Cancún and its impact on cultural affairs

By Max Fuchs

Let us begin with the results of Cancún:

1. No resolutions were passed on opening up and liberalising the cultural sector (or education and social affairs).

2. The Coalition on Cultural Diversity – both national and international – made an impressive appearance, consolidating existing alliances and extending them and, with the Cancún Declaration on Cultural Diversity, providing a quasi-official basic statement of principles.

But has this neutralised the imminent danger? The answer has to be a resounding no! On the contrary – it was unnerving to note that despite all the EU resolutions (no offers to liberalise the cultural sector), responsible figures in the German Federal Economics Ministry continue to oppose any exceptional status ruling for culture: GATS, they say, is flexible enough to meet any worries the cultural sector may have.

It seemed as if, suddenly, there was a bizarre network of interests linking WTO supporters in the ministries and parts of the cultural sector economy – to give just one example, the American film industry is also against any exceptional status, or protective mechanisms for national cultural markets, for obvious reasons, since these would prove an obstacle to the free distribution of its products. They employ a sophisticated argument, invoking a person’s right to decide freely whether they want to watch American films or home-grown national products. In other words, they have brought up one of the big guns: individual freedom. On this basis, their logic pushes anyone wanting to safeguard the national cultural sector into the corner of paternalistic, over-regulative cultural vigilantes. On the one hand, individual freedom, the right to cultural self-determination, open-borders to cultural contacts, and on the other, obstinate supporters of national-level culture, trembling at the thought of open markets, too frightened to allow any honest competition for the people’s hearts and minds (and wallets). The arguments presented by the US delegates during the last Session of the UNESCO General Conference from 9-13 October sounded very similar when replying to the proposal for a Convention on Cultural Diversity. And for that reason:
3. The debate over liberalising the cultural markets will continue!

But how should we carry on?

One frequently hears it said that the flexibility built in to GATS allows all the concerns expressed by the cultural sector to be adequately met, providing the requisite safeguards contained in the GATS rules are applied. After all, the member countries can decide for themselves which sectors are contained in GATS, and how much of each sector. And then there is an interim phase - and the chance to retract liberalising offers. And finally, the argument usually continues, opening markets has always been a positive step: open markets represent democracy and the right to freedom of information.

4. For this reason, we need solid, empirically-based points of reference to support our position, showing on the basis of objective examples that the cultural sector suffers when unprotected markets are liberalised, and how this happens. We need examples too illustrating how the WTO and GATS rules, allegedly so open and flexible, can generate unwanted side-effects and lead to adverse consequences.

Here, we can fall back on the experience gathered in our Cancún coalition. For example, INCD member Joost Smiers, a cultural policy researcher at the Utrecht School of Arts, has just published his book *Arts under Pressure*, containing a mass of examples from very different countries detailing how national cultural industries have been destroyed (e.g., the book and film market in Mexico, or Turkey's experience after abolishing tax breaks and opening up the national markets).

What is the difference between a national and international cultural economy?

One central point our Cancún Declaration made, and which constantly recurs in international debate on cultural policy’s role in safeguarding cultural diversity, points out that a national-level cultural economy can support and evolve cultural diversity more effectively than international companies. This argument also appears in Joost Smiers’ book as one of his core theses, describing how although ‘local artistic life’ takes on a special role in concretely expressing the meaning of human life, it is precisely this localisation which is lost in a cultural globalisation driven by economic interests, and replaced instead by ‘delocalisation’.

5. It will be our task as the German Cultural Council, advocating and promoting a national cultural sector economy and arguing for keeping the public service broadcasting system, to give this further form. One cannot, for instance, automatically assume a national cultural...
economy inevitably has such a positive effect; instead, we have to establish the conditions and
criteria needing to be fulfilled - a sort of quality standards catalogue.

6. We need an appraisal of public-sector cultural policy.
The possible use of public subsidies is another basic principle the German Cultural Council is
energetically supporting – this too would fall victim to unconditional market liberalisation. It
is more than obvious how the high standards still prevalent throughout the German cultural
sector – even if under threat at present – depend on a cultural infrastructure relying heavily on
public sector funding. But no matter how much this appears to go without saying, there is, in
fact, no reputable study into the entirety of cultural policy or even any overall, comprehensive
concept for its further development.

7. We need a Convention on Cultural Diversity.
Once the Cancún negotiations round had been broken off, giving us more time to develop our
position, we were already facing the next hurdle, planning to push for a Convention on
Cultural Diversity during the Session of the UNESCO General Conference scheduled for
October 2003. Despite stubborn and determined resistance from the USA, this resolution was
actually passed at the Session phase in mid-October.

8. We need an overall national-level cultural policy concept.
It is now time to invest greater energies in systematically developing the framework best
reflecting the intentions of such a convention, formulating it in a way most suited to national
cultural policy promotion. This step itself entails defining, more precisely than ever before,
the very concept of a national cultural policy.

9. We have to ensure the Coalition on Cultural Diversity – both national and
international – is reinforced and extended.
The Cancún Declaration on Cultural Diversity was supported by four organisations. It would
seem a suitable moment, then, to initiate a German National Coalition for Cultural Diversity,
providing a national-level forum for exchanging and debating experience, insights, findings,
ideas and strategies designed to promote cultural diversity on the national level.
Alliances are also crucial in the international arena, although here special efforts are needed to
ensure developing countries increasingly become involved in these processes. It is not yet
possible to say whether the INCD, as a body already in existence, may prove to be best suited to such a task, or whether it will only be one major partner together with other organisations.

As regards the WTO, one major advance has been made. In contrast to previous practice, NGO’s were accepted parties in the core negotiations. We need to ensure this trend is energetically supported - in particular, vouchsafing the democratic nature of civil society inclusion, in the meantime standard, for instance, in the context of UNESCO, in those policy areas that previously have had little to do with such forms of cooperation, e.g., international trade policy. Admittedly, educational policy, which is firmly under state control, also needs to ensure a certain opening up of process there.

GATS remains one of the burning issues of our day, and not only in the cultural sector in the narrowest sense, but in all areas affected by social and educational services, since they too are sectors where a significant proportion of cultural work is actually undertaken.

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