

No Money for Culture?

Finding ways to organise culture in countries in transition -A Compendium for NGOs and Public Administration.

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This compendium combines presentations and discussions held during a study visit to Saxony in September 2012 as part of the project *Music Without Borders*, and during the *PIN Conference* in Skopje in November 2012.

It is not a scientifically approved objective guide, but reflects the opinions, problems, and solutions identified by the experts from the cultural praxis.

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Music Without Borders – from Germany to the Balkan States

The project *Music Without Borders* 2011/2012 had two main goals: first, the support of NGOs in the Balkan region in order to strengthen their ability for interregional and international cooperation, creating new connections between NGOs from the Balkan states and those from the European Union. Second, improving the dialogue between NGOs and public authorities in the Balkan states on a local level by exploring ways of better cooperation between both sides. The project was financed by the *European Union*, by the foundation *Robert Bosch Stiftung*, by the *City of Dresden*, and by the *Administration of the Federal State of Saxony* in Dresden.

The NGO *Kultur Aktiv e. V.* from Dresden as coordinator of the project was supervising and supporting the implementation of the project goals. With their partners from the Balkan states, *Kultur Aktiv e. V.* worked on ways to improve the current situation in those regions based on experience with cultural work gained by NGOs and institutions during the last 20 years in Saxony.

This compendium shows different types of cooperation between local administrations and local NGOs as they are operated by the project's participants. The second part deals with examples of NGOs working in the cultural sector in Saxony and their different models of realizing cultural offerings. At the same time, the compendium will take a quick look at the partner NGOs in the Balkan states and characterise their work. The third part puts the spotlight on the work of local public authorities and the question at how they support local initiatives dealing with culture. The main focus of the compendium is on the diversity in interaction between NGOs and local public authorities.

The purpose is not to teach how to act, but to present actual examples of cooperation between public authorities and NGOs in the cultural sphere as an inspiration for reforms in the Balkan states on their way to the *European Union*. Since East Germany already underwent the change the partner NGOs in the Balkan states are facing now, examples from Germany may serve as possible guidelines and as best practise examples showing how local cooperation between governmental structures and NGOs in the cultural sector can be realized.

The situation in the Balkan states at the moment is similar to the one in East Germany in the early 90s of the last century, especially regarding cultural policy. In the Balkan states there still is a kind of top-down government in which public authorities often act without acknowledging the needs of the civil society. In terms of cultural acitivites this means that it is hard for independent NGOs to get support from public authorities, and the small cultural budget is often spent on state owned institutions such as libraries and museums.

These problems are familiar to NGOs in Dresden, as it is located in East Germany, where before the political change all important decisions used to be made by the political institutions in the capital – East Berlin. The guidelines for cultural policy in the GDR as well as the regulation of cultural activities in the capital and in the regions were decided by the *Ministry of Culture* in East Berlin.

After the political change in 1989, a step-by-step decentralization of political institutions took place and modelled the example of West Germany. The model of partially politically independent federal states with their own parliaments was applied. In addition to installing the federal system in the former GDR, the decentralization process provided the municipalities with more political independence.

Applied to cultural policy this resulted in a shift of responsibility for cultural issues from national to federal level – the so-called cultural sovereignty of the federal states. The federal states for their part transferred the responsibility for cultural offerings of local interest only to municipalities – including financing.

In this new administrative system, municipalities had to finance cultural offerings on a local level for a big part on their own: not only municipal theatres and libraries, but also independent providers of culture such as NGOs, and many others. Financing included not only payments for venues and spaces, but also salaries for the staff. To secure cultural offerings, municipalities were receiving additional financial means from the corresponding federal states. Municipalities could not bear the total costs of maintaining local cultural offerings out of their budget.

To avoid immensely high costs for the administration of culture in municipalities, new models of cultural offerings were created. All in all these models pointed towards a privatization of those offerings by means of outsourcing cultural tasks, including socio-cultural tasks: those connecting cultural, educational, and social aspects. They were transferred to NGOs and institutions working on a local level, organizing cultural offerings for and with the help of local people.

The outsourcing of activities met the interest of people who were engaged in civil society movements. Often organized in the legal form of NGOs, they looked for rooms and spaces as well as for financial resources to realize their ideas of socio-cultural work. Thus, NGOs took over rooms and venues from the municipality – often former cultural institutions of the GDR – and run them independently. This way, municipalities could save money on organizing cultural offerings while NGOs got the chance to provide the people with their own cultural programmes with a social approach.

But this did not mean that administrations and NGOs were working separately. The cooperation was based on supporting arrangements between them. Because NGOs in most cases had very little resources and did not earn the amount of money they needed to continue their work, they required financial support. Thus municipalities often subsidised NGOs or provided them with non-monetary values such as rooms and spaces free of charge for their work, as examples of the partners from the Balkan states will show.

New concepts of organizing cultural offerings also required the help of public authorities in smaller towns and rural areas. Since centrally arranged financing of culture no longer existed, administrations in these regions had to find ways of financing culture with a low budget in an economically less developed region. Strategies had to be found in order to make municipal administrations dealing with cultural issues and public cultural institutions work more effectively. The basic idea was simple: the more money be saved by administration departments the more money remains for cultural offerings.

We hope the project and its documentation can serve as a guideline for future projects in the same field. It may be interesting for all transforming countries and can also be transferred to the sphere of social practise.

We want to thank our partners for the successful cooperation and the *European Commission* for funding the project through the *IPA* programme. In addition we would like to thank the *City of Dresden*, the *City of Plauen*, the *City of Zittau* and the foundations which helped to realize the project. We are convinced to have contributed to the development of NGOs in the cultural sector in the Balkan region and hope to have visible results in the future.

Cultural offerings in East Germany – History at a Glance

After the end of the socialist system in East Germany, the system of cultural offerings and cultural policy had changed completely. In the GDR, culture and cultural education had had a big value in society and the governement spent big amounts on cultural issues. Nearly every village had its *Kulturhaus* – a *cultural building* where cultural events were offered on a regular basis: concerts, film presentations, events. Many cities had their own theatres, libraries, and community colleges. Cultural offerings were subsidized and admittance was low so that everybody could afford to take part in cultural activities, workshops, or programmes.

The public cultural policy in the GDR was based on this system of cultural buildings. These buildings had their origins in the traditional cultural centres the working class had created at the beginning of the 20th century and which were adopted by the Soviet Union.

The official purpose of cultural buildings in the GDR was to provide cultural offerings to a big part of the population. At the same time they served as a space for political indoctrination via cultural education. Artists, painters, musicians, etc. had a secure income paid by the government. Therefore, they had the order to take part in the "correct" education of the population. That way, the government was sure to control the cultural sector.

Cultural policy was decided in the political center – in East Berlin: What is socialist culture? What does cultural education mean, what are its contents? The system of cultural buildings was used to transport the ideology to the different regions and to offer a governmentally directed cultural programme to the people. Every cultural building and its programme was controlled by the local administration, which got its instructions from the *Ministry of Culture* in East Berlin¹. A possibly independent cultural activity was seen as imperialistic non-culture by the government of the GDR.²

Providing affordable culture for everybody was an important part of East German ideology, especially compared to Western states. That is why after the political change in 1989 there was such a high density of cultural offerings in East Germany - much higher than in West Germany. Of course, the resulting political desire was to retain as much cultural offerings as possible, among them local theatres, museums, but also former youth clubs. Some of the cultural houses took their chance and realized their own concepts. Active citizens - often they had been activists in non-governmental or clerical organizations – used the rooms available in former cultural buildings to start their own projects without being patronized by the local administration. In order to receive financial support from the state as well as foundations, most of these initiatives chose the legal form of a NGO.

As associations of citizens, engaged by their own will and with their own concepts, local NGOs are closer to the society and its needs then governmental structures could ever be. Combined with the principle of subsidiarity, understood as decision-making on the lowest possible level, the role of NGOs increased, especially in the fields of social action, ecology, and culture. Replacing the centralized administration by the state, as it was the case in the GDR, a bottom-up approach was implemented. Through that, state structures could let many tasks be dealt with by NGOs while giving financial and non-monetary support. Nevertheless, a continuous dialogue is necessary to improve the conditions of the NGOs' work and to optimize the support by governmental structures.

Due to their concepts and structures, local NGOs are closer to society and its needs then governmental structures could ever be. Nevertheless, a continuous dialogue is necessary to improve the conditions of

¹ In the 1980s, some youth clubs as part of the system of cultural houses could partially achieve a relief from governmental control and realize an alternative programme such as Scheune in Dresden and Malzhaus in Plauen.

² The centralized policy also caused slow reactions by the system to new youth trends, e.g. beat music during the 1960's.



WITH KULTUR AKTIV IN DRESDEN, SEPTEMBER 2012

their work and to optimize the support of governmental structures.

The example of Dresden shows how this dialogue can lead to actual results. The *Kulturentwicklungsplan (Cultural Development Plan)* is an agenda worked out by actors of the cultural sector and the city administration. The process itself will be explained in the third chapter.

Due to central regulation of nearly all spheres of life³ in the GDR, administrations held an enormous number of staff after the reunification in 1990. Reforms were initiated to increase their efficiency. Therefore, administrations had to be limited to their administrational tasks following the example of West Germany. Other tasks were outsourced and delegated to newly founded municipal companies or organizations. Thus the cities were able to reduce their administrative expenses by reducing the number of staff and by providing the abundant staff with new job opportunities.

The *Departments of Culture* in local administrations took the opportunity and tried to stop being the central administration for all local cultural offerings.

Instead of planning and organizing them through corresponding governmental departments, cultural institutions and former cultural buildings were to be outsourced and become independent with their own administrations each. Staff of cultural institutions who were paid by local administrations before were now transferred to the newly formed cultural institutions and municipal companies. At the same time, this meant the *Departments of Culture* were now forced to support cultural institutions and NGOs in order to keep up cultural offerings because selffinancing would not have been possible.

Many tasks concerning the organization of cultural activities and provision of cultural offerings were outsourced during the restructure of administrations. Different models of providing cultural offerings developed, such as governmentally or municipally held private institutions - cultural institutions with the legal form of a company – and NGOs as venue operators. There was a shift towards a more commercial approach to culture. This might also be seen as a way to professionalize the cultural sphere. They are realizing different art and culture projects in connection with social aspects for and together with the local community, thus being called socio-cultural. Their part in local life, their forms of organization, and their relationship to local public administrations will be shown in the next chapter.

³ Two other reasons were state directored economy and the goal of full employment.

Pleasure and Pain of Socio-cultural NGOs

The main work of an NGO is to create offers in any field the government structures cannot cover effectively. Traditionally, this happens in a social or a related environment such as socio-culture. Most of them are acting locally: in a city, or even a city district.

