision making which takes us beyond the state-market debates of the 1980s.

As we noted above with respect to home and community, there is no 'natural' place for art and culture in the zonal schematic, that is entirely a matter of political choice. It is our position that there needs to be a systemic shift away from the market towards public or publicly guaranteed provision. This is not an argument for simply expanding existing funding – a renewed social license for art and culture as outlined in section 5 would require a radical rethink.

Providential services most commonly include libraries, community art centres, parks, museums, galleries, concert halls, and other event spaces. It entails the funding of large, medium and small arts and cultural organisations, and the programming of events, festivals, public art. So too the relevant research, administrative and intermediary organisations that provide for the knowledge and the dialogue on which effective policy relies.

We also include here public media – the hybrid broadcast and streaming, national and regional organisations which have such enormous potential and contribute so much to the public realm, but which face systemic attack.

So too art and cultural service are closely aligned with that other providential service, education. Developing knowledge, skills and capacities for participation as audiences and producers is a major function of schools, TAFEs, Universities and specialist colleges. The gradual exclusion of art and culture from education, all the way up to recent university closures and fee hikes is an existential threat to art and culture as part of the basic needs and the cultural rights of citizens.

The built environment is, as we argued, an essential element of the social foundations, but it has taken on an extra dimension with the expansion of the digital realm. The meshing of physical and digital through wi-fi, mobile devices, urban screens, VR and other technologies has created a new space of communal luxury, the 'street as platform'.⁴¹ The rise of citizen platforms, and the role of local governments in providing and facilitating these has expanded the range of service provision, of which art and culture is one part. These are collectively provided, free/ subsidised, are part of 'communal luxury' whose worth is both in what they provide and that they are collectively provided.

All these are part of the foundational economy – the 'social infrastructure' – and they should be part of any package of universal basic services. Asserting art and culture as basic services in a robust manner is important in the face of ongoing cuts (Australia has seen a per capita reduction in federal arts funding over the last decade of 19 percent).⁴²

We suggest it would be damaging to the wider political project if this provision is seen as something the market should provide, as an index of freedom, or that public provision cannot be allowed to

'crowd out' private provision. To the contrary, not only is collective provision a public good in itself, enhancing citizenship, but public subsidy, as Mariana Mazzucato suggests, in fact 'crowds in' private provision⁴³ – which is why urban regeneration schemes most often have some kind of publicly subsidised culture at their heart. Our key challenge is to retain this 'value-added' for the public realm rather than it been seen as a 'loss leader' to stimulate the for-profit sector.

However, what is also crucial is that the existing institutional and procedural forms and rationale for the public provision of culture are not just stuttering due to the slow strangulation of public funding. Or rather, the ideological, administrative and financial attack on public art and culture (including public media), have undermined their ability to respond to the real challenges presented by new public expectations and technological possibilities. There are certainly issues around class, gender and ethnicity that persist in art and cultural institutions, but a focus on 'diversity' has often been at the expense of a radical rethink of how public art and culture might be organised.

Debates around what a democratic public media might look like in a 'social media' age are just beginning. A recent example comes from the Manifesto for a People's Media:

A commons is a collective resource sustained through the active participation of those who rely on it. Organisations within the media commons would be managed collectively to ensure that they are independent, accountable, democratic and for everyone. They would be funded by significant new public investment, recognising that the commercial model of media leads to unaccountable monopolies and exacerbates inequalities, and can't provide the journalistic and cultural content that we need. The media commons wouldn't replace commercial media. But it would become the heart of a media system that is fit for the future – just as the NHS is the public heart of healthcare.⁴⁴

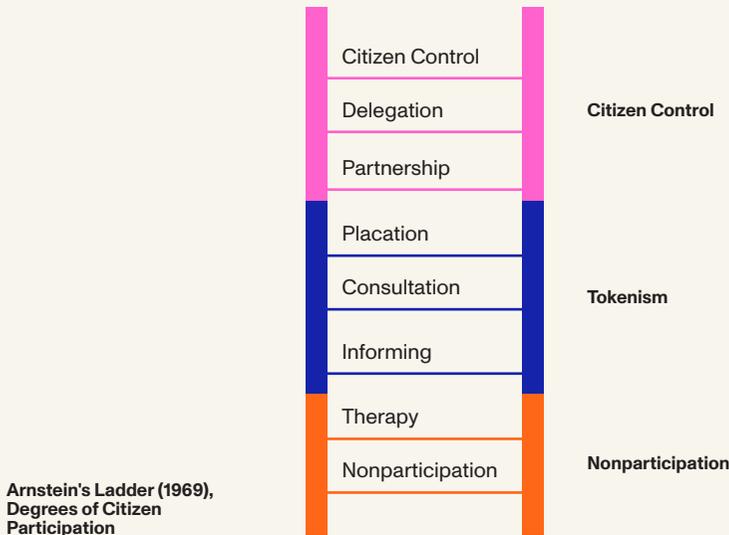
Whatever the specific demands of this manifesto – and we would agree with most of them – the alignment of a new media policy with the commons, and with (what we would call) foundational social services, is telling.

This approach would need to be taken within publicly funded culture writ large. For two decades arts and cultural institutions and organisations have adopted, willingly or not, goals of participation, engagement, and access as part of their 'social license'. The current Coalition government, backed up by its think tanks and a cowed

Australia Council, have used these arguments to set outer suburbs and rural/ regional Australia against the metropolitan elites. It's an obvious 'culture war' move, but one that also chimes with the cultural left-of-centre's own history of anti-elitist critique.

Yet there has been barely any mention of 'democracy' here, and this often applies to the 'diversity' agenda too. The role of boards, which since 2013 have been increasingly politicised, is barely examined, as 'skills-based' appointments are used as cypher for business, legal and financial expertise.⁴⁵ An 'arm's length' Australia Council remains a valid demand – at a time when a 'post-democratic' government has refused any autonomy for intermediary institutions or public administration to set limits on ministerial fiat – as does 'peer review', also side-lined in the recent government funding program.⁴⁶ But that the existing Australia Council structure and rationale needs a radical overhaul – as with the ABC and SBS – has been clear to many in arts and cultural world for decades.

To deliver anything like a transformative program for art and culture would demand not just a re-invention of the public funding infrastructure in Australia but require new forms of democratic input. This is not achieved via the kinds of focus group and other surveys conducted by the Australia Council and A New Approach, which are a long way from real democratic participation. Where would we place the current forms of 'consultation' on Sherry Arnstein's 'ladder of citizen participation'?⁴⁷ A generous interpretation would be 'tokenism' perhaps.



