

The Long March for an appropriate cultural infrastructure for Hong Kong: Government opts for further consideration after a Three-year Study

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Abstract *The Policy Recommendation Report published by the Culture and Heritage Commission in Hong Kong in March 2003 proposed a major departure from long-standing practices dating back to British colonial days. Against a background of direct government management of cultural facilities and activities, this advisory body advocated a "community-driven" long-term strategy for cultural development. It recommended that the government's role should gradually shift from that of an "administrator" to that of a "facilitator". Whilst accepting this principle, the response of the Hong Kong Government this February has not endorsed the infrastructure proposed by the Commission to implement this strategy nor reduced its administrator role. It opts to set up advisory committees on libraries, museums and performing arts to further solicit public views. The "Long March" for an appropriate cultural infrastructure in Hong Kong continues.*

Biography *Tseng Sun-man has been a Hong Kong-based freelance lecturer and consultant in cultural policy and arts management since 2001. The first Chinese to be appointed General Manager of the Hong Kong Arts Festival Society in 1988, Sun-man was also the Secretary-General of the Hong Kong Arts Development Council from 1997 to 2001.*

In April 2000, the government of the Hong Kong Special Administrative Region established the Culture and Heritage Commission to provide advice on policies as well as funding priorities for arts and culture. The 17-member Commission, comprising academics, legislators, businessmen, artists, educators and six ex-officio members took three years to accomplish its task. After two consultation documents and two rounds of public consultations, the Commission finally released its *Policy Recommendation Report* in March 2003.

With all minds in Hong Kong focused on the difficult battle against SARS at that time, it was not surprising that the *Report* attracted little attention from the media and the public. The Government did not issue a Response to the *Report* until late February 2004, almost a year after the publication of the Commission's Report. Though most of the recommendations were accepted, the Government refrained from making a decision on the future cultural infrastructure, which might have an impact on the career of hundreds of cultural managers in the civil service. Instead of establishing statutory boards to take charge of different areas and a Culture and Arts Foundation for funding as recommended by the Culture and Heritage Commission, it opted to set up Advisory Committees for Libraries, Museums and Performing Arts respectively so it "could further solicit public views" (Home Affairs Bureau 2004: 4). This has been a disappointment for many arts practitioners in Hong Kong since the debate and search for an appropriate cultural infrastructure has been on-going for more than ten years.

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This article attempts to outline the major recommendations of the Commission's *Report* and the Government's response to them. This writer will also comment on whether the *Report* and the Government's response addressed the real issues.

Background

In the last three decades, arts and culture in Hong Kong enjoyed substantial funding from public sources. However, the British-Hong Kong government shied away from defining a cultural policy, justifying its position as non-interference in artistic matters. When the ex- Secretary for Recreation and Culture, Mr Brian Chow Tak Hay, was challenged in the Legislative Council in October 1997 why Hong Kong did not have a cultural policy, he responded that the British Hong Kong government did not want to promote any particular ideology and tried to pursue a non-interventionist policy (Hong Kong Policy Research Institute 1998: 3-4).

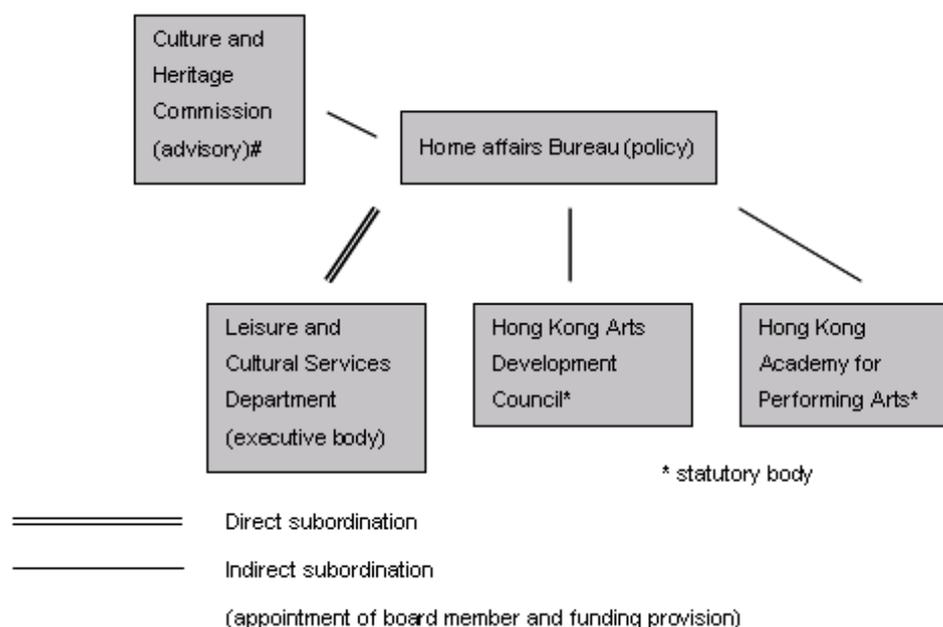
Until 2000, the key players in culture were the two municipal (city) councils, which managed a network of cultural facilities (performing venues, museums, libraries) as well as presented performances, exhibitions and festivals at these facilities through cultural managers who were employed as civil servants. The guiding principle was the provision of the necessary infra-structural support by building cultural venues, and offering performance opportunities as well as financial support to professional performing companies.