The expression "socio-cultural" shows the connection between the social and the cultural aspects of their work. That means that socio-cultural organizations are focusing on society problems and are engaged in rather untraditional cultural fields such as education, social work, and ecology. This might be the biggest difference to traditional cultural institutions such as public theaters and museums, which are mainly owned and in parts financed by municipalities.⁴

First of all, socio-cultural NGOs serve as centres for local and regional interest groups, subcultures, or fringe groups. They are mainly self-organized and tend to be stable, but do not always succeed due to low financial resources. In many cases, NGOs receive financial support from funds only for particular projects with a defined end and thus are depending on running projects on a regular basis.

In some cases, socio-cultural NGOs are running venues which have become important for the cultural life in a city district. That way, NGOs actually run privatized cultural venues. Within this model of privatepublic partnership the NGO is given the possibility to receive permanent funding from the municipality, as the example of *Scheune e. V.* will show. Nevertheless, that funding never covers all costs.

Sometimes, the bigger socio-cultural NGOs also support local initiatives and self-help groups which do not have their own rooms at their disposal. The example of *Peirama* in Thessaloniki will illustrate this principle in a later chapter. Established socio-cultural NGOs also provide other NGOs with counselling on questions of financing, accounting, finding partners, and others. Another very important point is networking: Some of those NGOs have developed into umbrella organizations, doing lobby work for local initiatives and bringing together organizations with similar ambitions.

Umbrella organizations function as the NGOs' lobby on a political level, using good contacts to decision makers in politics or in foundations. *Kulturbüro Dresden e. V.* plays this important role for socio-cultural NGOs in Dresden and its surrounding area.

Ouite often, the financial situation of socio-cultural NGOs is a problem. They hardly ever have their own financial resources as member fees are too low to guarantee permanent employment. Since private sponsorship in Saxony is still underdeveloped, NGOs traditionally turn to municipalities for financial support. The cooperation has proven to be useful for both sides because municipalities can hand over duties such as the organization of cultural and social offerings in city districts. The NGOs for their part can realize their own ideas aiming at improvement of the situation in their surrounding. NGOs know the problems and the current situation in their districts better than a state institution, because they are usually locally based and supported by the district's citizens. At the same time, being financed by third parties means that their independence is limited. Government funding is tied to certain rules the NGO has to accept.

The sustainability of the NGOs' work is completely dependent on financial aspects. Since socio-cultural NGOs often only receive a small amount of the municipalities' cultural budget they do have to look for other financial sources – unestablished NGOs without a good lobby cannot even count on that. Compared to most other countries, Germany has quite a big number of private foundations providing financial support.

The most common way of financing is project funding. The problem with this method is termination. Before finishing a project, NGOs should already have started the next one to have sound financial resources to pay staff and rent. Every project needs a good application for a start, and for its duration, correct accounting. This results in the need for permanently available staff resources – something that is rather limited in NGOs. Thus a clearly defined strategy for future activities is essential for its sustainability.

⁴ In the case of Saxony, those cultural institutions receive additional financial support from the Federal State of Saxony.

Due to the bad conditions there are only a few people who are working full time in socio-cultural NGOs. Staff is often working for a fraction of the money they would earn in the private sector. Aditionally, much work is done on a voluntary basis without payment. This is the main reason for people to leave ongoing projects. A person responsible for a project breaking away can cause huge problems. Unfortunately, municipalities do not always see those problems. It is difficult for NGOs to communicate that although a big amount of work is done voluntarily, the work nevertheless has to be financed in some way to guarantee sustainability. This point is not easy to get across to politics and administrative structures, who often lack awareness for the problems of NGOs.

Another problem is that many foundations do not fund the complete budget of a project and ask NGOs to reveal their own financial resources. If an NGO has no such resources it has to apply to another foundation or institution for funding in order to get the missing financial means necessary to run the project.

Usually, NGOs are inheriting unused buildings or rooms belonging to private owners or municipalities for free or by taking them over step by step - former cultural buildings of GDR, for instance.⁵ The overtaking of municipal infrastructure by socio-cultural NGOs using them as venues has one advantage for municipalities: a cultural offering is created, which does not require organizational efforts and which does not cause expenses on their side. The advantage for the NGOs is that the they can usually realize their own programme without requirements. But they also bear the financial risk and have to take care of the financial situation of the venue, which influences the decisions on the kind of programme to be offered. In a newer model, a socio-cultural NGO at least runs an office. Often, offices are rented and paid out of the budget. In this case they are doing project work and rent venues for different events they run, which makes them more flexible and is less risky.

There are different types of internal structures. The traditional German NGO has at least one chairman

for the operational business and a regulatory body. Every member has the opportunity to take part in the decision making process. That way, the organization decides more or less in its entirety about organizational, contentual, and financial aspects of their work. Such an NGO cannot always react to operative tasks and situations individually. To enable them to be more flexible in its decisions, especially concerning financial and economical questions, a new legal form was admitted in Germany: the gemeinnützige GmbH (gGmbH), meaning Non-profit Company. Both NGO and *gGmbH* may not create profits, respectively have to use the profits for the non-profit purposes of the organization, but the latter's structure is that of a business company. The executive director is only responsible for the management, as opposed to the more complicated decision making process of a NGO. The director decides on his own about the programme, funding, and operative questions. They in turn can be replaced by the owner who defines the company's strategy and bears the financial risks. A gGmbH gets tax advantages, so it can use the profits for the non-profit goals of the organization. Besides, a gGmbH may apply for funding at foundations and institutions in both Germany and the European Union.

Socio-cultural NGOs – especially if dealing with business activities like running a venue – have to professionalize their work in order to use financial means effectively. Therefore, some socio-cultural organizations choose a structure similar to a business company. What it comes down to is that both traditional NGOs and *gGmbHs* try to provide cultural offerings and cultural education for local people. According to the *Bundesvereinigung Soziokultureller Zentren e. V.*, more than 27 million people a year are visiting events in socio-cultural centres all over Germany. Only a small amount of those people are conscious about the fact they are visiting a socio-cultural event.

Model of a typical cultural centre: Kultur- und Kommunikationszentrum Malzhaus in Selbstverwaltung e. V. (Plauen/Germany)

An example for successful cooperation between a cultural NGO and a city administration is the *Kultur-und Kommunikationszentrum Malzhaus in Selbstverwaltung e. V.* (briefly *Malzhaus*) in Plauen. Before the political change in East Germany, the cultural building had been operated on an NGO-like basis

⁵ Scheune e. V. in Dresden is using a city owned building for free, Hillersche Villa e. V. in Zittau is located in a house donated by private owners.

from 1972 to 1982, thus being quite independent from the government. Since this was not the socialist approach towards cultural offerings, the venue was closed in 1982 and the building left to decay for several years. In 1989, an action group was founded, aiming to restore the place and re-establish cultural offerings. The building was squatted in 1990, and from within the action group, an NGO was founded which startet to run regular events and a pub.

In 1994, the NGO signed an agreement with the city of Plauen about renting the building officially.⁶ Over the years, *Malzhaus* became a well known venue in the city and in the region. After extensive reconstruction financed by the municipality, *Malzhaus* installed a gallery, a cinema, and a stage for fringe theatre and performing arts. There are currently about 500 events per year being offered. Besides, the NGO is running a café and is organizing folk, song, and open air festivals. Additionally, just like the *Scheune* in Dresden, *Malzhaus* is renting out space to a restaurant. Through the financial means coming in through events, the café, and rent, it is able to cover a big part of its budget itself.

350,000 EUR of the NGO's annual budget of nearly 600,000 EUR are covered by its own resources such as member fees, dontations, and admittance. Within the scope of the *Kulturraumkonzept*, *Malzhaus* receives 150,000 EUR from the *Cultural Region of Vogtland* and 120,000 EUR from the *City of Plauen* which has been supporting the NGO from the beginning. In the 1990s, the municipality carried out an extensive reconstruction programme of the building and outdoor facilities out of the city's budget, thus showing its interest in supporting the socio-cultural sector.

Strategic decisions are made during general meetings of all members, and so is the election of a voluntary board for a period of two years. The board is responsible for representation of the NGO in public and controlling the full-time staff. The five people full-time staff are responsible for operative and daily management and are working on equal terms. Decisions among them are made by rule of majority. So instead of a general manager or director, they share the management tasks.

From the beginning, Malzhaus has been considering itself a socio-cultural venue⁷, being a public venue for everyone and giving anybody the possibility to take part in its events, especially deprived people. Thus it is offering different cultural events, educational workshops, and political education. Visitors have the opportunity to experience alternative culture as opposed to mass culture, and to be part of its creation. In recent years, *Malzhaus* has acquired a high reputation in Plauen not only as a provider of sociocultural events but also as a host to other NGOs with a cultural or educational focus. The good cooperation between Malzhaus and the City of Plauen is of high value on the city's part also. Several events taking place in the venue are organised in cooperation with the city, and the city is using the venue for their own events, too.

Model of privatization of a cultural centre: Scheune e. V. (Dresden/Germany)

The venue *Scheune* is an example of a private public partnership and a privatisation of cultural offerings by the city. The venue is run by an NGO, which is named after the traditional name of the venue *Scheune e. V.* Before the political change in 1989, the first youth club of East Germany was located in the *Scheune* building. After the political change, *Scheune* as one of the first alternative venues in Dresden played an important role in the quarter it is located in. The first alternative street festival in Dresden took place in front of the *Scheune* building.

Nevertheless, Scheune was still owned and run by the municipality and the employees were paid by the city administration until 2007. To reduce costs the city decided to separate the house's management from the city administration. The same year, a public tendering took place in which NGOs as well as companies could take part. The decision on who will run

⁶ Interesting to know: the NGO's constitution states that in case of termination of its work, its holdings will be assigned to the city for non-profit purposes.

⁷ The NGO is member of the German umbrella association Bundesvereinigung Soziokultureller Zentren e. V.



the venue was made by the *Commission for Culture* of the city parliament and approved later by the parliament itself. In the end, the NGO *Scheune e. V.* with its socio-cultural approach to providing cultural offerings which have a close relation to the demands of the people living in the quarter won the tendering.

The focus of the work of *Scheune e. V.* lies on running different events and festivals covering music, literature, and theatre, often in cooperation with other organizations. Nearly every evening *Scheune* offers cultural events – about 340 per year.

