#### Monika JAŠINSKAITĖ

University of Tartu

# The effects of neoliberalism on the Lithuanian performing arts system: production and distribution

KEYWORDS:
neoliberalism,
performing arts
system, theatre funding,
performing arts
production, performing
arts distribution,
independent sector,
governmental sector.

ABSTRACT. The article investigates in what ways neoliberalism affects the Lithuanian performing arts system with a focus on production and distribution markets and corresponding processes. Over the last 30 years, the country underwent a bold transformation from a planned to a market economy, yet the relationship between the theatre and the economic system remains virtually unexplored. Today's Lithuanian performing arts system embraces two types of producers - governmental institutions and independent companies - that evolved from two contradictory economic doctrines. The analysis of their activities is grounded on statistical data, resources of the companies including funding allocations, and qualitative interviews with creators and artistic heads of production companies. The research suggests the influence of neoliberalism on the Lithuanian performing arts at the institutional and state levels, highlighting a large market share of independent companies tuned to the neoliberal government, a transformation of organisation in governmental theatres, underdevelopment in the distribution market, as well as issues related to public financing.

#### Introduction

Despite continuous efforts to oppose political and economic conditions, artists and art worlds are inevitably affected by the political-economic order, which may limit, or – on the contrary – encourage their practices. In his prominent study on French writers, Pierre Bourdieu shows that the field of power conditions all artists, although its impact on them is not even (Bourdieu 1993: 37–40). It is difficult to refute Hans van Maanen pointing out two basic reasons of the dependency: first, the artist "needs at least to stay alive, which means to be fed, clothed and housed or to have financial means to buy required productions and services", second, financial means are required to buy materials and pay other people for their contributions (van Maanen 2009: 209). Conventionally

artists cover such expenses from personal or family savings, earnings from side occupations, or income from their artistic activities (Ibid.). Apparently, the state also can contribute to the arts, as Howard S. Becker distinguishes, in favour of its own interests, either by encouraging some artistic activities with financial support or, on the contrary, by trying to expel others by means of censorship. Nevertheless, the artists largely benefit from additional structures related to their activities, notably distribution systems, seen by Becker as a prerequisite of refined art worlds. It is distribution, Becker points out, that incorporates art into the economy by mediating the interest of artists to continue their work and the concern of audiences to enjoy artistic experiences (Becker 1982: 165–91, 93).

In Lithuania, the relationship between artists and the field of power changed with the state's turn to democracy and capitalism after the restoration of independence. In the 1990s, politicians, public figures and scholars willingly accepted a market economy because, as Slavoj Zižek suggested, "the passage into democracy-capitalism was experienced as deliverance from the constraints of ideology" (Žižek 1994: 19). In his study on the post-soviet transformations, Zenonas Norkus shows that for their economic transformation, the former Eastern Bloc countries that now are members of the European Union chose between two models – a coordinated market economy (as in Japan or Germany) or a liberal market economy (as in the US). The latter is linked to neoliberalism, the dominant political-economic theory since the 1980s, condemning state interventions for the sake of free markets, and was chosen as a model by the Lithuanian government (Norkus 2008: 728-39). In a thorough account on the influence of neoliberalism on Lithuanian culture and arts, Skaidra Trilupaitytė remarks that due to this politicaleconomic shift, the artistic field regained freedom of speech yet lost its privileged position in state affairs. Moreover, the Lithuanian discourse on cultural policy evolved into constant rumination about (insufficient) funding for the arts, confrontation between old and new approaches, governmental and independent sectors, as well as "top-down" and "bottom-up" processes (Trilupaitytė 2015: 18, 196–201, 29).

Lithuanian performing artists are unlikely to refute the importance of financing for their everyday practices. Although economic conditions affect all types of art, the performing arts are especially sensitive within such a relationship due to its communal nature – stagings are carried out by a group of people, moreover, their distribution demands live encounters between performers and spectators – and that entails enormous costs (Edelman et al. 2017: 48). Costly activities might explain why theatre researchers pay notable attention to financing systems and organisational structures when discussing the functioning of the theatre in West European countries (van Maanen 1998: 742–3).

The theatre system in Lithuania embraces two major sectors of producers – state institutions and independent companies – that evolved under two contradictory types of government, namely, communism and capitalism. As the state maintains a different relationship with both sectors, thus entailing their specific relationships with the field of power, confrontations routinely spark between the respective representatives in local cultural discussions. Nevertheless, in practice, numerous performing artists develop their careers when migrating between both types of companies, suggesting a single system with a complex interrelation between its two major components. Since the 1990s, the relationship between the theatre and the political-economic system remains virtually unexplored, mostly in instrumental studies where the goal has been efficiency (Starkevičiūtė 2002; Pukelytė 2008; 2010; Dapšytė and Pukelytė 2014; Aukščiausioji audito institucija 2018). In this article, I look at the ways in which neoliberalism affects the current performing arts system in Lithuania by examining two specific markets.

#### Neoliberal agendas in culture and arts

Neoliberalism here is considered as a hegemonic economic-political theory related to the ideas of Friedrich von Hayek and grounding governmental practices, while advocating unregulated markets and individual freedom of choice as major means for distributing resources in societies (Harvey 2005: 2). Although a half-century has passed since the turn to neoliberal government practices, identifying their attributes remains challenging, due to the socio-political differences in various countries, a range of promoters not identifying themselves as neoliberals, the diversity of narrower initiatives encouraging neoliberal practices, e.g., creative industries, and a bundle of parallel phenomena such as postmodernism or globalisation (Trilupaitytė 2015: 11–24). Whereas Lithuania led its reforms following the liberal market economy model based on the neoliberal US government, its institutional system has remained a mix of different principles that might have "dysfunctional consequences" (Norkus 2008: 740). Nevertheless, during its transition to a market economy, the Lithuanian government followed a set of neoliberal recommendations that still shape various practices, including the performing arts (Norkus 2008: 35, 340).