Cultural facilities and arts activities have mushroomed under steady public support during the last three decades. The number of major cultural venues in Hong Kong increased from two in 1977 to seventeen in 1993. The rich provision of purpose-built performing arts venues remains unique in the region. Seven professional performing companies were established between 1974 and 1993. However, in spite of the rapid development in the 1980s and 1990s, there was little co-ordination between the policy bureau of the government responsible for culture and the two municipal councils. The latter enjoyed full financial autonomy and their cultural expenditure far exceeded that of the policy bureau concerned.

After an Arts Policy Review in 1993, the government replaced the Advisory Council for the Performing Arts with a statutory body, the Hong Kong Arts Development Council. The budget of this funding and development agency, however, compares insignificantly with the cultural spending of the two municipal councils.

After reunification with China, the new Special Administrative Region Government demolished the two municipal councils at the end of 1999. The civil servants who served the municipal councils were brought together to form the Leisure and Cultural Services Department, which became an executive arm of the Home Affairs Bureau. The arts and culture infrastructure became highly centralized with the policy bureau at the center. Whilst the demolition of the two municipal councils was a political move, the Government acknowledged then that there would be a need for a cultural policy. In April 2000, the Culture and Heritage Commission was established to "advise the government on policies as well as funding priorities on culture and the arts" (Culture and Heritage Commission 2003: 2).

Illustration 1: Arts Culture Infrastructure After 2000



Commission's Report highlighted People-oriented Approach and Education

The six chapters of the 59-page *Policy Recommendation Report* covered a broad range of topics:

1. Background
2. Hong Kong's Cultural Position
3. Education in Culture and the Arts
4. Cultural Facilities
5. Review on Resources Deployment and Institutional Framework
6. An International Cultural Metropolis (heritage conservation /cultural exchange / creative industries / West Kowloon Reclamation Development)

The *Report* included about one hundred recommendations which encompassed policies as well as specific implementation strategies. As a preamble, it spelled out clearly the cultural identity and the cultural position of Hong Kong.

Recognizing that Hong Kong culture has its origin in traditional Chinese culture, Hong Kong people's cultural identity should start from local culture, be grounded in Chinese cultural traditions, and possess a global vision. As a special administrative region of China, Hong Kong should position itself as a metropolis in China which is most capable of bridging China and the world.
(Culture and Heritage Commission 2003: 56)

The Chairman of the Commission highlighted the "people-oriented" approach as the best to capture the spirit of the *Report*. This referred to the holistic development of the people. The *Report* accorded high priority to the nurturing of talents by devoting a whole chapter on education in culture and the arts. Most of the proposals in this chapter were non-controversial and welcome by arts and culture practitioners. These included enhancing continuity in arts education curriculum beyond the junior secondary level, broadening the scope and contents of the arts education curriculum to achieve diversity, strengthening arts teacher training and inducing parental resources to support education on culture and the arts for young people.

A survey instigated by the Commission revealed some interesting data: no less than

70% of the families interviewed had children participating in extra-curricular art education activities. Parents spent on average HK\$ 721 each month on music classes for their children. It is a pity that the *Report* has not provided other statistics which reflects the level of participation of the local population on arts and cultural activities

One of the recommendations of the *Report* was to encourage the media to provide more coverage on culture and the arts and the setting up of local television and radio channels for culture, arts, technology and education programs.

The government accepted the Commission's recommendations on cultural positioning as well as most of its proposals on education in culture and the arts. Most of the latter have to be followed up with the Education and Manpower Bureau.

Community Involvement in the Management of Cultural Facilities

A major departure from long-standing practice was the Commission's proposal for a "community-driven" long-term strategy, suggesting that the government should gradually reduce its direct involvement and management in cultural facilities and activities. In response to concerns that the private sector might not have the expertise or the incentive to take over the government's role, the Commission added "community involvement" as a transitional strategy in its final report.