The NGO Scheune e. V. envisions itself as society based. As well as on the demands of the quarter, Scheune e. V. also focusses strongly on social issues. One of its important projects is Scheune Academy, a quite unique form of music bussines education. For this project, Scheune e. V. is organizing meetings and conferences for people in small music businesses so they can professionalize and create networks. Another part of its work is the attempt to support the development of creative industries in the quarter to make socio-cultural projects sustainable. In addition, Scheune e. V. offers the possibility for other NGOs to rent rooms in the venue for their use. By now, *Scheune e. V.* is running the venue's programme. The owner is still the municipality, which rents out the place to the NGO based on contracts. After the first contract had been signed for three years, the next one lasted only one year. Right now there are negotiations between the NGO and the city of Dresden on the extention of the contract to up to three years again in order to have a planning reliability.

Scheune e. V. receives financial support for running the venue from the city. Between 2007 and 2010, the financial support had amounted to 140,000 EUR a year. Later it was reduced to 128,000 EUR a year. Taking into consideration that *Scheune e. V.* has to pay the rent (60,000 EUR per year) and utility costs (about 40,000 EUR per year) with this money, only an amount of 28,000 EUR remains for the actual programme of the venue. An additional item in the venue's budget are the earnings provided by renting out space in the *Scheune*-building to an alternative restaurant: these are completely used for the programme of *Scheune*.

The whole budget of the venue amounts to 500,000 EUR, so the part of the budget paid by the municipality is about 25 per cent. That means com-

pared to the time when the municipality was running the venue, the city saves enourmous amounts by outsourcing this cultural offering while still having high quality culture in the district.

The main advantage for *Scheune e. V.* in this model is that the NGO is able to decide about its programme on its own. As opposed to earlier times when the venue belonged to municipality, nowadays the programme management is more open for ideas and not fixed in administrative thinking. Because of the necessity to cover a big part of the venue's budget themselves, the programme management is highly motivated to search for ways of running the venue successfully. That is the main difference to staff in cultural venues and institutions belonging to administrations. There, staff receive their salary more or less regardless of the profitability of the institution.

Concerning the programme itself, *Scheune e. V.* is given free rein, but it has to be reported to the *Administration for Culture*. As a consequence, *Scheune e. V.* is bound to this programme, even if it proves to be necessary to change it. According to the idea of the municipality, *Scheune e. V.* is allowed to only provide a cultural programme meaning that any event with a certain political attitude may be forbidden.

The private public partnership model also has a couple of disadvantages. First of all, working on a commercial basis is an enormous risk for the NGO. The diversity of the cultural programme has to guarantee economical success. Scheune is not a club focused only on concerts and parties, but wants to present all kinds of culture in the venue. Secondly, many things are done on a voluntary basis. Scheune e. V. has only three employees working full time and a couple of part time jobbers at the moment. The quality of the work of Scheune e. V. depends on a great amount of voluntary work. A third disadvantage is the building itself. It was renovated in the 1990s and nothing has happened since. The roof needs to be refurbished, but the municipality as the owner of the building is not interested in paying any money. The cooperation with the city is everything but easy due to the fact that Scheune e. V. has to deal with two departments in the city administration at the same time: the Department for Culture concerning the funding and the Department for Properties concerning the building and the property. The bureaucratic work eats up a lot of time which could be better used for the proper purpose of the venue.

Model of a non-profit company: Hillersche Villa e. V. (Zittau/Germany)

The venue *Hillersche Villa* has been run since 1992, based on an agreement with a family who gave away the building and estate for free. The donation's goal was to support socio-cultural structures in their endeavour to strengthen democratic development in the border region of Germany, the Czech Republic and Poland.

Hillersche Villa e. V. results from a fusion of two socio-cultural NGOs – the Begegnungszentrum im Dreieck e. V. (Centre of Encounter within the Triangle) in Großhennersdorf and the Multikulturelles Zentrum e. V. (Multicultural Centre) in Zittau. After the fusion, the newly created NGO went by the name of Hillersche Villa, after the building it was located in.

The idea was to establish the building as a regional socio-cultural centre bringing offers of traditional cultural institutions to the area. In the beginning, Hillersche Villa e. V. concentrated on social work with left and right wing youth as well as with immigrants. At the same time, it started a cultural programme with concerts, films, and fringe theatre. In the following years, many other projects were initiated ranging from offers of labour market gualifications to cultural festivals and educational trainings. During those early years, the NGO received financial support from the municipality and from the county as part of the Kulturraumkonzept (Concept for a Cultural Region)8 for the socio-cultural centre as well as from the European Social Fund and the Employment Agency for the labour market qualifications project.

Financing its work has never been easy. After problems in communication with the city, payments to the NGO were about to be stopped which would have lead to insolvency. This example shows that a good contact to local authorities is important for successful work and for receiving financing from the municipality. The institutional funding by the municipality was replaced by project funding in 1999, in consequence leading to new organizational conditions of the NGO: new projects were initiated, new

⁸ The Kulturraumkonzept as a matter of local financial support within the county will be explained in detail in the following chapter.

structures and buildings were integrated. In the time following, *Hillersche Villa e. V.* achieved the extension of some projects, but had to abandon other projects because their financing came to an end – the common destiny of project work.

Due to its strong growth, the NGO had to professionalize its work. Economical considerations became more and more important for its successful operation. The administration had to be managed professionally, concerning financial accounting for financial authorities and documentation for the *Construction Supervision Authority*. Unused space was given or rented out to other organizations in order to save expenses.

In 2011, as a result of that process, the NGO decided to found a *gGmbH* for running the operative business. It remainins the only stakeholder of this new company, holding a share of one hundred per cent. The advisory board of the *gGmbH* has been constituted of well known people working in the

sphere of culture and politics in the area in order to increase awareness of the company among public authorities.

Hillersche Villa gGmbH is currently running different venues in Zittau and its surroundings, such as workshops, a conference centre, and a café, as well as doing projects concerning social work, culture, and education. Financing is ensured not only by project support within the *Kulturraumkonzept* but also by running the café and renting out the conference centre. As a gGmbH, *Hillersche Villa* acts as a private provider on the market of socio-cultural offerings using all its profits for social engagement in the region.

As an important cultural center in Zittau, *Hillersche Villa* not only cooperates with other cultural NGOs but also with local cultural institutions such as the municipal museum and the municipal theatre. The main goal is to work together in providing cultural offerings and in supporting cultural activities by sharing information, programmes, and know-how.



DRGANIZATION CHART HILLERSCHE VILLA

Newer model of NGO without its own space: Kultur Aktiv e. V. (Dresden/Germany)

Kultur Aktiv e. V. was founded in 2002. A couple of people from different NGOs in Dresden, working on similar projects, decided to merge in order to strengthen their potential. The key tasks of Kultur Aktiv e. V. are the support of art and culture, creating educational projects for young people, and the organization of international cultural exchange. As well as cooperating with other NGOs in Dresden, Kultur Aktiv e. V. is a member of different umbrella associations, the basis for networking and a precondition for successful work of an NGO of this size. Since then, about 100,000 participant and visitors have taken part in events such as concerts, parties, art exhibitions, flash mobs, workshops, and many others. Most of the work is done voluntarily because institutional funding is rather low and hardly covers the basic staff costs.

Kultur Aktiv e. V. has nearly 40 members. Most of them are from Dresden showing that it is a locally based

NGO. The members are mainly working in related fields: as professional artists, designers, musicians, scientists, or promoters and managers. Just like many socio-cultural NGOs, *Kultur Aktiv e. V.* has flat hierarchies due to the lack of financial support preventing it from the possibility to grow. In order to manage its activities, it has a core team of 10 to 20 people. Additionally, 2 or 3 young people from other countries are coming each year to work at the office, funded by the *European Voluntary Service* programme of the *EU*.

As seen below, the budget of *Kultur Aktiv e. V.* has three items. The item *Ideelle* includes institutional support by municipality and member fees. The second item *AGH* means the support by the *Agency of Labour* in Dresden, which is subsidising the staff. The last and biggest item *Projects* contains all funding received for project activities from the means of the *European Union* and from different foundations, including public and private foundations on a local, national, and international level. Therefore, the financial basis of *Kultur Aktiv e. V.* depends on the support of the municipality on the one



Membership in umbrella organizations Initiative Mittel- und Osteuropa LV Soziokultur Sachsen Kulturbüro Dresden

Foudations and Donators EU Programmes CULTURE, IPA & YOUTH Landeshauptstadt Dresden German Marshall Fund of the United States European Cultural Foundation Kulturstiftung des Freistaates Sachsen Robert Bosch Stiftung Brücke-Most-Stiftung Bundesamt für Migration & Flüchtlinge Auswärtiges Amt der BRD Bürgerstiftung Dresden

Associations

Taksirat, Skopje/MK Other Space Foundation, Warsaw/PL Valgevene Uus Tee, Tallinn/EE Opona, Prague/CZ Liberal Club, Minsk/BY Deutsch-Belarussische Gesellschaft Jugend- & Kulturprojekt Trans-Media-Akademie Hellerau Projektschmiede Dresden Blaue Fabrik

Sponsors

Becherovka Native Instruments Adobe

KULTUR AKTIV E. V.'S NETWORK

hand and on grants for projects on the other. These circumstances prevent reliable long-term planning.

For the most part the financing of the activities of *Kultur Aktiv e. V.* is realized through projects. Therefore a good cooperation with public authorities on different levels, above all on the local level, is necessary. Most important public partners on the local level are the *Office for Culture and Monument Preservation* and the *Department for European and International Affairs* in Dresden. The first one has been supporting *Kultur Aktiv e. V.* with an institutional annual funding of 20,000 EUR until 2012, raising this amount to 30,000

EUR for 2013. This funding is mainly used for covering the operating costs of *Kultur Aktiv e. V.* as there are office rent and expenses for communication.

The Department for European and International Affairs, which is linked to the Lord Mayor of Dresden, is very helpful with projects in cooperation with international partners, especially with those from Dresden's twin cities. The department has its own financial resources to support such cooperations. But even more important is non-materialistic support provided by the department in terms of of support letters and assistance in establishing contacts to foreign partners.

In order to receive funding from municipalities it is very important for a socio-cultural NGO to have a strong presence by gaining public attention. *Kultur Aktiv e. V.* succeeded in attracting a great deal of attention through the *Train of Freedom* project on the occasion of the 20th anniversary of the *Peaceful Revolution*.

Foundations and state institutions on a regional and national level only provide project funding for particular projects. On a regional level the *Culture Foundation of the Federal State of Saxony* supported projects of *Kultur Aktiv e. V.* while on a national level the NGO received financial support for international exchange projects from foundations like the *Robert Bosch Stiftung*.