For neoliberals, the government is supposed to ensure the functioning of markets (or establish new ones) using its institutional system, and to withdraw from other interventions to avoid market distortions (Harvey 2005: 2). In restored Lithuania, cultural processes still depended upon Soviet administrative structures. Culture professionals pleaded for reforms, yet the arts remained out of the political focus, thus leaving cul-

tural policies ineffective due to a lack of, inefficiency and even contradiction of laws (Trilupaitytė 2015: 111, 167–69, 188, 102). While the government rolled back from ensuring efficient regulation in culture, theatre organisations faced legal restrictions to hire staff on casual contracts (Imbrasas 1999). Moreover, performing arts professionals identified governmental theatres as stagnating institutions, questioned their ensured funding, and argued that the theatre system was aimed counter to the distribution of independent productions (Gyvas negyvas teatras 1999). The law¹ regulating professional performing arts adopted in 2004 was seen as inefficient, restricting governmental institutions, and offering no tools for independent companies (Liuga 2006). Eventually, the Ministry of Culture (hereafter 'Ministry') was judged as failing to ensure the effectiveness and sufficient development of its professional performing arts policy (Pukelytė 2010: 40; Aukščiausioji audito institucija 2018).

Various researchers point out that neoliberal politics entail decreased state funding in various fields, including culture and arts (Harvey in McGuigan 2016: 21; Harvie 2021: 30–31). In restored Lithuania, this plummeting funding could be traced back to habitual demands to increase governmental financing entailing an ambivalent response. The free-market proponents encouraged art producers to forget government favours, yet professional art still enjoyed the support of the state, and productions by governmental institutions dominated local markets (Trilupaitytė 2015: 91, 101, 185). The Ministry was also known to grant favourable exceptions to support the activities of prominent directors (Gyvas negyvas teatras 1999: 9). Requests to raise funding for culture and arts have been highly related to the 'lamentable' salaries of cultural employees (Trilupaitytė 2015: 114, 188). The average salary in state theatres dropped from 85% of the Lithuanian average salary in 2001 to 79% in 2009 (Starkevičiūtė 2002: 28–29; Pukelytė 2010: 71).<sup>2</sup>

Neoliberals endorse marketisation, because unregulated markets are seen as the place of fair competition and the major prerequisite for social welfare (McGuigan 2016: 118). In Lithuanian culture, free markets were expected to serve as a magic remedy for chronic problems, whereas artistic institutions were torn between market demands and governmental restrictions against the commercialisation of art (Trilupaitytė 2015: 61, 95–99, 170–71). Gifted performing artists were encouraged to establish themselves in

<sup>1</sup> The Law of Theatres and Concert Institutions, in 2016 retitled as The Law of Professional Performing Arts.

Both studies referred to here suggest similar perspectives, yet have methodological differences, as Starkevičiūtė considers all governmental and one independent theatre, whereas Pukelytė accounts for only governmental drama theatres.

the marketplace, particularly international markets (Imbrasas 1999; Liuga 2006). Yet, except for the companies of renowned directors that regularly performed abroad, most theatres focused on local audiences (Pukelytė 2010: 30; Dapšytė and Pukelytė 2014: 30–33).

The critics of neoliberalism highlight that instead of contributing to social welfare, free markets function as a mere concept serving to disguise the interests of various social groups, hence actual markets should be observed (Trilupaitytė 2015: 60). Such a claim correlates with arguments that neoliberalism impedes transparency and democratic accountability, features that are not particularly cherished by Lithuanian artists, who linked accountability to hierarchical power and censorship rather than transparent public financing (Harvie 2021: 19; Trilupaitytė 2015: 114–15). By contrast, in the western EU countries, neoliberalism is associated with accountability for received finances that serve to justify public allocations (Nibbelink and Hofmann 2021: 47). A variety of ways to support culture have been discussed since the 1990s in Lithuania, yet here, three main principles to fund artistic organisations are considered. State patronage, linked to employment for being in the service of a state, e.g. in state institutions, is being replaced in West European countries by more transparent subsidising, grounded on an objective match between the artistic plan and the publicly-announced criteria of an open contest. Sponsorship is related to arts funding without influencing the outcomes of artistic processes, but is known to correlate with the market interests of a sponsor (van Maanen 2009: 209-19). Lithuanian theatre funding practices are to be considered further, however, it is known that hopes to increase funds via sponsorship ended with a rejection of the tax benefit incentive, whereas funding for governmental theatres has not been justified in terms of either creative or economic efficiency, e.g., from box office revenues (Trilupaitytė 2015: 116; Pukelytė 2010: 18, 50).

Within business institutions, the turn to neoliberal capitalism coincides with the emergence of new management practices allowing an adaptation to changing business environments. To remain flexible and inventive, the enterprise focuses only on its core activities, executed by permanent employees with specific knowledge, and delegates supporting functions to subcontracting companies or individuals. Whereas the former activities continue to be carried out, on an institutional level companies dissociate from the entailing transition from internal organisation to market-based relationships between partners that provide products related to their core occupation and partly delegate quality control to the market, i.e., consumers. For individuals, this kind of transition changes the dominant employment period from life-long to short-medium, yet demands more versatile engagement on behalf of professionals. Although new management models

could be linked to the socialist critique, due to the instrumentalisation of human qualities, here it is considered as serving neoliberal capitalism (Boltanski and Chiapello 2007: 70–99).

In Lithuanian culture, new management was encouraged by both independent artists and high-ranking officials, yet researchers highlight its limited practical application for the theatre (Trilupaitytė 2015: 165-66). When considering new management at the institutional level, the Arts Printing House, a venue co-established by the Vilnius Municipality to offer spaces for performing arts companies without their own permanent premises, became the 'paradigmatic institution' linked to openness and innovation (Trilupaitytė 2015: 92–93). Meanwhile, governmental theatres kept all their activities in-house (Pukelytė 2008). On the individual level, most employees, including actors, were hired on the basis of indefinite agreements, and despite optimistic expectations that fixed-term and casual agreements would become dominant, 92% of tenures in drama theatres remained life-long (Starkevičiūtė 2002: 28-29; Pukelytė 2010: 58). Although life-long agreements prevailed for supporting staff in the independent companies, actors were hired only on casual agreements (Dapšytė and Pukelytė 2014: 40–44). Moreover, the 'uncompetitively small salaries' led professionals to take side jobs that eventually became common practice, notably among performers (Pukelytė 2010: 69). By 2014, at least 29% of actors performing in the productions of the independent companies were employees of governmental companies (Dapšytė and Pukelytė 2014: 43).