Finding new forms of citizen consultation would be crucial to the implementation of a radical reform agenda for arts and culture. What we might add here is that such a consultation, of which citizen assemblies fully supported by resources of research and facilitation, would have to be informed by the new economic approach we are outlining here. How art and culture are organised economically from a social foundational perspective, and that this

should also be on the agenda, is central to such an assembly. 'In the final analysis', the Uruguayan writer Eduardo Galeano once said, 'it doesn't bother anyone very much that politics be democratic as long as the economy is not'.⁴⁸

As for participation, which the current government invokes in its attack on the metro-elites, perhaps this would be a good starting point. Rather than make 'populist' funding choices, like a touring Lego exhibition, or providing business training for artists, perhaps an audit of participation might be a better starting point. What resources and what capabilities are required for households and/or individuals to participate fully in art and culture, to realise their potential? Do they have access to any form of arts (music, drama, visual art etc.) education in public schools? What kind of local arts and cultural facilities are available? Do local youth services have adequate funding, or health services, or community services, or local employment services? Asking even a few of these questions would show up a very different set of social and geographical divisions, ones which may involve less the culture-loving 'brahmins' of the metropolitan professional class and more the hard-headed 'merchants' who insist on tax cuts and public service cuts.⁴⁹

Such a comprehensive audit, based on access to cultural resources and the acquisition of capabilities rather than forms of consumption, could form the basis of a real process of radical cultural policy making, driven by citizen assemblies and a federal commitment to re-imagine art and culture as foundational for democratic citizenship.

Arts and Cultural Workers

If art and culture are part of basic services, the question also arises as to those who work in this sector. We have all seen the dissonance between eulogies for 'essential' workers and their low rates of pay and precarity. Government budget constraints, efficiency dividends, competitive tendering driven by price point, complex outsourcing to unregulated providers, lax government regulations for low-paid workers, extensive unpaid labour, the rise of 'zero-hours' contracts and so on – all against an historic low for returns to labour rather than capital.

Artists are cultural workers. They have suffered from the specific impact of public sector cuts, which are disproportionate in arts and culture, and have experienced the general wages stagnation as a real decline. The evidence shows cultural worker incomes were hit long before the devastation of Covid, and so too their precarious working conditions.⁵⁰ This also reflects wider shifts in which educational capital – arts and culture are amongst the highest qualified sector – has given way to the 'asset economy'.⁵¹ That is, the returns to education in the form of higher wages is offset by debt, unaffordable housing, low access to wealth funds (superannuation) – and stalled wages rises. After the great claims

for the 'creative economy' as the future of work, arts and cultural workers are now looking to other regulatory benchmarks of 'decent work' based on the SDGs or International Labor Organisation campaigns.⁵² Shades of the 1930s indeed.⁵³

Many pandemic responses were able to support publicly employed cultural workers (and administrators) but even in Germany that was difficult for those not formally employed.⁵⁴ Proposals to regulate platform employment⁵⁵ and the promotion of 'freelancer' co-ops are recent responses,⁵⁶ as is the EU's constant attempt to define the career structure of artists.⁵⁷ These are crucial. But ultimately it will be the regulation of global platforms, able to reduce wages in a highly competitive market, that will count.

Calls for better regulation of the use of temporary and casual staff are growing, as are those asking for scrutiny of outsourced contracts which make responsibility for the conditions of work difficult to monitor.⁵⁸ Full time employment in the sector has declined rapidly, the obverse of the rapid rise in freelancing.⁵⁹

It is in this context that there have been calls for artists' basic income, recalling the US New Deal of the 1930s, but also other schemes in the US in the 1970s, and in the UK (Enterprise Allowance) that provided a basic level of income to artists.⁶⁰ In contrast to basic income (universal or otherwise) the idea of a job Guarantee would also work in this space, providing direct employment for art and cultural workers.⁶¹

Perhaps starting in the 1980s, there has been a tendency to frown upon direct employment of artists as a kind of Soviet-style culture system – the state employing artists on life-time contracts. This is seen as top-down, politically undesirable and against the deepest tenets of bohemian style free-creativity. Yet other professions have long-term contracts and semi-structured career progression – teachers, nurses, doctors, care workers, civil engineers – why not cultural workers? Thomas Piketty charts the rise of the educated public sector professional – the 'brahmins' – but we might question the extent to which the 'cultural professional' and the 'professional artists' have benefitted materially from being members of such a group.⁶² Or perhaps we might see a growing divide in the art and cultural sector between the full-time paid professional administrators and artists, and the growing mass of impoverished culture workers outside of that system.

On the other hand, where might we locate art and cultural workers in any push back towards collective bargaining, as the system of enterprise agreements in Australia crumbles.⁶³ Is it feasible to think of a collective bargaining system for cultural workers, and what would that look like?

Somewhere alongside a guaranteed basic income schemes and standard contracted employment is a space for the employment

of cultural workers in direct works. This is what happened in the WPA under the New Deal, and it gave employment to many whilst producing a great improvement in the public realm and in the wider capacity of audiences and producers. Direct employment of art and cultural workers in the provision of public art and culture should be a key part of any consideration of a 'providential' economy.

Whatever the detail of these different ideas – UBI, Job Guarantee, WPA-style programs (this will be the subject of a future Reset publication) – positioning art and culture as basic services at least allows the questions to be posed. It helps displace the dominant imaginary of precarious, self-employed artists and cultural workers being expected to smilingly act as creative entrepreneurs and start-ups, seeking to find their inner resilience.

Overlooked/ Everyday Economy

An Ambiguous Zone

The FEC's 'overlooked' economy is squeezed between the foundational and transactional economies, and thus sits ambiguously between essential needs and non-essential wants, between (what ought to be) public provision and purely commercial markets. It also combines two, somewhat incongruent, functions: of discretionary spending on 'mundane cultural' or 'cultural comfort goods', and of acting as a key site of 'social participation'. We would agree therefore with Bärnthaler et al, that "better conceptualisation of this rather disparate zone is a prerequisite for effective policies".⁶⁴

For the FEC the 'overlooked' economy includes nail-bars, flower shops, auto-repair, hairdressers, holidays, cafes and restaurants along with the manufacture of basic goods such as cheap furniture. This could make up 20 percent of a local economy. In earlier iterations of their zonal scheme the FEC included the 'overlooked' economy as part of the material and providential foundational economy (sometimes expressed as FE+), thus making up to 70% of local employment in some areas.