It is safe to say that Kultur Aktiv e. V. is mainly based on international and local funds. The majority of financial means come from international funds, especially from programmes of the European Commission. Experience has shown that the difficulty with these European programmes for NGOs of the size of Kultur Aktiv e. V. is that the funds need co-financing on the side of the applicant. That is a risk, because a rate of 50 per cent co-funding in a programme like Culture 2007–2013 means the applicant – Kultur Aktiv e. V. – would have to raise up to 100,000 EUR for co-funding on its own. If partners in a project are not able to find co-funding for their part of the budget, the leading partner would have to find it for them, too. In this case an NGO has to have a good cash flow and a good liquidity, which is an immense challenge for NGOs like Kultur Aktiv e. V.

In summary, for *Kultur Aktiv* it is a big advantage not to run its own cultural centre. This saves energy for project work, which combines local and global activities. Through that, a more or less stabile financing has been been achived.

Model of intraregional cooperation of NGOs: Kulturbüro Dresden e. V. (Dresden/Germany)

Kulturbüro Dresden e. V. serves as an umbrella organization for cultural NGOs in Dresden, especially for those with a socio-cultural background. It is renting rooms in a house together with other organizations that specialize in projects and related issues concerning youth work, culture, and socio-culture. Therefore there are enough starting points for co-operations among these organizations. There are three directors representing *Kulturbüro Dresden e. V.*, whereof each one is in charge of certain issues.

Kulturbüro Dresden e. V. was founded in 1993 as a lobby organization for NGOs. At the moment more than 33 NGOs from Dresden and its surrounding area are paying members of Kulturbüro Dresden e. V. The main financial support is received from the Office for Culture and Monument Preservation within the division for culture of the City of Dresden and from the Youth Welfare Office in Dresden.

One of the most important tasks of *Kulturbüro Dresden e. V.* is the consultation service. Each year, the NGO offers about 400 counselling sessions, most of them concerning project funding. These consultations are free of charge for member NGOs. For a fee, that service may also be used by artists or small companies for commercial projects providing some additional financing for the *Kulturbüro e. V.*

Another aspect of their work is the organization of workshops and educational trainings where staff of NGOs can learn about different aspects of project work: financing projects, writing applications, aspects of law and PR, and not to forget ways to find project partners. For this purpose, *Kulturbüro Dresden e. V.* runs a database with a high number of potential project partners worldwide.

The third aspect of their work is lobby work for member organizations in various local political committees. Furthermore, *Kulturbüro Dresden e. V.* is involved in youth and culture circles in Dresden, making the NGO an important contact when it comes to questions of networking or the search of project partners for socio-cultural NGOs in Dresden.

Kulturbüro Dresden e. V. also develops its own projects related to youth centers and socio-cultural activities.

For 13 years, it has been running the youth project DOMINO – Jugend gestaltet (DOMINO – youth creates), enabling young people aged 14 to 25 to receive project funding for their own project ideas. For this, every participant, team or individual, has to present his idea in front of an audience and a jury made up of young people from Dresden, who are at the same age as the participants.

DOMINO – Jugend gestaltet is a funding opportunity for small youth projects. Its goal is to introduce the idea of social and cultural projects to young people and to familiarize them with democratic processes using the example of the contest. The total funding of DOMINO amounts to 5,000 EUR. Documenting the results, selected projects are presented on their web site.

Models of NGOs in times of crisis: YET and Peirama (Thessaloniki/Greece)

The NGOS YET and Peirama, though quite different in their field of work, play an important role in the organization of some of the biggest street festivals in Thessaloniki. Some years ago, the street festival was mainly organized by the municipality, but because of the financial crisis the city simply did not have the financial resources to run that festival anymore. The only chance to save it was bottom-up organization with the help of NGOs like YET and Peirama. This approach gave the festival a new touch, since NGOs are free in creating their programme. This job had been done by the Administration for Culture in Theassaloniki before.

Young Entrepreneurs of Thessaloniki (YET) was established in 2008. It is a networking non-profit group for young and future entrepreneurs. The NGO is a stage for exchanging ideas as well as for the promotion of innovation and entrepreneurship. YET unites locally based entrepreneurs and professionals and collaborates with local business structures, academic institutions, etc.

By now, YET cooperates with public institutions in Thessaloniki in joining EU programme applications and organising city events. It receives no financing by the city administration whatsoever, but is provided with venues and technical facilites by the municipality. In counselling students on the generation of business plans, providing workshops on educational matters, and hosting events, YET fulfils an important function for the city.

Peirama has been engaged in culture and arts, organizing events and festivals, and providing workshops in different fields of arts since 2007. In the beginning, the NGO's attempts focussed on the value of providing alternative cultural offerings for Thessaloniki, since most of the city's cultural offerings had a rather conservative style. *Peirama* is still dedicated to the idea of promoting amateurs in arts. It seeks to achieve its goals by organising of artistic and cultural events including shows, exhibitions, performances, concerts, and the organization of artistic and educational workshops accessible to everyone.

In 2008, *Peirama* obtained some space in a former industrial building, which was transformed into a stage for arts and related workshops. The idea was to support smaller and independent artistic experiments with no financial background and without any sufficient support by institutions or foundations.

The creation of the venue did not only take a lot of time but also required lots of voluntary work. Since 2008, *Peirama* as the city's most influential cultural NGO has been running the multi-functional venue in the centre of Thessaloniki, providing alternative art events and workshops. It has been supporting other NGOs with similar goals by providing spaces in its venue as well as material and technical support when it comes to the organization of events. These opportunities are of huge value because many of the city's NGOs are looking for a starting place for their activities. Due to their financial situtation, renting rooms in the city is impossible for most of them.

Peirama itself does not receive any financial support from the municipality. Because of the economic crisis, public funding has become difficult. One way to deal with the lack of local financing is to apply for international funds – the only route for many organizations. During the last couple of years, the municipality in Thessaloniki has been trying to support NGOs by providing free municipal infrastructure, venues, or communication. In return, the city expects them to contribute to cultural life in Thessaloniki by taking part in city activites, for instance.

This kind of support policy is also a way of outsourcing cultural activities – and seems to be proving



successful. In 2011, more cultural events took place in Thessaloniki than ever before. In the old days, events organized by the city were expensive and had a low cultural diversity, this being due to the rulers' idea of culture. Thanks to a political change and yes, to the economic crisis, the search for an alternative cultural model in the city was enhanced and the results crowned with success.

Model I of NGO in a transition country: *Generator* (Vranje/Serbia)

The NGO *Generator* was founded in January of 2001 by a group of young activists from Vranje as an association of citizens with the primary aim to promote multi-cultural values focussing on youth issues in the multi-ethnic south of Serbia. To date, *Generator* has been implementing many projects, independently or in co-operation with numerous institutions and partner NGOs. Their projects are focusing on youth problems, culture, arts, environment, and peace-building.

It is financially supportet by various public and private institutions including national ministries and local authorities as well as international organizations and institutions. Just like with many NGOs in the region, projects with international partners are seen as an opportunity to receive financial support from international organizations and from the *European Union's* programmes. That way it is possible to run major projects as well as to survive as an NGO.

The city's budget for culture has to cover expenses for cultural institutions including staff salaries. Likewise expenses for city festivals, theatre plays, and other events which are mainly organized by the city itself or by municipally paid staff. There is little funding left for innovative and independent projects of NGOs like *Generator* and other initiatives.

The support of local NGOs by the city of Vranje depends partially on the political situation in the city. In 2011, a commission for culture in the city administration worked out an Agenda for Cultural Development in Vranie over the next 5 years. One of the results was an open call, which was intended to be an opportunity for citizens to take an active part in Vranje's cultural life. It was a great success, because individuals and NGOs had the chance to get their projects financed and thus to realize their ideas. The open call was a very progressive thing for Vranje. The guidelines for application gave an insight on the decision process, which was based on a point system similar to the way the European Union handles it for its projects. In 2012, just before elections, another open call was released. However, elections in Vranje led to the substitution of the city council's member who was in charge of culture, therefore the implementation of the open call is still in progress at the moment.

Serbian cultural NGOs have their difficulties with financing due to lack of communication between decision makers and grass-roots NGOs. In order to give umbrella organizations the opportunity to influence political decisions, the *Association of Independent Culture Scene of Serbia (AICSS)* was founded in 2012.⁹ *Generator* acted as a co-founder of that Association. In order to reinforce *AICSS's* contribution to public interest in culture and to provide a mechanism for the improvement of the sector's position and further dialogue, the association established official cooperation with the *Ministry of Culture* by signing a protocol. However, in the second half of 2012, the budget of the *Ministry of Culture* was suddenly cut and the ministry had to break its agreements due to restricted funding from the government. For those NGOs depending on every Dinar, this was a disastrous decision.

Model II of NGO in a transition country: Youth Peace Group Danube (Vukovar/Croatia)

The Croation Youth Peace Group Danube (YPGD) is a non-profit and non-governmental organization operating in the area of the city of Vukovar and its surroundings. As the name implies, YPGD mainly engages in youth work and thus is giving educational and counselling offerings and running a youth club. Its main task is to create alternative cultural opportunities for young people and to organize international youth exchanges. It was officially registered as an NGO in 1998 and has managed to receive regular project financing by the Ministry of Family, Defenders and Intergenerational Solidarity in Croatia, thus having had the opportunity to continue its work during the last 15 years.

The NGO's structure is rather traditional: it has a president and an executive board. The organization *YPGD* has a team of twelve active members and eight volunteers. *YPGD* has its own office, paid by their own resources. Since its foundation, it has been raising more than 200,000 EUR for projects.

YPGD holds good contacts to many international organizations and networks. Its international work often includes cross-border cooperation with neighbouring countries aiming at long-term international relationships. Proofing its great involvement in international cooperation, YPGD is one of only a few organizations in Croatia with access to European volunteer programmes such as the European Voluntary Service (EVS).

An important part of *YPGD*'s funding is covered by international projects, mainly supported by the *European Union*. The high involvement in international exchange programmes is a result of the opportunity

⁹ Further information about the mission and the goals of AICSS can be found on www.nezavisnakultura.net

to receive quite enormous financial means. Through these, the NGO is able to realize projects of local and even regional importance and thus grab local society's attention and to enhance its own reputation making it easier to get political and financial support in the city.

Due to the lack of financial resources and transparent allocation of funds on a local level, it is very important for an NGO to have programmes financed by ministries (*Ministry of Culture, Ministry of Social Policy* and Youth, and Ministry of Science, Education and Sport,) as well as by national (local Slagalica Foundation, National Foundation and Foundation Kultura Nova) and international foundations, most importantly by the European Union when it comes to international exchange programmes. Financial means received from national and international funds are essential for sustainable work. On a local level, a large number of NGOs apply for limited funds from administration. Since it is common practice to finance all of the projects, they have to share funds and receive similar amounts each, which amounts to not much more than a drop in the ocean. Another aspect of low financing of alternative NGOs on the local level is that the local administration prefers to provide financial support for cultural events connected to the preservation of regional and national traditions, rather than for alternative cultural projects.