# Methodology

Hereafter, I overview two Lithuanian performing arts markets related to the effects that are generated by the production companies carrying out processes in the production and the distribution domains. Whereas the former results in performing art works (productions), the latter provides performing arts events (shows of productions). Following van Maanen's model, the administrating regulations and the funding programs of the performing arts are seen as a basic political-economic context for the functioning of both domains, whereas the results of production contribute to shaping the functioning of distribution (van Maanen 1998: 721–742; van Maanen 2009: 10–14). The calendar year 2019 is selected as the period for analysis because firstly, it provides data on full-scale performing arts activities before the effects of the COVID-19 pandemic, and secondly, diverse data related to the period was available. Although one year is not sufficient to infer intricacies, it is satisfactory to pinpoint the general functioning of the Lithuanian theatre system.

The domains are considered on different levels. On the society level, the effects of both production and distribution of four different types of companies are based on statistical data from the survey Lithuanian Theatre in Numbers by the Lithuanian Association of Performing Arts Critics (Scenos meno kritikų asociacija 2020), encompassing half of the field (39 organisations of an estimated 80). The resources of the whole field are estimated based on public information such as numbers of employees (Sodra 2022) and funding allocations by national or local institutions, including the Ministry of Culture (Kultūros ministerija 2023; 2019a; 2019b), the Lithuanian Council for Culture (Lietuvos kultūros taryba 2022), and municipalities (Vilniaus miesto savivaldybė 2019; Bareikė 2022; Kauno miesto savivaldybė 2020; Klaipėdos miesto savivaldybė 2021) that are represented in Figures 2 and 6. On the institutional level, creative processes are generalised from 12 semi-structured interviews with artistic heads of the companies (6) and theatre directors (6) of drama theatre producers that were conducted in January and February 2023 and focused mostly on production activities. Meanwhile, refined management solutions on the institutional level warrant future research; further, I assume that the external resources (staff, spaces, equipment, materials) that make it possible to carry out processes within institutions coincide with and thus may be represented by their acquired funds for production and distribution activities.

# Lithuanian performing arts markets

Two major markets of performing arts related to production and distribution processes are given an overview in this section. In Lithuania, both processes are exercised by four types of performing arts organisations – national (3, henceforth NT), state (10, henceforth ST) and municipal (8, henceforth MT) theatres, as well as independent companies (more than 60, henceforth IC) – however, they also depend on other structures that regulate, facilitate, fund, and distribute theatre works. Most companies adhere to a repertory system where new and older works, some up to 30 years old, are scheduled on an alternating basis. When exercising activities, they experience various costs that here are attributed as *production*, *distribution*, or *operational costs* according to the undertaking.

As with other organisations in the country, all performing arts companies manage their finances as either *budgetary* or *non-budgetary* institutions. All governmental – national, state and municipal – theatres (henceforth GT) are *budgetary* institutions whose pre-planned *operational costs* reconciled with the administering institutions are covered by the state budget (see Figure 1). The GTs may use other sources to increase their in-

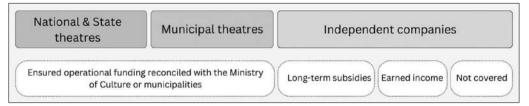


Figure 1. Major sources covering operational costs for Lithuanian performing arts companies

come, but they face restrictions as they do not manage their earnings directly, and, by the end of the fiscal year, are obliged to return the unused funds to the public treasury. The activities of budgetary institutions rely on top-down planning, thus they are seen as sustaining old administrative principles. All ICs are *non-budgetary* institutions, mostly non-profit organisations that may organise their activities according to their possibilities and needs, acquire public funds for their activities, and use their earned income for future projects regardless of the fiscal year (see Figure 1 for the major sources to cover operational costs). Legally, governmental budgetary theatres may be transformed to non-budgetary public organisations. Yet in practice, theatres attempting this kind of change returned to their budgetary institution status within a couple of years, including most recently the Kaunas City Chamber Theatre. Thus, the distinction between GTs and ICs corresponds to traditional and new management principles.

# The market of production

Here, the market of productions refers to all performances in Lithuania ready to be shown to audiences, accounted as performed at least once over a year. The market is not linked to a specific location, such as a city or venue, because productions can be presented – at least hypothetically – anywhere. The production processes rely on two collaborating parties – an organisation to provide the material conditions and a creator to lead the production – whose partnership has been changing. Some companies still prioritise productions by a single creator, usually an in-house artist, yet permanent positions for creators have become rare, causing most directors, choreographers, and other leading artists to be hired as external professionals. Thus, the collaboration between companies and creators has turned into a market-based relationship. The possibility of an organisation to hire the desired creator depends on its capacities to ensure the conditions required for the desired creative process, foremost infrastructure, staff, and funds.

The infrastructure used by Lithuanian producers varies, yet, in general, the capacities correspond to the type of organisation. NTs and STs take advantage of huge spaces provided with well-endowed equipment, whose maintenance is ensured from the operational funding reconciled with the Ministry. MTs use far smaller infrastructure, yet, again, they are guaranteed by local governments. By contrast, the ICs are rarely provided with spaces, and keep limited equipment, thus they rent it on a long- or short-term basis, experiencing additional costs (respectively operational or production) that they must pay for themselves. Yet the ICs are flexible to choose very specific solutions for productions, such as headphones for spectators strolling the dunes of Nida in the work of the Šeiko Dance Company that forwent stage rent or set production.

Equivalent differences in capacities are also notable regarding human resources like performers and supporting staff, but not for creative team members. The latter, such as set, costume, light designers, composers, and other creators engage under casual contracts as external professionals, thus implying production costs to any company. The performers are hired either as employees, or as freelance artists. The in-house performers are mobilised by their companies without extra costs. With the ensured funding, the GTs make use of their in-house performers and supporting staff, far more numerous in the NTs and the STs (avg. 155, with a EUR 1,001 avg. salary, 79% of Lithuanian medium salary) than in the MTs (avg. 33). External performers, including those employed in other companies, are hired on casual contracts entailing additional production expenses. Most ICs (avg. 4 employees) keep their operational costs as low as possible by maintaining 1–2 managers, and hire external staff upon the need and possibility to cover additional costs.