However, since the pandemic the FEC were keen to distinguish between essential basics, those whose removal would create real distress, and goods and services from this 'overlooked' zone whose withdrawal (in lockdown, for example) is inconvenient but not catastrophic.

In section 6 we suggested this distinction was problematic – education and non-emergency health can be withdrawn for long periods; human touch is absolutely basic but unlike water, one does not die if deprived of it. We argued that physiological-material 'needs' – what Gören Therborn called 'vital' needs – would better be reconceived as the material and social resources essential

for full participation in society.⁶⁵ We suggested Amartya Sen and Martha Nussbaum's notion of 'capability' was more useful here – a provenance the FEC also acknowledge. Equally, we suggested that a strong emphasis on physiological need could easily lead to a utilitarian approach to human welfare and flourishing, which would be debilitating for the transformative vision that animates the FEC.

For the FEC, the 'overlooked' economy, consists of "lifestyle and comfort support systems" and includes "mundane cultural necessities (e.g., hair-cuts, holidays, bars, restaurants, gyms)" where purchases can be "postponed" and occurs on an "occasional basis".⁶⁶ We think this is a highly restricted vision of the cultural life of humans and communities. Mundane is certainly the word!

The term 'overlooked' itself is somewhat negative. It was preferred to 'everyday' so as to distinguish it from the material and providential foundations - especially after Covid-19, when FEC wanted to re-enforce the 'vital' foundations against the postpone-able inessential. 'Overlooked' was used to identify those small scale, local economies that were routinely ignored by economic development agencies looking for high-value, high-tech, innovation-rich, inward-investment pulling growth generators. So, a creative start-up hub employing three people might be promoted over a basic sofa manufacturing company employing 500. It was in a similar spirit that Ash Amin and Stephen Graham talked about reclaiming 'the ordinary city', which was far more important to most people than the glittering monuments of the 'creative city'.⁶⁷ We entirely agree with the spirit of this, but the very term 'overlooked' and its exclusion from the core foundational economy, rather than re-centring, serves to re-enforce the marginalisation of this 'ordinary' 'everyday' city.

'Everyday life' has a long and radical sociological pedigree, found in the works of Henri Lefebvre and Manuel Castells, for example.⁶⁸ Lefebvre, in the quarter century after the Second World War, identified the 'everyday' as the very locus of our lives together. Rather than seeing it as trivial, compared to factory production or technological innovation, from the 1950s onwards he saw it as the site in which many of the major political struggles of our time would take place. Lefebvre saw the reclamation of the spaces of everyday life, the 'rights to the city' – as witnessed in May 1968 in France – as the very index of liberation. Manuel Castells wrote of the social movements (grass-) rooted in everyday life, part of a new kind of struggle around collective consumption, recalling the pre-history of the idea of the foundational economy. Neither would make a hard and fast distinction between everyday basics and the 'mundane' inessential in the way the FEC zonal scheme does.

The initial purpose of the foundation/ overlooked distinction might have been to delimit public provision and 'the market', but we think this is counterproductive. The term 'everyday' should not be given up because of Covid, and can work to describe the ordinary,

mundane fabric of daily life in a mixed economy of collective consumption, small scale market trading, gifting/ sharing, and the commercialised 'tradeable'.

Just as the highly commercial 'tradable' economy seeps into the very heart of the household, the material and providential infrastructure can provide the foundations for an active civic life, and a thriving local arts and cultural sector. The material and providential foundations make this 'everyday/ overlooked' world possible – not just because people might have more disposable income but because they have the time, energy and confidence to participate in and produce social and cultural life. In fact, material and providential infrastructures are not just about 'household' functions and spending but provide physical and social context for the active creation of civic space and places, of the commons, of the polis itself. 'Everyday communism' takes place in communities and not just in the household-foundation nexus.

Revaluing the Overlooked Cultural Economy

Whilst agreeing with the FEC on the fetishization of 'shiny creative hubs', we suggest there is a high degree of overlap between the 'overlooked' and the small-scale cultural sector. If the foundational and overlooked/ everyday do intersect, then we should take a 'foundational approach' to the latter. This would require a recognition of the central importance of the overlooked/ everyday economy for social participation; a critical take on its economic and ecological sustainability (can local businesses survive; are they promoting unsustainable consumption); and exploring how and where non-commodified, co-operative or non-maximised profit-seeking can be promoted.

We would endorse Bärnthaler et al's suggestion, that a transformative program for this sector would require us to "strengthen, convert, and pursue differentiated policies for different business models", to "strengthen small and medium-sized enterprises, while strictly regulating multi-national companies, which extract rents from non-essential local provisioning."⁶⁹ We think, however, that a transformative program needs to go beyond a Small and Medium Size Enterprise (SME) economy.

It is important to recognise that, shiny creative hubs aside, the small-scale cultural economy is also routinely overlooked. Urban planners, along with real estate, construction, corporate retail/ hospitality actors, take for granted the small scale, local cultural economy that acts as a source of 'vibrancy', even while its operations contribute to its demise. Responses to rent rises and displacement (gentrification), the decay of high-street retail, and now the potential long-term decline of office worker footfall have been minimal in Australia (though more concerned elsewhere). Or, when the last two threaten to seriously commercially usable vibrancy, artists are asked to return to the city centre or retail strips,

though usually on a temporary basis and with no thought of their increasingly desperate position.⁷⁰

Record shops, bookshops, music pubs, nightclubs, libraries, cinemas, small private museums and galleries, as well as the texture of the public realm noted above, are embedded in the everyday city and its overlooked economy. Just as these small-scale cultural activities sustain a large part of the 'formal' culture system, so too does the overlooked economy, supplementing precarious cultural employment through all the small-scale 'everyday' jobs, in hospitality, retail and other jobs that can mix flexibly with their cultural work. Artists and cultural workers are sustained by the overlooked economy, which provides income whilst they 'learn by doing' in the local ecosystem – as they engage in projects and events, try things out, start businesses, open their own spaces, run magazines and online platforms. Despite the creative city hype, these ecosystems are very precarious, and whatever new value they do create tends to be recouped by real estate and up-market hospitality.