Another problem for NGOs dealing with alternative culture is that there is no awareness of the alternative culture scene in society. However, there is very praiseworthy work of a public cultural house called *Croatian House* which is encouraging the work of the alternative cultural scene at a local level and organises a joint week of urban culture which is the one single event to gather all actors of the urban scene in Vukovar. This goes to show that better communication and networking as well as coordination of activities in culture can contribute to more visible results leading to projects of higher quality.

Administration vs Culture – ways to organise municipal culture on a low budget

The cultural budgets in municipalities are rather small compared to other items. It is one of the last items to be discussed in budget hearings. Nevertheless, cultural offerings nearly always have to be subsidized. All of the following examples concern municipalities with public cultural institutions – at least a museum and a library – which need finances for infrastructure, salaries, and an annual budget, since they are not able to cover all their expenses with their income. Big cities such as Dresden additionally have to maintain theatres and educational institutions such as music schools. Furthermore, socio-cultural NGOs ask for financial support from the municipality who, in result, has to decide how financial means for cultural issues are split.

In German municipalities, quite often it is a politician who is responsible for cultural issues: in most cases this is the deputy *Mayor for Culture* or the *City Mayor* themselves. The mayor is in charge of a *Department of Culture* doing administrative work. They represent cultural interests in local parliament while the department takes care of supporting and administrating culture within the municipality. A similar situation is about to be established in the partner cities of *Music Without Borders*.

But the *Department of Culture's* main task is the administration of cultural activities: the funding of cultural institutions and NGOs and the supervision of their offers. As opposed to the situation in the former GDR, the responsibility for the organization of cultural offers or events is not held by the administration anymore. It ist now held by cultural institutions not affiliated with municipal administration as well as by socio-cultural NGOs providing independant cultural offers. The *Department of Culture* may grant funding to both of them for non-profit offers, whilst also existant private cultural providers cannot rely on public funding.¹⁰

To define which cultural offerings are important to the municipality and therefore worth being financed,

German municipalities tend to formulate a so-called *Kulturentwicklungsplan (Strategy for Cultural Development)*. This *Strategy* is not a result of considerations by the city administration but is worked out based on intensive dialogue between representatives of the city administration and parties from the cultural sector. It is a long process to bring the positions of each side into agreement and to formulate the strategy. But as experience shows, the strategy is necessary to compare what is essential for the municipality in the field of culture to what is demanded by citizens.

The Kulturentwicklungsplan is generated by the Department of Culture in cooperation with cultural experts, representatives of different cultural institutions and of socio-cultural NGOs, and others. The results of this collective work are discussed with any interested citizens in public. The *Strategy* is a good opportunity to define future goals for culture and cultural support in cooperation with protagonists and specialists. The public discussions at the end emphasize that the elaboration of such a strategy is a political process – since culture is financed on a budget which again is fed on taxes – better being implemented in cooperation with the population. The final draft has to pass parliament before it will attain significance.

The Strategy for Cultural Development is seen as work in progress. Usually, it contains a strategy for the next five years and is revised after that. Over that period of time, changes are possible but rarely ever happen because as shown above, the decision making process is very complex and any changes have to be approved by local parliament again.

The Kulturentwicklungsplan starts with an analysis of the municipality's current situation, listing cultural institutions and socio-cultural NGOs as well as stakeholders. Included is an attitude towards future development of society, focussing on which circumstances could have an impact on cultural work and on cultural needs. Furthermore, goals of cultural development are defined and a description of measures and projects necessary to achieve them is given. Finally, the Strategy for Culture Development contains data for

¹⁰ This is currently being discussed as a support for Creative Industries.

quantification and priorisation of cultural institutions as well as a financial agenda and a timeline.

In German rural areas, *Strategies for Cultural Development* concern the regional aspect and have the same function as in the cities: the definition of which cultural offerings a region is to hold, where they are to be located in order to be available to the majority and how they might be financed.

This kind of organized cultural development is not common in the Balkan states, at least not in the partner municipalities of *Music Without Borders*. Often, the *Departments of Culture* decide on cultural activities and the corresponding budget including expenses for funding only one year in advance. A detailed discussion with interest groups beforehand as is common in Dresden simply does not exist. Take Thessaloniki as an example: their *Department of Culture* is planning on releasing a *Strategy for Cultural Development* covering a period for at least five years. Initiated by the newly elected *Deputy Mayor for Culture*, this is the first attempt to set up a long term strategy for cultural activities in dialogue with activists.

As mentioned before, the large amount of venues and cultural offerings in the Eastern part of Germany is a heritage of former socialist times not to be underestimated. Under pressure of economical efficiency, East German municipalities did have the choice to either close and abandon them or to look for opportunities to have them run by external providers. Their organizational structures and financial means did not allow them to keep up cultural offerings so that they tended to save as many cultural expenses as possible, and tried to find new concepts.

One possibility was the cooperation with NGOs or initiatives willing to run former cultural buildings or similar properties as socio-cultural venues.¹¹ In those cases municipalities usually were willing to support them by subsidising to running costs and by providing municipally owned spaces with communication facilities for free. Compared to the efficiency of those venues the expenses on the side of the municipalities were rather small.

The biggest item of the cultural budget remained: the financial support of cultural institutions such as libraries, theatres, and museums. This proved necessary even though they had already got their own administration and thus were acting independently regarding contents and finances. One way of making them work more efficiently was to merge a city's different cultural institutions. The idea is that the individual institution still has its own area of activity but an adminisitration combined with others – such a merger successfully took place in Plauen and is planned for Dresden, too.¹² The saved administration expenses are supposed to be used for the actual cultural work.

Due to a bad economic situation (less tax money coming in) and bigger expenditures on social needs, municipalities in rural areas in Eastern Germany faced even bigger problems than cites in maintaining cultural institutions. Less money for culture – and at the same time the wish to preserve cultural institutions – called for a new way of organizing culture: the idea of *Cultural Regions* was born in Saxony.

Now what is really clever about the system is that all municipalities in a certain region – a *Cultural Region* – team up their efforts to keep up cultural offerings in their region. They contribute to a cultural fund with payments, the other half of the fund ist provided by the *Federal State of Saxony*. Since the funded cultural offerings are supposed to serve the whole region, the municipalities such an offering is located in are to guarantee the accessability from all parts of the *Cultural Region*, for example by organising transportation facilities.

The Balkan partner cities of *Music Without Borders* spend almost the same percentage of their total municipal budget on culture as the city of Dresden. But most expenses are designated to maintain public cultural institutions such as libraries, museums, and

¹¹ One hazard is that in case of the NGOs' insolvency the venues have to be closed or – if too important for the municipality – overtaken by the city, causing immense cost.

¹² The theatre Staatsschauspiel Dresden and the Saxon State Opera with its building Semperoper are going to fusion in order to save administrative expenses. But unlike in Plauen, both belong to the Ministry of Culture in Saxony.

theatres with all their facets even if there is no need for some of them anymore. During the last decades, most of these institutions have neither changed the number of staff nor their contents, rather preserving a heritage than moving forward and improving cultural efficiency using tools of cultural management. Municipalites cover all the finances of these public cultural institutions including enormous staff costs. In Germany, such misallocation of ressources is tried to be avoided by granting independence to institutions, letting them decide how to divide the financial resources and how to increase their work's efficiency. As the example of Scheune e. V. shows, staff in public institutions are usually less motivated to create ideas, to change their working routine and to work efficiently than staff in non-municipal institutions. The reason is that while the first receive its salary regardless of the institution's performance, staff working for non-municipal cultural offerings tends to run the place well because its salary and employment depends on economic efficiency.

German municipalities support external public institutions by granting certain financial means but the institutions hold the sole budget sovereignty. By contrast, public institutions in the Balkan states often are part of the city's administration and are financed completely by the city budget. Thus, municipalities also define the kind of cultural offerings in these institutions which has a huge influence on their range within a city.

Cultural NGOs in the Balkan states usually criticize that municipalities rather support traditional culture and transportation of its values as well as preserving cultural heritage than new forms of arts and music interesting to the young generation. Nonetheless, the following examples show that *Departments of Culture* are trying to support NGOs even having only small financial ressources at their disposal. Similar to Germany, some strive to provide non-monetary support such as free spaces or communications facilities. After all, in the Balkan States, measures to improve economical growth are rated much more important than cultural issues.

Typical model of municipal cultural funding: Dresden/Germany

In Germany, culture is supported on a national, regional, and local level. Dresden holds an administaGermany's **public funding for culture** in 2010: 9.6 billion EUR (national funding, state funding, and funding by municipalities/cities

Equal to 0.35 per cent of Germany's GDP and 1.67 per cent of total public budgets

Distribution between three public levels: about 13 per cent national level, 43 per cent state funding, and 44 per cent funding by municipalites and cities

Public funding per inhabitant: 116.95 EUR

No investive expenses!

GENERAL FACTS ON FUNDING IN GERMANY IN 2010

tional Division for Culture which cares for municipal cultural issues. This division consists of three departments: the Department of Municipal Libraries, the City Archive and the Office for Culture and Monument Preservation which employs 39 staff. As the name implies, the latter is not only responsible for monument preservation but also for the support of all kinds of arts, literature, film, and music as well as for funding city museums and galleries, international arts exchange, cultural education, and socio-culture.

Dresden has a Mayor for Culture, who is elected every seven years by parliament. The Mayor for Culture is the host of the Committee of Culture in the city parliament and occasionally, he has the duty to protect the cultural budget in the struggle with the Mayor of Finances.

In 2009, Dresden's cultural budget amounted to 65,774,661 EUR, just 6.3% of the total city budget of 1,053,929,280 EUR. Within this cultural budget, twelve big cultural institutions are financed, such as the Dresden Philharmonic Orchestra, the Dresden State Operetta, the Theatre of the Young Generation, the City of Dresden Museums, the famous boys' choir Dresden Kreuzchor, the European Centre of the Arts, and the Dresden Music Festival. A total annual funding of over 5,100,000 EUR goes to the music school Heinrich *Schütz Konservatorium*, about 2,400,000 EUR are supporting the *Volkshochschule* (*Adult Education Centre*). Socio-cultural projects receive an amount of nearly 840,000 EUR out of this line. *Kultur Aktiv e. V.*, for instance, is supported with 20,000 EUR per year.

Dresden's Strategy for Cultural Development is an important basis when it comes to decisions on how public money is spent on culture and on which institutions are important for the city and thus are worth funding. It plays an important role in the city's cultural policy, because it provides a description of different cultural areas, organizations, and players and it defines central cultural tasks for the future. The first Strateav was published in 2008 and was a result of expert talks involving cultural players and politicians. After the public debate it was approved by parliament and will be in effect until 2013. Currently, expert talks for the new Strategy for Cultural Development to be released this year are taking place. The Strateav states that not only traditional cultural activities but also those of independent organizations and individuals are to be supported. It also contains a directive for municipal cultural funding including

advice on how to handle applications, standards, and other formal criteria.