In addition to infrastructure and personnel, all companies require additional funds to cover production costs (see Figure 2) due to the necessity for external supplies. Two major sources are intended to serve different companies. The NTs and STs obtain production funding via the National Program by the Ministry (50 productions, avg. EUR 36,000). The competition is based on vague criteria and lacks transparency, yet some artistic heads convincingly argue that generous funding allowed theatres to invite foreign directors and increased competition for local creators. MTs and ICs cover their production expenses from Lithuanian Council for Culture (hereafter Council) subsidies. The competition is fairly transparent, yet the allocations are apparently smaller (62 productions, avg. EUR 9,000) and cover up to 80% of project costs. Producers argue that the subsidies are conclusive, as the decision to fund one production over another determines what will be staged, and thus compare the Council to censors preventing unwanted stagings. Along with these major funds, organisations also use a variety of

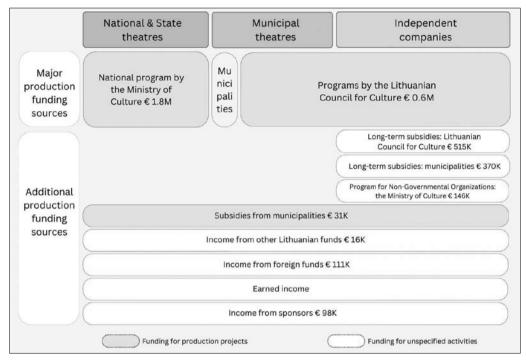


Figure 2. Sources covering production costs with the total amounts in 2019

additional means. Some municipalities provide smaller scale subsidies for single cultural projects used by ICs and even by GTs (12 productions, avg. EUR 2,600). In addition, organisations use various sources not specified for single activities, yet which contribute to their stagings. Some ICs largely benefit from strategic funding programs by the Council (4 companies, avg. EUR 129,000) and municipalities (8 companies, avg. EUR 46,000), as well as a special program for theatres that acquire professional status from the Ministry (11 companies, avg. EUR 13,000). A few organisations use other funds, small-scale Lithuanian (5 companies, avg. EUR 3,200) and more abundant foreign sources (5 companies, avg. EUR 22,000) (Scenos meno kritikų asociacija 2020). Many receive petty income from private and business sponsors (29 companies, avg. EUR 3,400), which is more prominent in larger theatres (Ibid.). Finally, organisations also invest their earned income: some only to complement secured partial production funding, some to finance

Due to changes in the legal system, the Ministry's Program for Non-Governmental Organisations is being replaced by a special program run by the Council in 2023.

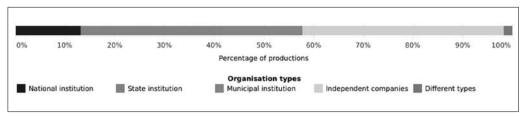


Figure 3. Percentage of productions by different companies in 2019. 'Different types' here stands for co-productions by different organisations (Scenos meno kritikų asociacija 2020)

the staging of key productions that failed to win allocations, and others practice production without any public contributions.

With their different capacities to produce, companies end up with different outcomes, to be accounted here in quantitative terms depending on the type of organisation. NTs and STs end up with the highest number of premieres (avg. 6.3), MTs with slightly smaller numbers (avg. 5.2), whereas ICs produce the least (avg. 2.2). Some companies combine their varied resources for joint co-productions, yet the effects of such collaborations remain outside the scope of the current article.

The advantage held by NTs and STs is confirmed by theatre directors pointing out that well-supplied theatres allow for a better focus on the creative process, yet also unanimously identify difficulties to mobilise performers, including in-house actors. External artistic or commercial activities become a regular practice for employed performers willing to increase their professional experience, and to raise their humble income (e.g., from EUR 480 to EUR 1,130 after taxes in the Lithuanian National Drama Theatre in 2019, which offered the highest average salary (Skaržinskaitė 2023)). One might suppose that actors prioritise the duties of permanent employment over casual opportunities, but this is not always the case, because of administrative difficulties to dismiss an employee from a life-long position, and artistic or financial interest in activities outside the company.

Due to the repertory system, premieres make up only a quarter of all productions, adding to older works also circulating in the market. For the share of all works shown by different types of companies in 2019, see Figure 3. GTs supplied with venues sustain a larger number of productions, and thus can offer more diverse production than their counterparts, who often function as houseless companies. Yet ICs alone offer a significant share of performances, which suggests that nearly half of the production market is functioning under new management principles.

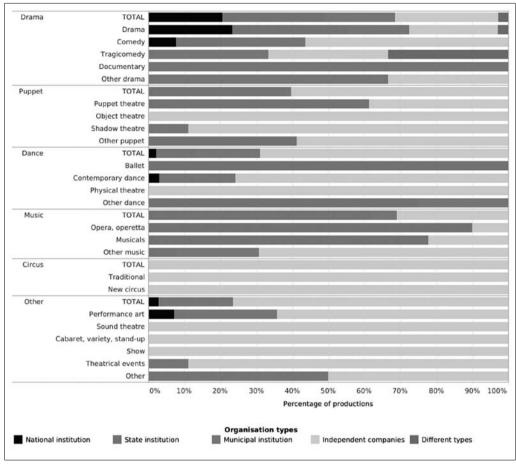


Figure 4. Percentage of productions by different companies according to genre in 2019. For absolute numbers see Appendix Figure 1 (Scenos meno kritikų asociacija 2020)

The complex relationship between the governmental and the independent sectors is visible in the production sub-markets further distinguished by genre and audiences. Sub-markets according to type and genre of performance<sup>4</sup> are represented in Figure 4. Apparently, GTs clearly dominate traditional and expensive genres (drama, ballet, operas, musicals), whereas ICs lead smaller-form, locally unaccustomed or new genres (comedy, object and shadow theatre, contemporary dance, performance art), thus offering an

The categories of types and genres, as well as audiences in Figure 5, have been set for the statistics project Lithuanian Theatre in Numbers by Lithuania's Association of Performing Arts Critics.