These everyday jobs are as important to the cultural ecosystem, and the value chain which feeds on it, as those insects we all take for granted and whose catastrophic collapse we have caused in the pursuit of efficiency. The everyday cultural ecosystem combines the small-scale transactional, with elements of a gift economy (or 'sacrificial labour'⁷¹) and is not only essential to the wider economy of art and culture but produces 'public goods' which should not be annexed by real estate, high-end hospitality and retail, and 'creative city' strategies as a whole.

Public policy should concern itself with this everyday economy as part of its care for a civic culture. Instead, it is overlooked, routinely ignored by policy makers who look for bigger investors, large chains, or branches of corporations headquartered elsewhere. The benefit these latter bring in terms of employment is often doubtful, and the impact in terms of local rents and real estate ownership – either as gentrification or dereliction – is damaging to the everyday economy. A foundational approach would see these small-scale local activities not as residual, or 'meanwhile' (waiting for some 'real investment') but as a zone to nurture and protect, to grow and make flourish,

The 'overlooked/ everyday' is above all where networks and sandwiches meet, and where the question of the local café or a Subway/ Starbucks franchise comes into play. The stakes here are not about non-essential, mundane cultural activities nor simply sustainable small business models but the quotidian civic qualities of our towns and cities, the power of the commons, and the health of the arts and cultural system.

SME Economies

The FEC characterise the overlooked/ everyday economy as market based but locally embedded in a small business economy, and differentiated from the commercial, tradable economy, which tends to involve often highly financialised companies with headquarters located elsewhere, to where profits flow. The overlooked/ everyday economy provides a lot of local jobs, involving small, locally based companies. The FEC have looked at some of the specific challenges of this small business sector, which has a high rate of mortality, and, they suggest, it requires careful support to encourage larger, more robust businesses.⁷²

The issue of SME economies versus large scale companies integrated with global finance is beyond this paper. The FEC are fully aware of the challenges of this model of local economic development, especially with the growing influence of finance and the new role of digital platforms. Without a clear public policy framework, the displacement of local services, or their integration within highly extractive franchise platforms, goes on apace. The disappearance of the high street and the vibrancy of many urban centres is old news, and it has accelerated again in the pandemic. The inability, or unwillingness, of local economic development agencies (or governments) to support small scale businesses, especially in low tech, jobs rich sectors such as manufacturing, is clear in Australia as it is in the FEC's UK.⁷³

It is crucial to note that much of the cultural, and then creative, industries agenda was built on claims for the transformative role of small and medium sized enterprises and the networked milieu which supported them. So too the 'creative city' agenda, when concerned with new forms of production rather than consumption, has focused on an urban infrastructure able to facilitate networking, serendipitous encounter and collaboration, and rapid access to diverse, niche skills – primarily looking to 'creative clusters' (or 'quarters', 'hubs', 'precincts' and so on).

Though the creative city zeitgeist may have passed, and, especially when linked to Richard Florida's 'creative class', is easily dismissed as an ideological cover for gentrification and the entrepreneurial city, its deeper provenance should not be written off so quickly. The cultural industries agenda, in its early iterations, seemed to exemplify the promise of the post-Fordist city, where de-industrialisation could be experienced as liberation and transformation rather than as existential loss. They were associated with new forms of work, new kinds of identities, new modes of city living. They represented a 'third way' between state and market, between the defunct (post-1989) models of Soviet Communism and the corporate free market represented by the US. For a time, SME economies in general and cultural industries in particular, were promoted as part of a distinctly European, 'social market', model. This imaginary remained important, even as claims for

a radically new 'cultural economy' were exposed as overblown as the idea that it could replace manufacturing jobs. Class and geographical inequalities increasingly made themselves felt within the sector, at the same time the UK's 'creative industry' turned away from the 'Third Italy', social network market model towards the libertarian-inflected tech 'start-up' imaginary coming in from Silicon Valley.⁷⁴

For the leading theorists of an SME-based urban cultural economy, Allen Scott and Andy Pratt, it provided good, economically sustainable jobs and beneficial 'externalities' – enhancing well-paid skills, catalysing further innovation, working symbiotically with the urban environment, and generating a rich cultural environment.⁷⁵ The urban cultural economy was not just valued in GDP terms but because it was a benign economy with positive socio-cultural externalities. Whilst the overblown economic claims of creative industries can be dismissed, and the pursuit of the 'shiny creative hub' at the expenses of more realistic development opportunities rightly criticised, the creative city as a site of cultural production is an important test case.⁷⁶

Scott and Pratt's cultural economy did seek to value an economic sector for its wider socio-cultural benefits – which, we might say, is where contemporary ecological and community economists are also taking us. More pointedly, it sought these benign socio-cultural effects through the promotion of an SME economy – the enterprises themselves but so too the complex institutional and infrastructural milieu which made them possible. They looked to sophisticated and well-informed policymakers, delivering to both industrial and socio-cultural agendas, as part of good city management – echoes of 1990's 'cultural management' but now firmly located in urban planning and economic development. This agenda failed, mainly because the enveloping context and overarching narratives of neoliberalism made it impossible to sustain. Neoliberalism rejected industrial policy at the very moment culture was calling itself an industry, and the kinds of sophisticated policy making required by Scott and Pratt were being simultaneously dismantled. The vision required to deliver on such a policy became less and less available as industrial, social, urban and indeed cultural planning was subjected to narrow econometric calculations, city administrations were cut and hamstrung, and the creative industries were reduced to the baldest 'return on investment', 'jobs and growth' requirements. As the urban realm became increasingly dominated by investment capital, the idea of protecting localised creative SME economies because of their socio-cultural externalities quickly evaporated. Start-ups and global platforms, and their spatial manifestations exemplified by WeWork, became the dominant policy imaginary.⁷⁷

So too, the rise of the platform economies and the growing dominance of investors within 'legacy' cultural industries has seen a definitive shift of power from creatives to corporations.

We have discussed this in relation to cultural workers above, where they have suffered a worsening of conditions alongside other professional and non-professional workers. The bargaining power of cultural workers, which perhaps more than any other sector was undermined by the massive reserve army of the unemployed, (writing scripts or dance albums in their bedrooms) has certainly declined in the last decade. A key aspect of this has been the platform companies, whose control of distribution in music, for example, has led to a collapse in musicians' income, especially in the pandemic. In terms of work performed for these companies, competition is driving down wages - outside the fortified compound housing the victors in this 'winner-takes-all' model.