There are two sorts of funding: institutional funding for initiatives and NGOs (usually including expenses for rent and communication facilities), for which only legal persons and organizations may apply, and project funding also available to individuals. The applicants have to be either residents of Dresden or have their home base there. Funding includes staff expenses, professional fees, utilities, and material costs.

The process of municipal cultural funding takes five steps. It is similar in every larger city in Germany and lasts about two months. In a first step, applications are collected. In a second step, local experts give their recommendations, usually there is a group of four to five experts working together in each genre – visual arts, theatre, music, or socio-culture. Their work in the commissions is voluntary and they are not appointed by political parties. The *Office for Culture and Monument Preservation* proposes experts for the commission to the mayor, who approves in most cases. The criteria they base their recommendation on are not



only the cultural value, but also the benefit for Dresden and whether the project will reach the citizens, as well as social and financial aspects. When it comes to socio-cultural offers, the kind and amount of them needed in the city's districts has to be decided upon.

The third step is the creation of an internal funding list, recording the selected projects. In a forth step, this list has to be approved by the *Kulturrat (Advisory Council for Culture)* – usually small changes are made at this stage – and the *Culture Committee of the City Council* makes a final decision. Since it is city taxes that are spent on arts and culture, the parliament is the approving authority. About one out of four projects is accepted for funding.

The *City of Dresden* does not run all the cultural institutions on its own, since all funded institutions have their own administration. It does not organise cultural events either, with the exception of the *Classic Music Festival* which calls for quite an administrative effort. So does the annual *City Festival*: if organized by the city, every necessary contract – starting with the artists and ending with the beer suppliers – would have to be approved by the *City Council*, an impossible venture.

The way public money is spent on culture in Dresden is a transparent process with well-defined deadlines and accessible guidelines. The process is not always effective for small projects, because a lot of paperwork has to be done administrating an application, but it helps even NGOs to continue working. On the other hand, this process enables the administration to divide funding between different genres of culture and provide various offerings across the city and its suburbs.

Model of outsourced cultural administration: Plauen/Germany

During the 1990s, Plauen had to decide how much and what kind of culture the city could afford in times of reducing administrative expenses. Because the municipality of Plauen wished to preserve the city's cultural institutions, they worked up strategies of keeping cultural offers available at reduced costs.



The considerations were guided by the principle that culture needs financial support – especially traditional culture – and that support has to become apparent in the quality of cultural offers and not be spent on excessive management structures in cultural institutions and costly administration. Consequently, management structures had to be skimmed and administrations had to be limited to an absolute minimum.

The solution was to have cultural institutions administrated seperately and not be part of the city's administration anymore. In order to achieve this, initiatives were to be supported and thus their responsibility to be strengthened. That way, finances could reach the cultural institutions directly and not via the city's administration – it was assumed they knew best on what purposes to spend the money.

But considering that the individual administration of every single cultural institution was going to be too expensive, the municipality decided to affiliate four cultural institutions of the city – the music school, the library, the museum, and the theatre. In 2000, the affiliation was transformed into a public enterprise with the legal form of a *GmbH*, a company with limited liability. This *Öffentlicher Eigenbetrieb (Owner-operated Municipal Enterprise*) is owned by the *City of Plauen*.

The employees' reaction to the affiliation in planning was rather reserved at the beginning. But the change was made considering social aspects. Some employees got other job opportunities, older col-

ÖFFENTLICHER EIGENBETRIEB: SYNERGISTIC EFFECTS

 mutual and coordinated execution of tasks

 concentration of administration and technical functions

 only One management

 financial help

 common marketing

 common investments

leagues retired. The working atmosphere became friendly after a while. The employees in the cultural enterprise are still being paid according to the rates in public administrations.

Through the foundation of the municipally owned enterprise *Kulturbetrieb Plauen*, the bodies in the city's cultural administration and in the administrations of the individual culture institutions were reduced to five. Even more, the cultural administration was outsourced from the city and integrated into the *Kulturbetrieb Plauen*. Today, the tasks of cultural administration are reduced to working out cultural strategies for the city, to ensuring financial support of local cultural institutions, including NGOs, and to representation.

The Öffentlicher Eigenbetrieb has only one administration for all of the four institutions. Nevertheless, each of them still has its own economic agenda, its own budget, and its own cultural offerings. The particular institutions remain as before: a museum, a theatre, a gallery, and a library. But administration for all of them is now dealt with by three employees: four institutions with 100 employees have to finance only one director and two clerks in charge. This director, appointed by local parliament, is head of one of the four institutions at the same time. The other institutions have their own heads. They are in charge of content and of creating the cultural programme and offerings in their institutions.

The Öffentlicher Eigenbetrieb has an annual budget of approximately 3,700,000 EUR, whereof 700,000 Euro are self-supported financial resources such as admittance and membership fees. The *City of Plauen* is supporting the enterprise with 1,500,000 EUR and the same amount is received from the *Cultural Region Vogtland's* cultural fund. 80 per cent of the overall amount cover staff expenses, only 10 per cent each are used for administration and projects themselves.

The controlling of the *Eigenbetrieb* is ensured by a supervisory board set up by the *Committee for Culture, Schools and Sports* of the local parliament. Furthermore, the local parliament has to approve the financial agenda of the enterprise for the upcoming year and to exculpate its management for the expired year after an approval by internal and external auditors has taken place. The main advantage of the *Öffentlicher Eigenbetrieb* is that there ist one administration responsible for operative business, human resource management, marketing, and PR activities in all four of the institutions. The expenses for insurances and energy supply are reduced by getting better conditions as one big institution.

A second important point is that synergy effects can be used for the benefit of all institutions. The institutions help each other out not only financially, but in other ways, too: the library and the museum cooperate concerning storage of old newspapers, journals, and books. Expensive technical equipment and vehicles are purchased for the collective use of all the institutions.

Last but not least, this public enterprise is able to act like a market player. It can satisfy local demands and respond to the population's needs – something an administration would not be able to provide this way due to huge administrative efforts.

Model of intraregional municipal cooperation: Cultural Regions in Saxony

The Concept for a Cultural Region (Kulturraumkonzept) was developed in Saxony and is very successful in providing rural areas with cultural offerings. Other federal states in Germany are now also interested in copying the model.

PAYER	AMOUNT	
City of Plauen City of Zwickau two bordering districts	600,000 EUR 800,000 EUR 4,100,000 EUR (ca. 2,000,000 EUR each)	
Total of capital resources from the Cultural Region	5,500,000 EUR	
Funding by the State of Saxony (=200% of capital resources)	11,000,000 EUR	
Total financial resources for culture in the Cultural Region	16,500,000 EUR	
EXAMPLE FOR THE ANNUAL BUDGET OF THE KULTURRAUM VOGTLAND		

During socialist times, in Saxony as well as in the other East German federal states, cultural institutions were governmentally owned. After the political change, they were given back to the municipalities they were located in – except those that were of a certain national interest. In consequence, every municipality had to finance their own cultural institution which proved to be a challenge over the







course of time, especially in rural areas with a weak economy.

In order not to lose cultural offerings in rural areas, a special system was installed to keep cultural institutions in central cities of defined regions and thus providing all of the region with cultural offerings. The idea of *Kulturregion (Cultural Region)* was born. A special law concerning cultural diversity – *Kultur-raumgesetz* – constituted the legal frame in Saxony. It states that municipalities have the duty to take care of cultural offerings in their region. Because of the principle of subsidiarity in the German political system, the *Federal State of Saxony* has to contribute to the financing of cultural offerings. First it was supposed to be a temporary model, but it was finally confirmed as the future model of cultural support in rural areas by the Saxonian parliament in 2012.

The idea was to split Saxony up into eight regions, leaving the three biggest cities of Dresden, Leipzig, and Chemnitz to municipal responsibility. These newly created *Cultural Regions* are not identical to the administrative parts in Saxony. They are independent bodies formed by their members: the bigger municipalites and their surrounding district form a Cultural Region. Within such a Cultural Region, every district has to contribute clearly defined financial means to a mutual cultural fund. Out of this fund, the cultural institutions are supported, discharging municipalities from running them by themselves. The idea is that citizens of the surrounding districts use the cultural offerings in bigger municipalities as well and therefore these districts should participate in supporting those institutions. Nevertheless, municipalities with cultural institutions still have to pay an adequate amount for their maintenance – a precondition for receiving support from the cultural fund. Cultural institutions and NGOs may claim payments from the fund only if the municipalities they are located in have provided money for financing them.

Those obligatory fees from municipalities and surrounding districts sum up to one third of the total cultural expenses for the *Cultural Region*. Two thirds are provided by the *Federal State of Saxony*.

The finances out of this cultural fund are used to support all kinds of different cultural offerings ranging from regional theatres and orchestras to muse**Commission – Recommenation** Experts of each cultural genre giving recommendations.

Advisory Board – Decision One representative of each commission deciding on funding.

Regional Parliaments – Approval Approval on the spending of tax payers' money has to be given.

DECISION MAKING PROCESS

ums, galleries, and important socio-cultural venues. Each *Cultural Region* decides independently which regional cultural offerings will be financed and to what measure, based on self-defined guidelines and criteria for funding.

In every region, there is a commission for each of the most influencial cultural genres giving recommendations on funding in this particular field. The final decision is made by an advisory board constituted of one representative of each commission. Since the fund is partly paid by taxes, this decision has to be approved by the regional parliaments.

This concept of *Cultural Regions* has two obvious advantages. The first one is that it does not require a big cultural administration in the capital of Saxony – in Dresden – since the *Cultural Regions* are independent bodies and receive financial support based on their own calculation and resources. Secondly, decisions are made on a regional level by citizens of the region and not by a remote administration. Local and regional demands for culture are enabled as well as multi-cultural interests are considered as in the case of the cultural minority of the Sorbs, for example.

Model of interregional municipal cooperation: *Euroregion Elbe/Labe* (Pirna/Germany and Ústí nad Labem/Czech Republic)

*Euroregion Elbe/Labe (EEL)*¹³ is presented here as an example of institutional interregional cooperation. Its main goal is to improve cross border cooperation between Germany and the Czech Republic in the region along the *Elbe* river. The association was founded assuming that border regions are generally badly structured and thus underprivileged. As a result, the increase of competitive potential and the creation of interregional areas with a mutual economical and social strategy inside the *European Union* were postulated.