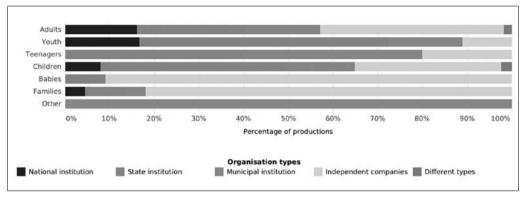


Figure 5. Percentage of productions by different companies according to audience in 2019. For absolute numbers see Appendix Figure 2 (Scenos meno kritikų asociacija 2020)

alternative to mainstream productions. For example, a notable share of comedies, locally considered entertainment rather than art, is produced by the IC Theatre Domino, whereas object theatre has been largely developed by the ICs Klaipėda Puppet Theatre and The Table Theatre. Target audiences suggesting another way to identify production sub-markets are depicted in Figure 4. GTs with wider repertories dominate in most categories over their independent counterparts, yet the share of both sectors is close to equal in the major market of adults. The new target audience for babies, historically emerging with the works of choreographer Birutė Banevičiūtė in her IC Dance Theatre Dansema, is dominated by ICs encouraging other creators to experiment with the smallest spectators, whereas GTs such as the Šiauliai State Drama Theatre and the Kaunas State Puppet Theatre embrace new audiences by inviting the most experienced artist – Banevičiūtė.

#### The market of distribution

Distribution processes create conditions for performances to be seen by spectators, and provide possibilities for the production companies to earn financial income. The market of distribution here is calculated based on the number of shows actually performed. Due to the repertory system, all companies schedule performances within sporadic intervals, setting dates according to three major factors: the priority for a company to present, the demand of spectators to see (or of the distributor to show), and the availability of the required resources for a performance – such as performers and supporting

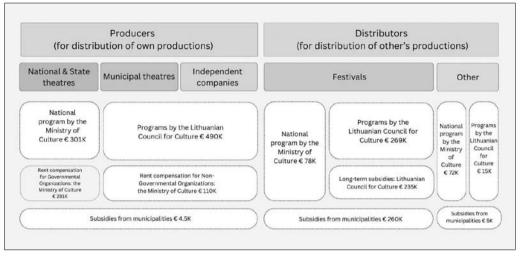


Figure 6. Funding sources covering distribution costs by producers, festivals, and other distributing companies with the total amounts in 2019

staff, funds to cover distribution costs, and infrastructure. The mobilisation of human resources required for a show – foremost performers but also supporting staff – varies according to their relationship to the producer. Employees usually follow the schedule of their company, yet freelancers have unsynchronised personal agendas that, besides additional distribution costs, pose extra planning challenges. Such a situation encouraged some ICs like the Šeiko Dance Company to employ a performers' troupe.

Except for companies maintaining their theatre houses and presenting at home, distribution processes largely depend on the relationship between a producer and a company operating venue. Theatre buildings, including permanent stages in ordinary houses, are maintained by GTs and several ICs experiencing constant operational costs, yet gaining the advantage to present anytime under lower distribution costs. Nevertheless, these organisations require stages when touring and, unless provided with specific proposals by distribution structures, rent them on market terms just as other companies, thus experiencing distribution costs. The producers' interest to present works is complemented by additional funding for distribution activities from the same sources as financing for production (see Figure 1 for unspecified activities including distribution, and Figure 6 for specific distribution funding). NTs and STs use the National Program of the Ministry (315 shows, avg. EUR 955), MTs and ICs employ the programs of the Council (54 projects, avg. EUR 9,000), some organisations also benefit from municipal

subsidies (2 projects, EUR 2,250). In addition, the Ministry provides partial compensation for stage rental for MTs without stages, and unprofitable ICs<sup>5</sup> with acknowledged professional status (18 companies, avg. EUR 6,100).<sup>6</sup> After distribution funding is secured, producers look for stage suppliers – yet securing a suitable venue and covering some expenses does not by itself lead to audience development nor profit. Developing relationships with local audiences without the mediation of a local company becomes a challenge for producers, especially for those with only a couple of employees.

The relationship between producers and audiences is facilitated by distribution structures – festivals and venues – that can cover their costs from public funding. Festivals, organised by production companies, cultural houses, and other organisations using their own venues or renting them on market terms, take responsibility for compiling specific programs for their audiences, and providing conditions for selected producers. Although many funded performing arts festivals (17, in 2019) are held in three major cities where foreign productions are presented besides Lithuanian works, a considerable number of programs (13) are shown in towns without professional theatres, where spectators are interested to see the top productions from cities. Festival funding (see Figure 6) pushes out traditional festival organisation models when the hosting company invites a producer in the hope of good box office gains (as was the case with the Chamber Performances Festival in Panevėžys, until 2022), yet it facilitates distribution for limited periods. Outside the festival framework, distribution funding for external productions is sporadic and suggests a limited focus on permanent distribution activities from companies that operate venues. Although around 200 cultural houses function in various towns and villages, only a few, such as the Lazdijai Cultural Centre, secure additional finances to present professional theatre, suggesting that cultural houses outside cities, similarly to NTs and STs within cities, focus on their in-house activities. In addition to a few minor independent venues, two major houses - the Arts Printing House and Culture Factory – provide stages for ICs in Vilnius and Klaipėda, whereas the municipal Kaunas City Chamber Theatre serves as open infrastructure in Kaunas.

The variety of available resources results in different distribution patterns, to be accounted for here depending on the location of the show from the perspective of the producer – is it a home-town production, touring in Lithuania, or is it being taken abroad (see Figure 7). Most shows are performed in home-towns (67% of all shows) where

- Due to changes in the legal system, compensation for stage rental by the Ministry is being replaced in the special program by the Council in 2023.
- The Ministry of Culture also provides corresponding compensations for stage rental to national and state theatres undergoing home-stage reconstruction (6 companies, avg. EUR 47,000), yet this funding serves as a temporary technical solution rather than encouragement of specific activities.