More worryingly, the ways in which the digital economy now reaches down into the local, the communal, the personal, the familial has meant that extraction starts earlier now. This can be seen in the music industry, where what had previously been gift ecologies – bedrooms, sharing communities, small creative spaces – are far more easily integrated into the platform supply chains.⁷⁸ The integration of a dispersed, highly differentiated workforce motivated by things other than income (such as the mushroom pickers) into a global supply chain, has a long history in the cultural industries.⁷⁹ Whatever space of relative autonomy or bargaining power cultural workers managed to acquire from the 1990s on has been severely curtailed. What David Hesmondhalgh calls the era of 'complex professional', which emerged from the 1960s and 1970s, might be turning into something else.⁸⁰ The accelerating circulation of projects and project workers, abruptly halted by the pandemic, has turned large parts of the cultural sector into an exhausted 'projectariat'.⁸¹

We discuss this at length not only to stress the importance of the 'overlooked economy' but also that it produces an ecosystem, an 'externality' which is the woof and weft of urban and community life. It can be seen as a 'small business economy', but it also requires an approach that beyond just a mix of business models. Such an approach is not enough outside a wider vision of the 'benign externalities' that Scott and Pratt thought would be automatically entailed by a cultural economy agenda. The failure of the urban cultural economy vision was both that it did not adequately address the neoliberal forces ranged against it, and that it set out its vision as one of economic development, however benign. On the other hand, whilst the fetishization of the 'shiny creative hub' needs to be rejected, this should not lead to the valorisation of 'basic jobs' over 'creative industries', but rather a reconceptualization of this cultural SME economy as a complex ecology with good jobs and good skills, with positive socio-cultural externalities. The 'overlooked' economy is of crucial importance and needs to be described in much more complex and positive terms, and the stakes involved described in a radically different, transformative language.

The Everyday Commons

It is precisely against the impact of the commercial-tradable economy on local 'everyday' economies that much of the new thinking on community economies, the 'commons', local doughnuts, well-being, circular and sustainable economies and so on (as discussed in section 3) are aimed. There's a strong political agenda here, in the name of equity, sustainability and community-building, for both the promotion of local economies and for their de-commodification, or for the value generated to be better retained and shared locally. The call for an enhanced commons, citizen platforms, co-operatives, community wealth schemes, are often linked through the 'new municipalism' to the same liberal, socialist and anarchist historical roots as those of the foundational economy.

Which is to say: the stakes involved in the 'overlooked/ everyday' economy are as important as those of the material and providential foundations. To counterpose the two as essential/ inessential, state/ market (however small-scale) is to ignore a major political site of struggle. It should be said that in their various reports there is no doubt that the FEC are fully behind the development of local services, economies, commons, sharing platforms and so on. Indeed, the zonal schema has conceptual antecedents in Fernando Braudel's work, especially his distinction between localised markets, often governed by 'moral economies' rooted in custom, and large-scale mercantile capital, increasingly backed by the state.⁸² How to govern such localised markets, to ensure they deliver jobs and wealth, but also the texture of everyday life, and to find the correct articulation with the public provision of material and providential services is, we take it, the spirit of the quote from the FEC's Morrision report quoted above.

This is crucial to us because much of the cultural ecosystem is rooted in local, everyday economies combining small scale businesses, public grants, formal and contracted employment, subsidised companies, some large commercial businesses - all embedded in complex local networks. Already the impact of global finance, flowing into global real estate has transformed the landscape of towns and cities, with places such as London and Berlin seriously worried about the disappearance of these everyday creative spaces from the landscape. It is making it impossible for artists and cultural workers to find affordable working or living space in the city.

How to manage this would involve careful and proactive urban planning and regulation, of which there are a few examples in Australia. Victoria has tried to tinker with planning laws to retain potential manufacturing and creative space.⁸³ Cities globally have sought to protect creative spaces, but in Australia spatial issues for cultural production is mostly tied to commercially driven 'precincts'.

The spatial question is linked to growing interest in basic services and basic income. New generations of arts and cultural workers are arriving loaded with debt, into a world whose economic security is built around asset ownership - assets they are less and less likely to be able to own, with wages stagnant overall and employment uncertain. It is precisely these problems that universal basic service and basic income seek to address. In this sense, one of the most effective arts cultural policies would be to provide free education, affordable health insurance and housing, and good public transport. That is, the solution to the collapse of the everyday cultural ecosystem lies in the provision of foundational goods and services, which would open up the space, time, energy and resources that were taken for granted in the 1980s hey-day of the creative city but which are now no longer assured.

Aside from basic services and income, there are other options: the promotion of co-operatives, asset sharing, freelancer platforms such as SMART in Europe. Why, for example, call a collection of live venues a 'music industry' when this network of community-based arts and cultural venues could be organised on a far more equitable and sustainable basis through community co-ops? In this way, as we have suggested throughout, a local cultural economy agenda needs to connect with the 'new municipalism' and its vision of urban led transformation.

Rather than seek to grow a mythical creative or 'createch' economy we would be better placed looking at what is happening under our noses in this overlooked, everyday economy. The new approaches required are still sketchy, almost non-existent in the cultural sector outside some 'prefigurative' projects. We have used the word 'ecosystem' repeatedly, to point beyond the merely transactional to the complex mix of what economists call 'traded and untraded interdependencies', the social and institutional thickness of the milieu, the different values that are bracketed out of standard economic models. It might be that models taken from the environmental movement can be applied here, thinking complexity and interdependency.⁸⁴ However, we need to be cautious about ecology as a cybernetically self-correcting system, dear to the libertarians always keen to embrace disruption as leading us ever upwards. Ecosystems collapse, as we all know.

Fundamentally the everyday economy is about both the continual making and remaking of places and the retention of this value for communities rather than real estate and corporate retail/hospitality. It is an essential part of the right to the city as the collective consumption of foundational services. The calls for the reorientation of urban economies and urban planning towards sustainable and socially equitable development, such as the 'Melbourne Doughnut', are underpinned by the idea of the 'commons': that the wealth of the world is a commonwealth, and that policy should flow from this, rather than the absolute, exclusive rights of private property.