The *Report* advocated "community involvement" in the management of cultural facilities. In order to strengthen community involvement, the Commission proposed the establishment of a "Libraries Board" and a "Museums Board", statutory bodies to supervise and co-ordinate the development of libraries and museums respectively. The *Report* also argued for the establishment of boards of trustees to oversee the management and resource development of public museums.

For performing arts facilities, the Commission urged the government to introduce community involvement in stages through different strategies. These included outsourcing the management (including programming) of a territory-wide /thematic venue as a pilot scheme and developing the character of venues through partnership with professional arts groups.

It is not without regret that we find the *Report* unable to provide a definition for "community involvement", nor does it explain the means through which this concept could be applied to the management of cultural facilities. This writer identifies three levels through which "community involvement" may be applied - at the policy formulation and resource allocation level of the government, at the corporate governance and decision-making of individual facilities, and in the day-to-day operation of individual facilities. The table below shows these three levels for library, museum and performing venues respectively and the measures proposed by the Commission (or the absence of proposed measures) for each category.

Illustration 2: Analysis of Community Involvement proposed by Culture and Heritage Commission in the Management of Cultural Facilities

	Library	Museums	Performing Venues
Policy Formulation & Resource Allocation process	Library Board	Museum Board	No
Corporate Governance & Decision making of Individual Facilities	No	Board of Trustees for Flagship museums	No
Day-to-day Operation of Individual Facilities	No	No	Outsourcing management & programming of major venue (pilot scheme) partnership schemes

Critics of the *Report* are puzzled why the proposals for “community involvement” at the policy formulation and resource allocation level are not consistent, since there is no performing arts equivalent to the “Libraries” and Museums” Boards in the proposed Institutional Framework. The Leisure and Cultural Services Department reports directly to the Home Affairs Bureau in performing arts matters. If different forms of “community involvement” are more desirable for different sectors owing to their respective unique contexts, then the rationale should have been explained.

At the corporate governance and decision-making level of individual facilities, boards of trustees were proposed for public museums but not for performing venues and libraries. This is difficult to understand when the *Report* cites as good examples the successful incorporation of the three performing companies previously managed by the Leisure and Cultural Services Department (namely the Hong Kong Chinese Orchestra, Hong Kong Repertory Theatre and Hong Kong Dance Company). The Board of Trustees model has been adopted by many major performing arts facilities around the world. If “community involvement” is a major strategy, it is hard to understand why management by a board of trustees is not considered a desirable and feasible option for performing venues.

This writer believes that the availability of qualified and experienced board members in a specific sector should be a major consideration in the implementation timetable of the “community involvement” policy. It seems that there are many more suitable candidates for trusteeship in the performing arts than in library and museum management in Hong Kong. Many community-spirited individuals who are interested in the performing arts have accumulated considerable experience serving on the boards of performing arts companies and independent arts venues such as the Hong Kong Arts Centre and the Fringe Club.

In regard to the operation of individual facilities, community involvement was only proposed for performing venues. Different means including outsourcing the management and programming of a major venue (pilot scheme) as well as programme partnership schemes were recommended. The latter has already been on trial in some small venues, where independent arts organizations have been invited to plan and present part of the programmes in these venues. Even though the *Report* noted that the government should introduce community involvement (in performing venues) by stages, no target or guideline was given. It only stated that the government should take into account the result of the (pilot) scheme in reviewing the feasibility and strategies of introducing community involvement in the management of venues.

Overall, the Commission’s proposals for community involvement in cultural facilities were criticized for lacking in clearly defined rationale as well as the absence of targets and implementation plans. However, they did represent a paradigm shift in public support of the arts in Hong Kong. In contrast, the government’s response seems ultra-conservative. It only announced that the government would establish Advisory Committees on Libraries, Museums and the Performing Arts respectively to “further solicit public views in managing the facilities and promoting the services”.

It is hard to believe that the government needs to further solicit public views after two rounds of consultations in the last two years and completion of consultancy reports on all the three areas. It is worth noting that the government’s advisory committee structure is very similar to the committees established for managing culture in the municipal councils before 2000, the main differences being that the Committees then were not advisory and had some powers delegated to them. There was also no direct relationship between these committees and the policy bureau at that time, which would be provided for in the new set up.