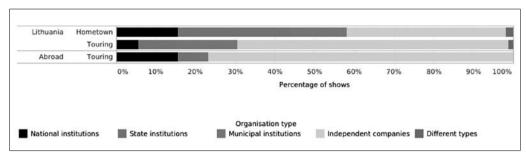


Figure 7. Percentage of shows by different institutions in a home-town, when touring in Lithuania and abroad in 2019. For absolute numbers see Appendix Figure 3 (Scenos meno kritikų asociacija 2020)

companies can benefit from their local infrastructure, with GTs performing more home shows (58%) than ICs (40%). By contrast, touring in Lithuania (27% of all shows) is exercised considerably less by NTs and STs (15%), and impressively more by ICs (68%), some of whom are supplied with compensation for stage rental (e.g., the Klaipėda Youth Theatre – 7%), yet others enduring with no public funding (e.g., the Domino Theatre – 29%). Half of the touring events are held in the same major cities with their own local theatres (see Vilnius, Kaunas, Klaipėda, Panevėžys, Šiauliai, and Alytus in Figure 8), leaving the communities of other towns (13% of all shows) with few possibilities to encounter the performing arts. Due to sporadic processes (only 15% of all productions were shown in at least 3 different cities throughout one year), the distribution market in Lithuania can hardly be considered as homogenous or offer location-based markets. When showing productions abroad, Lithuanian producers benefit from foreign distribution networks (25 companies presented 56 works in 28 countries). International touring is the least practiced distribution activity (6% of all shows by Lithuanian companies), especially by STs and MTs (8% of shows abroad), yet mostly dominated by ICs (77% of shows abroad). The presented shows vary by genre and audiences (though 25% of shows abroad accounts for the circus program by the unsubsidised IC Baltic Circus presented in Latvia), yet a trend to present one artist is apparent, suggesting success for the artist in both local and international markets (17% of shows abroad - Oskaras Koršunovas' productions by the Lithuanian National Drama Theatre, Lithuanian Russian Drama Theatre, and OKT / Vilnius City Theatre presented in 10 countries, mostly China, France and Belgium).

7 Known as The Old Theatre of Vilnius since 2022.

The effects of neoliberalism on the Lithuanian performing arts system: production and distribution

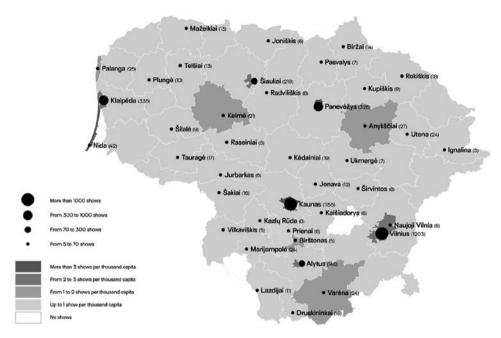


Figure 8. Number of performing art shows in Lithuanian towns and the ratio of shows to residents in municipalities (Scenos meno kritikų asociacija 2020)

The possibilities to increase producers' financial income from distribution beyond home-stage venues remains limited. In Lithuania, organisations gaining notable earnings (above EUR 50,000) perform constantly (from 2 shows per week) and ensure sufficient visits (above 150 spectators per week), yet producers working with smaller audiences or selling cheaper tickets need to present more for the same return. Except for the comedy theatre Domino who regularly tours with performances for large audiences and thus maintains relations with audiences across the country, earned income for shows in external stages rarely covers distribution expenses, thus producers do not risk touring without additional support from funding institutions or a tangible commitment from local distributors that are in closer relationships with their theatre-goers. Those companies touring internationally benefit from distributors commissioning full shows and taking responsibility for individual sales, i.e., taking care of the mediation aligning two different processes: artistic selection and commercial deals. In addition to broader audiences, shows in foreign markets for some producers (12 touring companies out of 25) provide a more generous income than do presentations to Lithuanian audiences.

#### Conclusions

Since independence and the turn to a market economy, the Lithuanian performing arts system remains balanced in terms of production and local distribution of the theatres administered by the Ministry of Culture, yet municipal and independent companies also function alongside, the latter being better tuned to operate under neoliberal capitalism. National and state theatres enjoy the best provision of resources, such as staff, spaces, equipment, and funding, entailing the best conditions for creative processes and thus are in the best position to engage creators and members of creative teams. However, the works staged in these theatres are mostly shown to local audiences within their cities and rarely go on tour. By contrast, independent companies have the least amount of resources provided to them, yet their stagings fill nearly half of the production market, moreover, they contribute to the development of unconventional theatre. Many independent producers face limited access to venues even in their home cities and favour touring, although most face difficulties to invest their scarce resources into building relationships with audiences. In terms of resources, municipal theatres fall between the mentioned extremes, yet due to the budgetary accounting principle they can hardly compete with more flexible independent companies. Although various financial sources contribute to cover operational, production and distribution costs, state and municipal funding for performing arts producers remains crucial.

New management solutions in the Lithuanian theatre system are apparent on two levels and suggest two different outcomes of a neoliberal government. Firstly, even in governmental theatres, individual performing artists - creators, creative team members and some performers – are to be hired on casual contracts. Even though this possibility established specific markets for creative positions and allowed artists to move along and through different institutions, including foreign ones, thus embedding Lithuanian artists into international markets, it also suggests scheduling difficulties at the institutional level and greater vulnerability of Lithuanian theatre-makers in terms of social security at the individual level. Secondly, in Lithuania, the dissociation of governmental theatres into production and distribution companies did not happen, yet an equivalent differentiation is visible among numerous houseless independent producers at homecities as well as all types of producers when touring and external venues that provide distribution services. As the supply of distribution providers across the country is insufficient, the distribution market hardly functions for companies focused on artistic rather than entertainment aspects and thus impedes the former to earn income. If we agree with Becker, all types of producers might benefit from distributors mediating between

The effects of neoliberalism on the Lithuanian performing arts system: production and distribution

external producers and their local audiences. Yet, in Lithuania, the dominant venues across the country by quantity are state theatre buildings and culture houses, both of which remain interested in their in-house activities rather than providing services to external companies.