This is of a part with the demand that the economy serve human wellbeing, rather than propitiated as an autonomous growth machine. Similarly, cities are powerful economic engines, but ultimately their purpose is to allow us to live and flourish. Rather than a marginal, 'overlooked' mundane economy in which our 'social participation' is elicited through rickey set of failing local businesses, we ought to see everyday culture as the warp and weft of the city. Not only the warp and weft: conceived as at its widest, from the material and social foundations, and the textures and meanings of everyday life, through science and art, to the city's complex collective and contested endeavours, culture is surely the ultimate goal of the city.

Commercial - Transactional

Foundational Economy as Pragmatic Leverage

By disaggregating the economy into zones, the FEC were able to focus on the crucial importance of foundational infrastructures and services to local economies and to the prosperity of local communities. If we add to these foundations the 'overlooked' economy, as FE+ this captures the majority of national and regional economic activity. To then argue that these should not be subjected to the same short-term, profit-maximising, GDP-fixated policy imperatives as the commercial-transactional zone is a point of leverage for a radically transformative agenda.

In centring the foundational economy, the FEC deliberately take a pragmatic, reformist path; they can build their agenda on the historical and normative base of the welfare state. They try to show why more investment here can have far-reaching impact on households and communities. Well aware, however, that the transactional economy has made great inroads into the welfare state and the foundational economy more generally, they seek to limit its predations by the idea of the 'social license.

There are huge corporations involved in health: 'big pharm', health technologies, private health insurance and provision, aged care and so on. So too in education: student loans/ debt, student accommodation, educational publishing and television, tech hardware (servers, interactive white boards) and software (course software, Turnitin) and so on. Both health and education are permeated by financial, HR-management and performance evaluation software, and subject to creeping privatisation and outsourcing. Many Vice-Chancellors in Australia (and elsewhere) unashamedly see universities as businesses.

These corporations do not always work at the level of discretionary consumer spend but are given large contracts to deliver basic health or educational services. The private sector providers, often linked to global finance companies, extend the transactional

economy into the heart of the foundational economy, and expect large-scale returns. That is, if 'privatisation' of once public services happened in the 1980s and 1990s, since then we have seen the private sector deliver what are still publicly funded services, on a for-profit (and often guaranteed profit) basis. The transactional economy is not just a separate zone, to be left to its own devices, but increasingly seeks financial returns from delivery of foundational infrastructures and services. It is what Brett Christophers called 'rentier capitalism' and Dylan Ryley calls 'political capitalism'.⁸⁵ It is rife in Australia.

In many ways then, one of the key 'business models' of the transactional economy is to seek high-returns via the delivery of foundational services – with the risk taken by the public sector, the profits taken by the private. The FEC are not just concerned with the 'discursive' domination of the transactional economy in the economic policies of government, but also the transactional economy's actual domination of the foundational economy, to the detriment of the infrastructure, services and citizenship entitlements on which this is predicated. In this they are far more cognisant of the interpenetration of capitalist and non-capitalism zones of the economy than, for example, Gibson-Graham.⁸⁶ It is for that reason that they call for a 'social license' to be imposed on private sector providers of foundational services – setting quality of delivery and limits on rates of return on investment, whilst at the same time working for more public (state or non-state) provision.

This is how we might approach the transactional economy for art and culture. The difference is that health and education are still, despite ever greater attempts to reduce them not just to their economic and directly commercial outcomes, deemed to be a 'public good'. Art and culture, however, are only residually considered part of the welfare state, or the social foundation.

This is not just an outcome of culture-as-industry, the opportunist response of the sector to its already problematic position in public policy. Cultural policy was caught in a pincer movement.⁸⁷ One pincer was the individual sovereign consumer, personal preferences ('every dollar a vote') aggregated by the market into signals back to producers about what audience want. This has been dominant. The other pincer was the radical-democratic challenge to the established cannon. In bald terms, this complex, multi-stranded movement from what we might call 'cultural progressives', saw judgements of 'good' or 'bad' as inevitably resting on a class, gender, racial or sexuality-based authority that was not legitimate. One of key consequences has been either the validation of the individual sovereign consumer or of individual lived experience over any 'cannon'. The result has a deep problematisation of public policy for culture and an inevitable default to the market.

Any program to re-assert the public value of art and culture would need to confront this pincer movement philosophically, normatively,

and politically. We cannot do all of this here, and focus on one half of the pincer, the economic.

Rather than abstract debates about publicly funded versus commercial culture, we have tried to indicate where art and culture might sit within the foundational economy. Here we ask: where might public or not-for-profit provision be more appropriate, and where might we seek to impose a 'social license' on those large cultural industries which reach down into the very heart of home and community.

A New Social Imaginary

Just as we need to assess how far the health, education and indeed care and social services 'industries' are delivering to the actual needs of citizens and are doing so in a way that is equally accessible and non-stigmatising - we need to do the same for art and culture. We might see this assessment as complementary to the audit of household and individual access we talked about above: how far does the private sector satisfy public need? The grounds for such assessment need to be expanded way beyond the ideological nostrums of 'expressed market preferences'. This in turn would not only involve a challenge to the motivations and ideologies behind privatisations – whose justifications of 'efficiency' are now thread-bare – but require a new positive language to describe the role of the state.

This has been the task of many of the thinkers we discussed in section three – Marianna Mazucato's 'crowding in', the 'entrepreneurial state' and the grand vision of 'mission economics' is the most famous. In Australia Richard Denniss and John Quiggin have led this charge.⁸⁸ What would this mean in terms of the cultural industries? We're only beginning to engage with this, as three decades of culture-as-industry has reduced cultural policy to follow the market.

The commercial-transactional zone makes up 40 percent of national GDP, and is where the large-scale cultural industries (media, screen, music, publishing), commercial art and entertainment, and also, in many ways, the major subsidised institutions, are located. Many are global, or embedded in global corporate structures and supply chains, and they are concentrated in a small number of metropolitan locations. It is to this commercial sector that much of the creative industries policy addresses itself, but the path dependency here is very strong. For one location to break into this global elite is extremely difficult. They rely on clusters or agglomerations of many specialist, mobile workers, able to form fluid project groups, and who make a living by taking up a range of jobs. This also favours metropolitan concentrations, where there are enough jobs available to make a living.

The commercial zone is by no means separate from the 'everyday' or even the household/ communal but saturates it. Global corporations reach into the very heart of the home, into the screens, the bookshelves and the earpods of the community. Their creation of a privatised public sphere has been at issue since the 1920s and sparked the first debates around cultural industries in the 1970s. How far we wish to give over the production and distribution of art and culture to the corporate world and what we might do about it should we want to limit and/ or regulate this sector, is an issue that was buried from the end of the 1990s. The emergence of a digital public sphere that is almost entirely privatised has brought this back onto the agenda.