Resources Development and Institutional Framework

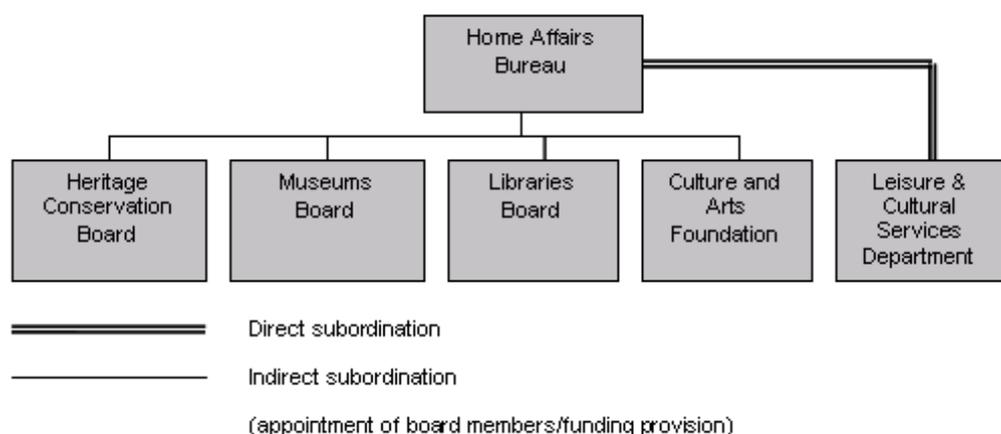
On the all-important subject of resource deployment, the *Report* pointed out the unlikelihood that public expenditure (which amounted to HK\$2.6 billion a year, representing roughly 1% of the government's total recurrent expenditure) would increase given the current budget restraints (the Hong Kong government had a budget deficit of HK\$67.6 billion in 2002/03). It also noted that resources have been heavily skewed towards the performing arts, with expenditure totaling \$1.3 billion. It remarked that flagship performing companies should seek more private sponsorship and rely less on public funds. Its proposal was to gradually shift more resources to the areas of heritage conservation, libraries, museums, cultural promotion at district level and the raising of professional standard. These recommendations were accepted by the Government.

It has to be pointed out that the figures quoted about the performing arts were misleading in that box office income generated from performing arts activities of the Leisure and Cultural Services Department had not been taken into consideration. Performing arts activities in general attract much higher box office income (and better return on investment) than museums and libraries. According to the *Baseline Study On Hong Kong's Creative Industries For the Central Policy Unit, HK Special Administrative Region Government* published by the Centre for Cultural Policy Research / in September 2003, ticketing income covered 28% of total expenditure in programming of the Leisure and Cultural Services Department.

Flagship companies funded by the government also complained that the government had done nothing to encourage business sponsorship of the arts.

For an institutional framework in the future, the *Report* recommended the establishment of a statutory "Culture and Arts Foundation" which will be mainly responsible for funding local arts groups and cultural activities. The Hong Kong Arts Development Council won support from the Commission and came to be designated as the prototype for this body. The unique democratic set up of the Council, with some of its members returned through "arts interests representatives nomination" (i.e. election amongst arts constituencies), is retained in the *Report's* recommendation, though the scope of the constituencies to be represented was to be expanded.

Illustration 3: Institutional Framework proposed by the Commission



The government kept silent on this important recommendation, merely pledging to "carefully examine and give due consideration to all relevant factors" (Home Affairs Bureau 2004: 22). This was a disappointment to many practitioners since the establishment of the "Culture and Arts Foundation" would have provided at least in theory a "level-playing field" in the funding of the flagship companies. The ten companies which fall into this category are now funded either by the Hong Kong Arts

Development Council or the Leisure and Cultural Services Department at significantly different levels.

West Kowloon Cultural District and the Creative Industries

With land and space the premium resources in Hong Kong, it is not surprising that the building of cultural facilities has been the primary consideration in the cultural development of Hong Kong during the last three decades. Practitioners have always criticized the government for concentrating on the hardware at the expense of the software (the mode of operation of the facilities and their synergy with performing companies).

It should be pointed out that the government, even before the establishment of the CHC, had already made a decision which had the potential to make a paradigm shift on the development of arts and culture in Hong Kong. In 1999 the government earmarked 40 acres of harbor-front reclaimed land in West Kowloon for the establishment of an arts, cultural and entertainment district. This major initiative received support in the Chief Executive's Policy Address the year before, in which one of the many goals of Hong Kong should be to become an "international arts and culture hub".

The Commission made recommendations to the Government on its vision of the Cultural District as early as 2001. An international competition on the concept design for the district was held in the same year. The commission's vision was included in the competition document for development of the district. Lord Foster won the first prize in this international competition. His landmark design concept, with an enormous overhead canopy covering the entire district, would be adopted. The Commission also suggested the following principles in the planning and development of the district: integration of facilities within the district, complementarity with other cultural facilities and respecting cultural "software".