The relationship between the Lithuanian state and the theatre field remains ambivalent. On the one hand, the state fosters the performing arts: although government support is focused on national and state theatres, it also provides funding for municipal and independent companies. On the other hand, current financing programs sustain the performing arts, yet contribute little to the advancement of the whole local theatreworld, or to the dissemination of performing arts within society, especially outside of cities. Moreover, it is not clear what kind of practices or effects in the performing arts field such public funding is supposed to encourage. Whereas national and state theatres are secure thanks to their patronage relationship with the Ministry of Culture, the dissemination of their productions still remains limited in both local and foreign markets. Meanwhile, in minor towns across the country, theatre-goers can more often access unsubsidised theatre, which is regarded as mere entertainment. If we agree that an unbalanced institutional system within a state impedes its functioning and its possibilities to compete with other countries, the reforms towards a liberal market economy in the Lithuanian cultural sector should be continued (Norkus 2008: 740). Yet apparently, today Lithuanian culture professionals are unlikely to pursue an extreme neoliberal model leaving the arts to markets that hardly exist within our country. Thus, when considering neoliberalism as an ideology providing a political-economical context for arts and culture, the transparency of state regulation, including financing instruments, deserves exceptional importance.

> Submitted 30 08 2023 Accepted 03 12 2023

#### LITERATURE AND OTHER SOURCES

Aukščiausioji audito institucija. Valstybinio audito ataskaita. Ar užtikrinama efektyvi teatrų ir koncertinių įstaigų veikla. *Aukščiausioji audito institucija*, 2018, https://www.valstybeskontrole.lt/LT/Product/Download/3645 [accessed on 08 04 2022].

Bareikė, S. E-mail *Dėl informacijos apie Vilniaus miesto teatrus*. Vilnius City Municipality, 24-08-2022. Becker, H. S. *Art Worlds*. University of California Press, 1982.

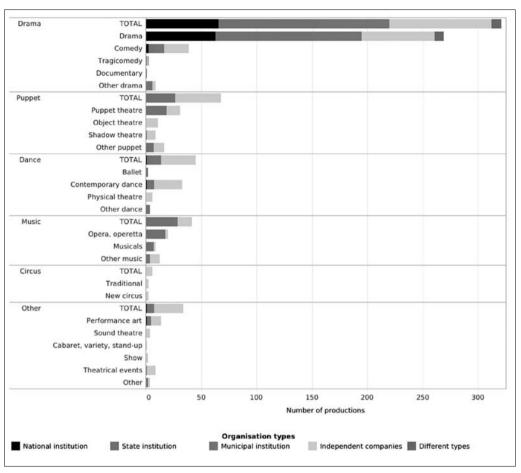
Boltanski, L. and Chiapello, E. *The New Spirit of Capitalism*. London, New York: Verso, 2007.

Bourdieu, P. The Field of Cultural Production. Columbia University Press, 1993.

- Dapšytė, G. and Pukelytė, I. Nevyriausybinių scenos menų organizacijų veiklos efektyvumo tyrimas. Teatro ir kino informacijos ir edukacijos centras, 2014, http://www.kulturostyrimai.lt/wp-content/ uploads/2017/08/NVO-TYRIMAS Teatro-ir-kino-informacijos-ir-edukacijos-centras.pdf [accessed on 24-02-2022].
- Edelman, J., Ejgord Hansen, L., Van den Hoogen, Q. L. The Problem of Theatrical Autonomy. Amsterdam: Amsterdam University Press, 2017.
- Gyvas negyvas teatras. Lietuvos teatras, No. 1998 ruduo–1999 žiema, 1999, p. 4–13.
- Harvey, D. A Brief History of Neoliberalism. Oxford University Press, 2005.
- Harvie, J. Neoliberalism, Theatre, Performance, Inequality, and Alternatives. Neoliberalism, Theatre and Performance. Routledge, 2021, p. 12-43.
- Imbrasas, A. Kultūros ministerijos požiūris: ateina laikas, kai rinka reguliuos ir teatra. *Lietuvos teatras*, No. 1998 ruduo–1999 žiema, 1999, p. 14–17.
- Kauno miesto savivaldybė. 2019 m. finansuojami projektai. Kauno miesto savivaldybė, 2020, http:// www.kaunas.lt/kultura-turizmas/2019-m-finansuojami-projektai/ [accessed on 08-08-2022].
- Klaipėdos miesto savivaldybė. 2019 m. Kultūros ir meno projektų dalinis finansavimas. Klaipėdos miesto savivaldybė, 2021, https://www.klaipeda.lt/lt/kultura/kulturos-ir-meno-projektu-dalinisfinansavimas/2019-m.-kulturos-ir-meno-projektu-dalinis-finansavimas/6026 [accessed on 15-07-2022].
- Kultūros ministerija. Įsakymas dėl salių, kuriose viešai atliekami profesionaliojo scenos meno renginiai, nuomos 2018 m. II pusmetį išlaidų kompensavimo. Kultūros ministerija, 2019 (a), https:// lrkm.lrv.lt/uploads/lrkm/documents/files/SALI%C5%B2%20KOMPENSAVIMAS%20 nevalstybiniam%20sektoriui\_2019.pdf [accessed on 08-05-2022].
- Kultūros ministerija. Įsakymas dėl profesionaliojo scenos meno įstaigų, kurios nėra nacionalinis, valstybinis ar savivaldybės teatras ar koncertinė įstaiga, veiklos dalinio finansavimo iš valstybės biudžeto lėšų. Kultūros ministerija, 2019 (b), https://lrkm.lrv.lt/uploads/lrkm/documents/files/ NV%C4%AE%20finansavimas\_2019(1).pdf [accessed on 08-05-2022].
- Kultūros ministerija. Profesionaliojo scenos meno veiklos nacionalinės programos 2019 m. rezultatų pristatymas. Kultūros ministerija, 2023, https://lrkm.lrv.lt/uploads/lrkm/documents/files/ Nacionalin%C4%97s%20programos%202019%20m\_%20rezutat%C5%B3%20pristatymas.pdf [accessed on 23-06-2023].
- Lietuvos kultūros taryba. Statistika. Lietuvos kultūros taryba, 2022, https://www.ltkt.lt/projektufinansavimas/statistika [accessed on 23-07-2022].
- Liuga, A. Idėjų badas sočioje teatro rinkoje. *Kultūros barai*, No. 2006/02, p. 35–40.
- McGuigan, J. Neoliberal Culture. London: Palgrave Macmillan UK, 2016.
- Nibbelink, L. G. and Hofmann, R. 'What the Hell Is Water?': The Arts Festival and the Free Market. *Neoliberalism, Theatre and Performance.* Routledge, 2021, p. 44–66.
- Norkus, Z. Kokia demokratija, koks kapitalizmas?: Pokomunistinė transformacija Lietuvoje lyginamosios istorinės sociologijos požiūriu. Vilniaus universiteto leidykla, 2008.
- Pukelytė, I. Valstybinių kultūros organizacijų vadyba. Organizacijų vadyba: sisteminiai tyrimai, 2008, No. 47, p. 91–106, https://etalpykla.lituanistika.lt/object/LT-LDB-0001:J.04~2008 ~1367161218018/J.04~2008~1367161218018.pdf [accessed on 30-03-2022].