However, if art and culture are to be re-imagined as essential and not purely discretionary, then the ability (or lack of such) of the commercial zone to satisfy these cultural needs can form a crucial element of art and cultural policy. Checking for local content and 'Australian stories' are one aspect of this, but highlighting the fact that Australia is a net importer of art and cultural goods and services is an issue that goes beyond debates about 'import replacement' and competitive advantage. A country that is not able to produce the scope and quality of art and culture that the population requires might ask serious questions about its distinctiveness and identity as a democratic nation-state.

In addition, cultural industries operating in this commercial zone rely on public externalities – education, the cultural ecosystem, the built environment, welfare – which retain and sustain the financial viability of cultural workers. The transactional economy in arts and culture is highly integrated with the everyday economy of precarious freelancer, and indeed, takes advantage of it. As with public transport, education and other collective goods, the transactional economy relies on public investment even when it claims to be the primary wealth creator and innovator. This point has been made strongly by Mariana Mazacatto.

If art and culture are seen as essentials, along with health, education, social care and so on, then getting the relationship right between the transactional-commercial cultural sector and the provision of basic needs is crucial. There are large scale healthcare, social services and educational corporations, but – theoretically at least – these are held to their ability to deliver to basic needs (as determined by government). What is distinctive about art and culture, and what has help lead to the current crisis, is that it was uncoupled from social need, and thus a responsibility of government, and positioned as pure discretionary spending to be best provided for by the market. Exceptions were the subsidised sector, whose association with heritage, elite and colonial forms is making even this increasingly untenable.

If art and culture are seen as essential needs, the public has a clear stake in what, how and to whom it is delivered by the private sector.

At stake is the public sphere, and the domination of that public sphere by a few large players, and the crowding out of small-scale, less profit-driven outfits in this public sphere.

For example, as we suggested above, the household may be a in part non-commodified zone but it is also a site of highly commercialised transactions involving global corporations. Home consumption of cultural goods and services has been on the rise since sheet music, gramophones, radios and television – now accelerated by the arrival of smart screens, mobile devices and personal computers, and the communications hardware, software and ‘content’ services which have grown with them.

Access to the internet and cable services is deemed ‘essential’ (in developed countries), and watching screens is routinely seen as a strongly family and friends-based activity, in the heart of the household economy. These global platforms do not just provide services ‘after the basics have been met’ - they are those basics for many people and communities. How then is art and cultural policy to address these? As we suggested above, whilst debates about publicly guaranteed fibre optics are common the parallel debate about public provision of ‘content’ has atrophied.

Yet the ABC one area where welfare state-like support is very high. Concerted attacks on public broadcasting from free marketers to anti-paternalists led instead to mono-or duopolies, de-nationalisation of content as overseas corporations recouped economies of scale, and the crowding out of the idea of the public by the algorithm-consumer nexus. It is no coincidence that the decline of public broadcasting is at one with the erosion of the public sphere. Deprived of the means to adapt and respond to the radically transformed landscape of public media, the exclusive focus on what television theorist John Hartley called the ‘citizen-consumer’ has hollowed out rather than expanded the public.⁸⁹

The problem is the language in which this is presented – needs replaced by efficiency, defined at responsiveness to consumer demand, value for money etc. If there were a shift to setting this sector within the frame of overall social need and public value, we would need a new vocabulary. We are engaging in what Kate Raworth, quoting Tony Judt, calls a ‘discursive struggle’, but we have little of the language and shared concepts to start this long and difficult process.

Let the market decide has trumped the ‘nanny state’. Even if we could develop the new language, and the new public policy capacity, we would then have to re-establish some contract with the public – on what basis and in what ways would we want to organise the delivery of a public system of art and culture. Some of this would be about regulation, fair competition, local content, and some about subsidised services, investment in regional and local culture. But to have a debate about the proper purpose of art and

culture, its relationship to the public sphere, the role of the different economic 'zones' within this – this would involve new levels of consultation, citizen assemblies, participatory budgeting, more democratic boards and regulatory agencies. It would, in short, require a radical reconstruction.

The arts and cultural sector, at present, lack the capacity to develop and implement such a policy programme. Arts has disappeared from the federal portfolio, the federal government under Abbott has abolished the ABS's cultural statistics unit, the federal government has abolished the Cultural Ministers Council and its Statistics Working Group, communications and media are the province of market regulation and security, with few principles left other than ensuring competition. Global monopolies have digested the vast majority of local media – radio, TV and Newspapers – leaving a fig-leaf and a residual public broadcasting service constantly under attack. How would we begin to think though what a public broadcasting policy might look like, in an era when universities, libraries, government departments not to mention individual households rely on search engines and social media run by global monopolies almost completely outside the jurisdiction of the nation-state.

One striking feature of the cultural economy policy literature is the absence of any actual analysis of how the cultural industries work. Cultural economy is invoked, with various mapping, employment or other impact indicators, yet analysis of how the industry operates is confined to the industry consultants or a small branch of cultural economy academics. Cultural industries have a very distinct formation, most of which has been clearly documented since the 1980s, though the impact of digital platforms and financialisation is still being worked through. Winner-takes-all, monopolies, rent-seeking, returns to economies of scale, the reserve army of the unemployed – these require very specific and informed public policy responses. The unavoidable impact of the social media platforms has given a boost to regulatory policy interest, especially in the EU, and interventions such as citizens media noted above are growing. There is an international convention on the 'Protection and Promotion of the Diversity of Cultural Expressions', which allows governments leeway in this. Unfortunately, this has been reduced to a creative economy charter.

We would need to re-learn older language, techniques and legal framing of fair competition, content regulations, quotas, labor regulations and bargaining. Industry policy, consigned to the past as a Keynesian aberration at the very moment culture itself was becoming an industry, would also need to be revisited. So too the norms and capacities of a public administration that would allow such policies to function away from direct ministerial fiat. Older concerns with geographical and social fairness, central to an older idea of nation building, would also have to re-emerge from the margins.