Euroregion Elbe/Labe was founded in 1992. Municipalities along the border on the German and on the Czech side constitute the association's body. On the German side, these are mainly counties and certain cities. These municipalities are presented in the association as an NGO of German municipalities in the region. On the Czech side there is a different situation: about one hundred individual cities and villages are members of the association.

Mutual institutions of the association are the council and the board. The *EEL* has two offices with a small number of employess, one in Ústí nad Labem on the Czech side and one in Pirna on the German side. There consultations take place, among others on funding opportunities for projects. Several special commissions within the association serve as consulting groups for municipal and economical needs. In each commission there are representatives from both sides.

The superior tasks of *Euroregion Elbe/Labe* are the support of projects helping to develop the German-Czech region as well as lobby work for regional interests at the responsible administrations and the creation of compulsory interregional agreements for cooperation on a regional and municipal level.

Until 2008, the *EEL* had realized more than 1,000 projects with an amount up to 170,000,000 EUR. The financial means the NGO had obtained came

13 Euroregion Elbe/Labe is one of about 200 different European border regions, which are organized in the umbrella organization Association of European Border Regions (AEBR) (www.aebr.eu)



THE EURO REGION ELBE/LABE AND ITS ORGANIZATION



from the European Union (90,000,000 EUR), from the Federal State of Saxony (19,000,000 EUR), and others. Since 2008, Euroregion Elbe/Labe has been applying for financial support at the EU for Ziel 3/Cíl 3 which was set up to improve interregional cooperation between the Federal State of Saxony and the Czech Republic.

One of the most effective instruments for funding projects is the small projects fund within the Ziel 3/ Cíl 3 agenda. Its total budget for small projects amounts to 400,000 EUR a year. Projects can be funded with individual amounts of up to 22,500 EUR, the funding covering 85 per cent of the project's total costs. Funding is possible for projects aiming at improving interregional cooperation and at intensifying cross border communication of citizens, associations, and institutions thus encouraging the citizens' identificaition with their region. Applicants can be: public bodies (especially on the regional and local level) as well as religious associations, NGOs, foundations, educational institutions, and legal persons not intending to gain profits. The applicants are to be based in the region and the project's results are to serve the welfare of the region.

It is not always easy to make sustainability of these common projects visible to policy makers and



political institutions. Typical bureaucratic hazards are often caused on the level of the *Federal State* of Saxony, not the European Union. In order to successfully continue the cross border cooperation, Euroregion Elbe/Labe recognized how important it is to simplify the application process especially for smaller projects. But yet, the level of bureaucracy is rising every year.

Model of change of the cultural politics: Thessaloniki/Greece

In Thessaloniki a political change took place, changing power from conservative to center/left. That was the starting point for a change in cultural issues. The officiating *Deputy Mayor of Culture, Education and Youth* had been in close contact to *Friends of Dimitria Festival*, a cultural NGO organising an annual alternative street festival, before. He thus had a different idea of city culture than his predecessor and also an understanding for the needs and the general situation of NGOs.

After the takeover by a new generation of politicians, cultural policy in Thessaloniki started to change. Due to the economic crisis, the cultural budget did not increase but was shortened. The *Department for Culture and Tourism* had to modify their policy and decided to focus on the support of local cultural events and NGOs. A new concept for democratic culture was born, including items such as low admittance fees, a better cooperation between cultural institutions, and organization of local festivals with local bands and musicians.

The cultural approach of the *Department of Culture, Education and Tourism* in Thessaloniki is linked to the support of young initiatives in the city. Since the economic crisis has lead to the city budget's reduction, the municipality has been trying to find different ways to support local NGOs. One way is the supply of municipal spaces and non-monetary resources for initiatives by the *Department of Culture, Education and Tourism*. Another one is enhancing the cooperation between different foundations in order to support funding. A third one are regular meetings of the deputy *Mayor of Culture, Education and Tourism* with representatives of NGOs as it is practised in Thessaloniki. These meetings serve as a creative think tank in the field of culture and this kind of brainstorming is seen as a direct contact to young people beyond the bureaucracy level – a process of collecting ideas from the bottom up.

The Department of Culture, Education and Tourism is on its way to developing a five-year strategy plan for future cultural activities, including the description of procedures and criteria for funding and supporting NGOs and initiatives. One of the ideas to be formulated in the strategy is that most of the events in Thessaloniki are to be organized not by the city administration as before, but by private companies, initiatives and NGOs. Successful examples of the cooperation between the Department of Culture, Education and Tourism on one side and private or non-governmental structures on the other already exist: the International Biennale of Young Artists and the Urban Picnic Festival in Thessaloniki to name a few.

Model of cultural administration in transition I: Vranje/Serbia

Vranje is a small town in Central Serbia with a population of nearly 85,000. Nevertheless, Vranje's percentual spendings on culture are comparably higher than the national average. In the Republic of Serbia, culture is not considered as being lucrative. The governmental financing has even been decreasing over the last years.

The Serbian Government spends a small part of the general budget on culture. In 2009, the cultural budget was planned to be 1 per cent of the total budget (about 73,400,000 EUR), but it turned out to be only 0.83 per cent (about 60,922,000 EUR). Probably, this results from the non-lucrative image of the field. 30 per cent of the budget allocated to culture is used for state staff salaries. According to figures published by Visible Data Project Financing Culture the cultural budget in 2010 amounted to 58,809,048 EUR). From this national cultural budget, only 2.98 per cent (1,723,863 EUR) are being distributed to NGOs. In April of 2012, there was a big discussion at the Cultural Center Grad, where representatives of NGOs asked for two per cent of the budget to be spent on culture, but there was no positive answer from the representatives of political parties.

A further problem of cultural activities is the fact that a big amount of the cultural budget in Serbia goes to salaries of staff in public cultural institutions. A similar situation prevails in Vranje. Take the public library for example: staff salaries account for about 90 per cent of the budget.

In order to change the situation in the cultural sector in Serbia, a reform of main national cultural institutions and the public sector was initiated. Priorities for all levels of public policy-making were a decentralization of culture, the establishing of an environment to stimulate the market orientation of cultural institutions and their efficient and effective work, setting a new legal framework for culture (in accordance to European standards), and reestablishing regional cooperation and ties as well as an active cooperation in the preaccession processes to the *European Union*. With the beginning of the economic crisis in 2008, this process came to a halt. The government was forced to react to economic consequences of the crisis and change processes in other spheres had to be postponed.

In 2011, the cultural budget in Vranje amounted to nearly 1,000,000 EUR equivalent to about five per cent of the city's total budget. In comparison, the spendings on cultural issues on the national level amount to only one per cent of the total budget.

The municipality in Vranje finances the cultural institutions of the museum, the theatre, the library, the college of further education, and the historical archive. Additionally, it supports cultural projects of individuals, NGOs, and institutions. Since 2010, the recipients have been chosen in two kinds of public tendering: one for individuals and NGOs and one for institutions. During the last tendering in 2011, institutions received about 55,000 EUR and 13,000 EUR were given to individuals and organizations. In addition, different events as the *City Festival* and the *Days of Theatre* are financed out of the municipal budget.

Lately, the City of Vranja has been trying to bring a new approach to the cultural sector. First of all, it is cooperating with experts on a *Strategy for Cultural Development* to be in effect for a period of ten years. The *Strategy* will contain goals of cultural development in Vranje and suggest ways to improve the management of cultural institutions – including rationalizing their administration which is much bigger than in a similar institution in Germany. The municipality sees the necessity for reorganizing the cultural sector, or at least to save administration ex-



penses to go easy on the city budget. Public cultural institutions in Vranje depend on financial support out of the municipal budget. There is a motivation for encouraging cultural institutions to gain more independence, to apply for additional funds, and to generate a bigger income. Similar to the situation in Germany, the strategy will be put up for public discussion before being approved by the local parliament. Inspired by *Music Without Borders* and study visits to Germany, the municipality of Vranje started activities to implement some ways of managing culture in Vranje, following the German example.

In reorganising the cultural sector, there are ideas to create an alternative cultural centre similar to *Malzhaus* in Plauen. Municipal spaces not in use might be given to cultural NGOs and be run as multi purpose venues. Another idea is to provide space for NGOs in those public venues that have traditionally been used by cultural associations such as traditional dance collectives and choirs: usually, there is available capacity. But there are also factors complicating the change process such as a difficult legislation and the dependence on politicians. In order to gain sustainability it seems necessary to engage professional cultural managers in adminitration for the implementation of strategies and thus ensuring future development.

Model of cultural administration in transition II: Vukovar/Croatia

Cultural issues in Vukovar belong to the remit of the *Department of Social Services*. The department is not only engaged in social services, but also in health care, social security, and minority matters. It consists of one head and seven employees, two of which are in charge of cultural issues part-time only. For the future, it is planned to have one employee working on cultural matters full time. The city budget for culture is around five per cent of the total budget.

The City of Vukovar is the owner of public cultural institutions such as the library, the theatre, and

the museums and finances the employees in these institutions. Without this financial support it would be hard for them to maintain their work. The cultural institutions are independent in creating and implementing cultural projects and programmes. Currently, public cultural institutions are additionally supported by the municipality, providing them with spaces free of charge.

The municipality supports not only cultural administration but also NGOs in the cultural field with around 1 to 1.5 per cent of the city's total budget. Most of them are NGOs dealing with cultural heritage and urban culture. It is always a challenge to meet all needs and cover finances for all programmes and projects, but the municipality is trying to find ways to support initiatives as good as it can, for example by providing them with free spaces and communication facilities. Also, the administration is in touch with sponsors and influential organizations and helps by establishing contact with them and in writing support letters for projects. The municipality is trying to pursue all aspects and fields of culture simultaneously. Therefore, an important goal is to bring stakeholders and the local government together and thus create conditions for an equal partnership. The expectation is that this will lead to a better quality of cultural projects and to an increase of larger or more complex cultural projects.

Currently there is no such thing as a *Strategy for Cultural Development*, but only long-term agendas for several long-term manifestations. But the municipality sees the necessity to develop such a *Strategy*. Once a year, a public call for proposals is taking place – programmes and projects – for the upcoming year. This call is open for all institutions and NGOs of Vukovar. By now, the city has some cultural manifestations that have become traditional over the last years and receive municipal financial support regularely: there are the *Vukovar Film Festival*, the *Festival Summer in Vukovar*, and the *Days of Danube*, amongst others.



Model of sub-local cultural administration: Municipality of Aerodrom (Skopje/Republic of Macedonia – FYROM)

Aerodrom is one out of ten municipalities of the city of Skopje, capital of Macedonia, and was constituted in 2005. Within the municipality, the administration dealing with cultural issues is organized in a Sector for Education, Sports, Culture and Social Care which is divided into two branches: the Department for Education, Sports and Culture and the Department for Social Care and Child Care. The superior Sector employs five individuals, while the Department for Education, Sports and Culture counts three employees.