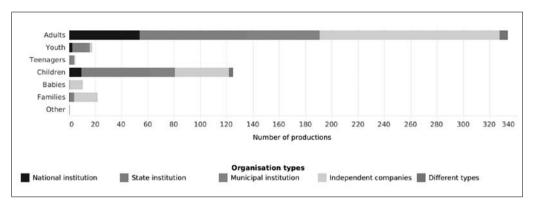
- The effects of neoliberalism on the Lithuanian performing arts system: production and distribution
- Pukelytė, I. *Lietuvos dramos teatrų sistemos efektyvumo tyrimas ir modernizavimo gairės*. Teatro ir kino informacijos ir edukacijos centras, 2010, http://www.kulturostyrimai.lt/wp-content/uploads/2017/08/TEATRU\_TYRIMAS.pdf [accessed on 24-02-2022].
- Scenos meno kritikų asociacija. 2019. *Scenos meno kritikų asociacija*, 2020, https://smka.lt/activity/2019-3/[accessed on 28-06-2022].
- Skaržinskaitė, I. E-mail Aktorių darbo užmokestis. Lithuanian National Drama Theatre, 30-05-2023.
- Sodra. Atviri įmonių duomenys. *Sodra*, 2022, https://atvira.sodra.lt/imones/paieska/index.html [accessed on 28-04-2023].
- Starkevičiūtė, M. Funding Theatre and Concert Organisations: Analysis and Reform. Open Society Fund, Culture Programmes, 2002, http://www.kulturostyrimai.lt/wp-content/uploads/2018/09/M.Starkevi%C4%8Di%C5%ABt%C4%97.-Funding-theatre-and-concert-organizations.pdf [accessed on 24-02-2022].
- Trilupaitytė, S. Kūrybiškumo galia? Neoliberalistinės kultūros politikos kritika. Vilnius: Demos, 2015.
- Van Maanen, H. How to Describe the Functioning of Theatre. *Theatre Worlds in Motion*. Rodopi: Amsterdam–Atlanta, GA, 1998, p. 721–758.
- Van Maanen, H. How to Study Art Worlds. Amsterdam University Press, 2009.
- Vilniaus miesto savivaldybė. Kviečiame pasirašyti 2019 metų Kultūros rėmimo programų projektų konkurso lėšų skyrimo sutartis. *Vilniaus miesto savivaldybė*, 2019 (a), https://vilnius.lt/lt/kultura-ir-sportas-svietimas/kvieciame-pasirasyti-2019-metu-kulturos-remimo-programu-projektu-konkurso-lesu-skyrimo-sutartis/ [accessed on 15-07-2022].
- Žižek, S. (ed.). Mapping Ideology. Verso Books, 1994.

### **Appendix**

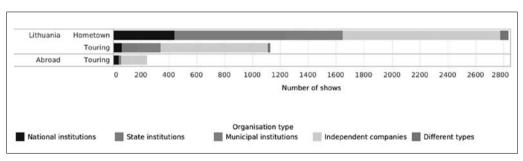


Appendix. Figure 1. Number of productions by different companies according to genre in 2019 (Scenos meno kritikų asociacija 2020)

Monika JAŠINSKAITĖ The effects of neoliberalism on the Lithuanian performing arts system: production and distribution



Appendix. Figure 2. Number of productions by different companies according to audience in 2019 (Scenos meno kritikų asociacija 2020)



Appendix. Figure 3. Number of shows by different institutions in a home-town, when touring in Lithuania and abroad in 2019 (Scenos meno kritikų asociacija 2020)

# Neoliberalizmo poveikis Lietuvos scenos meno sistemai: produkcija ir platinimas

SANTRAUKA. Nagrinėjant scenos meno produkcijos ir sklaidos rinka ir atitinkamus procesus, straipsnyje tiriama, kaip neoliberalizmas veikia Lietuvos scenos meno sistemą. Dėl ideologinių permainų per paskutinius 30 metų scenos meno sistema gerokai pasikeitė, tačiau jos priklausomybė nuo ekonominio konteksto vis dar nėra nuodugniai ištirta. Šiandien Lietuvos scenos meno lauke veikia dvi organizacijų grupės, išaugusios iš dviejų viena kitai prieštaraujančių ekonominių doktrinų. Straipsnyje organizacijų veiklos analizė grįsta statistiniais duomenimis, žiniomis apie jų naudojamus išteklius (taip pat ir finansinius) ir kokybiniais interviu su scenos meno kūrėjais, spektaklius kuriančių įstaigų meno vadovais. Tyrimas atskleidžia neoliberalizmo įtaką Lietuvos scenos menui instituciniu ir valstybės lygmeniu, išryškina didelę neoliberalizmo sąlygomis prisitaikiusių veikti nepriklausomų organizacijų rinkos dalį, kūrybinių procesų organizavimo pokyčius valstybiniuose teatruose, neišplėtotą sklaidos rinką ir su viešuoju finansavimu susijusias problemas.

REIKŠMINIAI ŽODŽIAI: neoliberalizmas, scenos meno sistema, teatro finansavimas, scenos meno gamyba, scenos meno sklaida, nepriklausomas sektorius, valstybinis sektorius.