These would meet new a set of concerns around promoting and protecting robust SME economies as part of a re-invented industrial policy. Adapting this to a predominantly services-based economy, in which high-tech and high-touch manufacture plays a key role would be crucial to any cultural production strategy. New approaches to 'ecosystem management' that have come out of sustainability economy thinking would play a key role here, as well as new forms of participation, devolved decision making and democratic control. A real debate around education and training, driven not by political rhetoric (universities being asked for industry outcomes when the government itself has no industry policy, for example) but a coherent assessment of how the different levels of education contribute to the cultural sector – and thus to democracy more widely.

This is an agenda for the near future, unimaginable as it might be in the current slough of despond induced by one of the most ideologically right wing and administratively incompetent governments in Australia's history.

This would require a positive assertion of public values against let-it-rip market ideology. The weak 'national industry' argument that is still the default – culture contributes X to GDP and drive exports and soft power – need to be reframed in terms of democratic citizenship. It would mean, for art and culture, that a complex mixed economy would be required to deliver to wider cultural and normative-political values. That's a tough gig.

Coda

Such a program will certainly face challenges from the centre and right of politics, where market fundamentalism is still dominant – but also from the centre and left, where the 1990s celebration of commercial popular culture was often seen as 'escaping' from a stultifying, patronising, patriarchal, and elitist state control of culture into the liberation of the market. As we noted at the start of this section, the anti-elitist line of cultural critique that accompanied the calls to expand cultural citizenship and participation has also seriously undermined the grounds for cultural judgement. 'Let the market decide' is not only a right-wing ideology, it also absolves us from having to say 'this is better than that'.

This question is far more complex than such a statement implies, and our acts of cultural judgement are multiple and distributed throughout our cultural lives, as the quote from Stephano Harney above suggested. Perhaps the role of public policy is mainly to establish the context in which these acts of individual judgement can be made – the capabilities of each, the resources available, the encouragement and respect extended to all. Nurturing the ecosystem in which such capabilities, resources, recognition and judgement can flourish is the goal of public policy for art and culture. Markets are in the mix, but they cannot be the underlying principle on which that mix operates.

This can be seen in the current anxiety – crisis - around the fragmentation of the public sphere, where its revolutionary transformation was given over to a small group of unregulated tech-companies in North America. This fragmentation is not just an issue of social media bubbles but a wider crisis of ‘the social’, of what makes society possible. This question was present when ‘aesthetics’ was first put forward as one of the solutions to our fragmented society in the mid-18th century. That solution is no longer viable (if it ever was) in anything like that form, but the questions it raised, about the *sensus communis* are still pertinent. Kant’s idea is often reduced to ‘taste’, but it is more an ‘unlearned’ common sense, perhaps a ‘whole way of life’. It is related to formal public reason but also to our sensual and emotional relation to the world, which is part of what ‘art’ came to articulate. *Sensus communis* is less a canon than the site where we can have our ‘ongoing conversation’ about what we share, or what we don’t share. Brian Eno’s ‘dancing together’ says it better perhaps than a community of taste, but the collective ethos, the individual as part of a complex wider community, one that has to find a way of speaking to itself – that’s part of any *sensus communis*.

The alternative is the art and culture of post-democracy. Colin Crouch defines this as:

A post-democratic society therefore is one that continues to have and to use all the institutions of democracy, but in which they increasingly become a formal shell. The energy and innovative drive pass away from the democratic arena and into small circles of a politico-economic elite.⁹⁰

We have focused on market fundamentalism, but we need to remember that the ideological function of media and culture remains – to provide a framework for, what Noam Chomsky called, ‘manufacturing consent’. It is never as simple as that, but nonetheless, the current evolution of art and cultural policy is not just about markets but about manufacturing consent to the kind of post-democracy that is slouching towards Canberra.⁹¹ Not so much an all-encompassing totalitarian uniformity, as in the 1930s, but a ‘war of all against all media’, and a cultural policy which valorises ‘simplicity over complexity, ... popularity over talent, ... banality over genuine invention because complexity encourages critical thought and critical thought is the enemy of authoritarianism’.⁹²

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- 2 Tim Jackson (2016) p.16
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- 4 FEC (2020) *The Foundational Approach* <https://foundationaleconomycom.files.wordpress.com/2020/08/fe-approach-2020.pdf>
- 5 Rick Morten (2021) Brutal cuts to NDIS sees some plans halved without consultation' *The Saturday Paper* 21st August <https://www.thesaturdaypaper.com.au/news/politics/2021/08/14/brutal-cuts-ndis-see-some-plans-halved-without-consultation/162886320012270>; Rick Morten (2021) How Private management consultants took over the public service' October 9th <https://www.thesaturdaypaper.com.au/news/politics/2021/10/09/how-private-management-consultants-took-over-the-public-service>
- 6 On the NHS see FEC (2020) Research Report: *When Systems Fail* <https://foundationaleconomycom.files.wordpress.com/2020/06/when-systems-fail-uk-acute-hospitals-and-public-health-after-covid-19.pdf>
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- 11 https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/BudgetReview202021/SocialSecurityWelfare
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- 13 FEC (2020) *The Foundational Approach*.p.3
- 14 Lisa Adkins, Melinda Cooper and Martijn Konings (2020) *The Asset Economy*. Cambridge: Polity
- 15 Coote and Percy (2020)
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- 17 For a policy overview Katie Warfield, Erin Schultz, and Kelsey Johnson (2007) 'Framing Infrastructure in a Cultural Context. A National and International Policy Scan'. Working Paper 3. Creative City Network of Canada. [https://create.nsw.gov.au/wp-content/uploads/2019/02/20190206_CIP2025.pdf](https://www.academia.edu/8213745/Framing_Infrastructure_in_a_Cultural_Context_A_National_and_International_Policy_Scan_For_recent_policy_accounts>Create NSW (2019) Cultural Infrastructure Plan. <a href=); Government of Western Australia (2020) Western Australian Cultural Infrastructure Framework 2030+. https://www.dlgsc.wa.gov.au/docs/default-source/culture-and-the-arts/cultural-infrastructure-toolkit/cultural-infrastructure-framework-2030-summary-report---online-viewing.pdf?sfvrsn=7c45271_8
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- 87 This image is stolen from Professor Nick Matthew, of Berkeley, who used it in a symposium on aesthetic education at the University of Adelaide in November 2021.
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What Next?

This is a working paper, not a consultancy report. The actual details of a transformative program based on even part of the above are beyond us – they need to be collectively worked out and we are a small collective. But this is the first of many such interventions, so stay tuned to:

<https://resetartsandculture.com>

Creative People, Products and Places (CP3) is a research centre based at the University of South Australia.

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