There are no institutions like public libraries and theatres belonging to the administration within the *Municipality of Aerodrom*. Libraries belong to the administration of the *City of Skopje*, whereas theatres, being cultural institutions of national interest, belong to the authority of the *Ministry of Culture of Macedonia*. There are neither theatres nor museums on the territory of the *Municipality of Aerodrom*, anyway.

GOALS OF FUNDING IN AERODROM

institutional and financial **Support** to cultural institutions and projects of significance for the municipality

preservation and nurture of folklore, customs, old crafts and similar cultural values

organization of cultural events, encouraging of various specific forms of creativity

celebration of events and persons significant for the municipality

Most municipalites in Macedonia are spending the bigger parts of thier budget on infrastructural projects – considered to be of a higher priority – rather than on culture, and therefore the item of cultural expenses in the city budget is rather small, and even smaller it is in the budget of city districts. The cultural activities within the authority of the *Municipality of Aerodrom* include the provision of institutional and financial support to cultural institutions and projects of significance for the municipality, preservation and nurture of folklore, customs, old crafts, and similar cultural values as well as the organization of significant cultural events. Application for support is possible for associations, organizations, and individuals that are representing the Municipality of Aerodrom on a local or even on the international level. Within the Agenda of the Municipality of Aerodrom for Supporting Culture funds are provided also for the support of various culturerelated activities, such as the provision of decorating street lights for the municipality's main streets and boulevards during New Year holiday. The wood for the bonfires traditionally blazing on Yuletide throughout the entire country are also provided. The Municipality of Aerodrom also supports cultural initiatives by providing venues free of charge as well as technical and organizational support, if necessary.

The Agenda of the Municipality of Aerodrom for Supporting Culture is decided upon by the Sector for Education, Sports, Culture and Social Care on an annual basis. It is approved and adopted by the City Counsil of the Municipality of Aerodrom and published in the municipality's official gazette available online. The Agenda is supposed to be a guideline for municipal activities concerning culture throughout the following year.

Give and take – the cooperation of socio-cultural NGOs and municipalities

Socio-cultural NGOs as well as other non-profit organizations usually are dependent on financial support to make their work sustainable. In most cases, they approach the local administration departments dealing with cultural issues. Municipalities dispose of a budget for culture, which is partly spent on the NGOs' needs. Often, municipalities support projects, but organizations considered important receive institutional funding in order to secure their daily business. The support ist used for renting spaces and offices, communication facilities, and staff expenses.

By means of the *Kulturentwicklungsplan*, sociocultural NGOs have the opportunity to express their needs and to present them in a political process with the help of lobby work which includes the demand for better financing of NGOs.

But funding of NGOs by municipalities is only one way to support them. To guarantee fair practice, there are guidelines for application in existence in most municipalities. A typical and very important approach is the evaluation of applications by experts in a first step, not by politicians or administrative staff. The applications are discussed among specialists in arts and culture and their decisions are based upon established criteria and valuation systems. In a second step, the responsible city council has to approve the nominations, since the funding as part of the municipal budget is based on tax payers' money.

In the Balkan states, the process is similar, but the decision making is not always transparent enough. Unfortunately, political bounds or personal relations still play a big role.

This way of financing is not a one-way street as municipalities benefit from the diversity of socio-cultural offerings. NGOs also take part in cultural activities of the cities and do a lot for society: socio-cultural work with youth and marginal groups, socio-cultural offerings at a low prize, and international exchange programmes for young people.

The support of socio-culture by governmental structures in the Balkan states is not as well developed as it is in Germany. Traditionally, municipalities support associations dealing with preserving traditional culture such as folk collectives. Socio-cultural offerings for the young interested in alternative culture is hardly ever financed so far. Decision makers in politics seldom consider that alternative cultural offerings such as music festivals may have a bigger impact on uniting multi-ethnic groups than traditional folk offers – as is the case with *Kumanovo Summer Festival* offering a programme for young people from the Macedonian, Albanian, and Roma ethnic groups.

A better engagement in socio-cultural issues on the side of city administrations is even more important because in the Balkan states there is no such funding system as is known in Germany, where a great amount of public and private foundations offer support. In order to improve the situation, not only a stronger public perception but also a political presence of NGOs is necessary.

Having said that, it is important to note that municipalities - especially in the Balkan states - often have only limited financial ressources to support NGOs. But they do own municipal spaces with communication facilities and technical equipment they can provide to NGOs, an option municipalities do take as is the case with municipalities engaged in the project Music Without Borders. Most NGOs, as was shown, are in need of rooms and spaces only. Getting spaces for free is no guarantee for sustainability of their work, but at least it enables them to start their activites in the first place. This kind of non-monetary support is an important step on the way to acknowledging the NGOs' work and to deal with them at eye level. Thus, the principle of subsidiarity is realized and grass-root initiatives are strengthened and given the opportunity to take over responsibility through civil society.

Moreover, administrative power can be of great use for NGOs: By providing networking support and connecting them with each other, with private donators, or with international organizations, municipalities might help out more than with low financial support. The example of Thessaloniki illustrates this: the *Deputy Mayor of Culture, Education and Youth* is organizing



a weekly meeting with NGOs and individuals in his office to bring grass-root initiatives together, to get a direct idea of their needs, and to provide useful contacts. Direct results of those meetings are projects like *Museum Sleepover*. The idea is that children can spend a night in the city museum and are brought closer to cultural values in a non-orthodox way. Another example from Thessaloniki is the application process for the contest to be *European Youth Capital*, giving young people the chance to actively take part in preparing the application. During the process, an assembly of representatives of youth organizations was founded to collect ideas for the application.

By supporting exchange programmes between local and foreign NGOs and by helping them with the arrangement of contacts to international foundations or institutions like the *European Commission*, the city administrations might become an important partner. Those activities give local NGOs the opportunity to get in touch with international partners more easily and to find alternative financial resources. In Dresden, the *International Department* has been supporting international exchange activities of *Kultur Aktiv e. V.* within the twin city programme for a long time.

In Skopje, the Aerodrom municipality does not only help NGOs by providing infrastructure, but also tries

to bring different organizations together on its territory. Creating an NGO network is one declared goal of the municipality. The other one is to develop ideas on how to encourage them to communicate with each other as well as with the municipality and to exchange information in order to join participation in projects. This is seen as a way to apply for projects in need of public private partnerships successfully.

Often cities and socio-cultural NGOs cooperate in the organization of city events. One way is that the city provides a venue and the NGO organises the stage programme. In this case, the municipality has an item it does not have to pay for. In Dresden, the Office for Culture and Monument Preservation has been supporting the participation of Kultur Aktiv e. V. in Bunte Republik Neustadt – a well known street festival. The benefit for Kultur Aktiv e. V. is positive PR by attending the festival with over 150,000 visitors each year, and the city of Dresden profits by visitors without having to organise the stage programme.

Another form of cooperation between a municipality and a socio-cultural NGO is found in Plauen: *Malzhaus* receives financial support by the municipality, in return, the municipality is using the privatized venue for running city events and is even earning money that way. This venue might serve



CULTURAL POLICIES

as an example for Vranje. In the city administration, there are ideas to reconstruct the old and unused city cinema in order to give it to socio-cultural NGOs. These are to run the establishment with a financial support by the municipality. The municipality again might use the venue for its own cultural activities.

As the examples mentioned above show, big scale cultural events can be organized without great financial resources but with effective cooperation between the municipality and socio-cultural NGOs. A precondition is that the municipality sees NGOs as an equal partner and is aware of their financial needs as a sustainable organization. A permanent dialogue between the participants is necessary to stabilise the situation, to find creative ways to support each other, and to provide ambitious cultural offerings even in times of little financial resources.

The idea of acknowledging voluntary work within the socio-cultural sector and others is realized in Dresden. It is based on the principle that even if the city does not have the financial opportunities to support all voluntary work in NGOs, their work can be honoured. In Dresden, volunteers may apply for a *Ehrenamtsausweis (Card of Volunteer)* via their organization. This card provides the opportunity to receive a price reduction in several places, part of which are municipally run. This, more or less, is a symbolic way of showing "Yes, you are important for us, we need your work." MUSIC WITHOUT BORDERS IN ITS PUREST SENSE: VUKOVAR BASED BAND DAS REJDŽ WAS JOINED DURING THEIR SHOW BY YOUNG ROMA MUSICIANS OF DEMIRAN FROM VRANJE AT BUNTE REPUBLIK NEUSTADT (BRN) FESTIVAL, DRESDEN, JUNE 2012

Where to go from here ...

One of the goals of *Music Without Borders* was to strengthen the networking activities of cultural NGOs and local municipalities in different parts of the Balkan – to learn from each other and to establish new contacts.

In the course of the project, new partnerships have been established, above all between the municipalities of Plauen and Vranje and between the municipalities of Dresden and Thessaloniki who will be realizing mutual cultural projects in the future. For participating NGOs, it was a good opportunity to get in touch with their local administrations as well as with other organizations in the Balkan region and in the *European Union*.

As the results show, there are similar problems for all NGOs taking part in the project. First there is the financing issue which is existential for all of them. As it became clear, this can be solved to a certain extend only by dialogue with local municipalities, in which NGOs have to manage to communicate their importance for socio-cultural offerings. Besides, it is necessary for NGOs to understand that they have to defend their interest in a political process and an umbrella organization doing lobby work may be helpful.

Quite often, municipalities in the Balkan states still stick to the idea that cultural offerings are to be organised and financed by city administrations. As the examples in Saxony show this is not necessarily the case. The administrations can transfer some of their social and cultural functions to NGOs. The municipalities' benefit is to be able to save on staff expenses and at the same time to have highly motivated staff organising events. It seems useful for administrations and socio-cultural NGOs to define agendas for future mutual cultural policies. Just as important for NGOs it is to define their future goals.

Starting from that, a stable partnership may be developed, including not only financing but also cooperation on a non-monetary level. Municipalities have to understand that they greatly benefit from socio-cultural initiatives in their regions, especially if projects are a success and grow to interregional or even international importance. Municipalities have to work on municipally-owned cultural offerings as well and search for ways to make them more efficient. One way could be restructuring cultural offerings as it happened in Plauen.

Municipalities do not only have to improve their cooperation with local initiatives but also search for interregional and international cooperation, as it happens within European projects. Due to the conflicts in the past, which still devide societies and neighbours all over the Balkan, such cooperations are opening a door of understanding and dialogue. Culture, both on municipal level or in the civil society field, is an useful instrument to bring people together across borders. Beside all theory above, *Music Without Borders* also practically did so – see picture above.

NGOs

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