The government is now inviting proposals from the private sector to build and manage facilities in the district. Previously most cultural venues in Hong Kong were designed, built and managed by government departments, enjoying recurrent funding from the government in order to present programmes. The government hopes that the commercial developments in the West Kowloon Cultural District would generate sufficient profit to subsidize the presentation of cultural activities there (as well as sufficient return to attract the investment of private developers).

Even though real estate prices in Hong Kong have dropped significantly from market pinnacles since 1997, 40 acres of harbor-front land for development still represent a big attraction to property developers in Hong Kong. There is no doubt that the Cultural District provides very strong incentive to them to participate in cultural development under the guise of "community involvement".

However, the considerable risk associated with this project not surprisingly attracted its fair share of controversy. Some critics are worried that the proportion of space allocated by the developer to culture might be insignificant, in spite of assurance by the government. There was also concern as to whether property developers have the expertise to run cultural facilities and hence proposals to separate development rights from operation rights. It is not the aim of this article to cover these controversies except to report that the Government is extending the period for invitation of proposals and has also pledged to release the plans of the finalist to the public.

The *Policy Recommendation Report* only touched briefly on the Creative Industries since a consultancy project commissioned by the Central Policy Unit on this subject was in progress then.

What is lacking?

A favorable environment for community involvement in the arts and culture

To this writer, "community involvement" encompasses a wider scope than placing non-civil servants in management positions in cultural facilities or the participation of individuals from various sectors in the governance of cultural facilities. The cultivation of audiences and sponsors for cultural activities as well as the existence of independent arts/cultural presenters, agencies and consultants are important manifestations of "community involvement". What is lacking in Hong Kong is an environment that encourages these wider manifestations of "community involvement". Sadly, neither the Commission's Report nor the government's response addressed this major issue.

The *Report* acknowledged that the business sector was an important partner of the cultural and arts sector in many countries but observed that this was not the case in Hong Kong. It remarked that tax concession would not be effective to induce commercial sponsorship of cultural events due to the simple and low tax regime in Hong Kong (profit tax at 15%). The Commission only proposed relaxing the restrictions on venue naming rights and awarding recognition to cultural sponsorships and contributors as measures to encourage business support. The Government accepted the proposal and said that they would be implemented gradually.

In 2001, the Central Policy Unit of the Hong Kong government commissioned Golin/Harris Forrest to conduct a study of corporate philanthropy: *The Role of Companies in the Development and of a Vibrant Third Sector in Hong Kong*. A survey of the Study revealed that only 11% of the respondents gave priority to supporting culture and sport, while 58% chose education. Given that giving to the arts was accorded the lowest priority by many corporations as they dish out their annual charitable offerings, one wonders how effective the proposed measures would be.

The Report also pointed out that the Leisure and Cultural Services Department has caused some concerns in the arts communities for its advantage in using huge resources (HK\$150 million a year) and the venues under its own management to stage a large number of performing arts programmes. Not only is the Department the chief programme presenter in Hong Kong, but ticket prices for these programmes are usually heavily subsidized. As a result, audiences in Hong Kong are used to paying rather low (heavily subsidized) prices for performing arts activities.

The performing arts "market" in Hong Kong is thus very "artificial" and highly dependent on public subsidy. This, and the relatively small market in Hong Kong (population of 6.7 Million) inhibit the participation of the private sector. Regrettably neither the *Report* nor the government response clearly define the future role of the Department in programme presentation (other than that it should focus on venue management according to the *Report*). There was also no mention on how the government can cultivate an environment which encourages commercial impresarios, agencies and arts consultants to survive and flourish.

Encouragement of more programme presenters will be a key to nurturing a more healthy environment for the development of arts and culture activities in Hong Kong. It would be unrealistic to expect the public, who are used to "artificial" ticket prices, to change their behavior suddenly. However, the cost-effectiveness of public subsidy devoted to cultural programmes can be enhanced if subsidy is awarded as presentation grants to independent, not-for-profit arts organizations and commercial impresarios, to the latter perhaps as guarantee-against-loss. These organizations generally exercise more flexibility in seeking sponsorship and box office income as well as keeping the operational cost low.

Conclusion

Since the Arts Policy Review conducted by the British-Hong Kong Government in 1993, policy makers and arts practitioners in Hong Kong have been debating the cultural policy and appropriate cultural infrastructure in Hong Kong. A few reports have been commissioned and proposals made both before and after the reunification. This “Long March” has not yet ended with the *Policy Recommendation Report* of the Culture and Heritage Commission. If the Government’s response to the Commission’s Report is taken literally, the new structure with advisory committees for library, museums and performing arts is intended to be a temporary measure. However, it remains to be seen whether this structure would stay on.

One can’t help wondering whether the government’s indecision reflects the importance it attaches to culture and the arts.

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