

KEYNOTES

Ivan Tasovac (Serbia)

Managing Director, Belgrade Philharmonic

Europe has now been in economic crisis for several years. But Serbia has been going through the crisis for several decades – and we are not only talking about economic crisis. So my work in crisis management may be of some interest. My recipe is very simple. We could call it 'creative despair'.

In 2009 the Belgrade Philharmonic Orchestra (BPO) published an advertisement, for free, in the newspapers. Readers were invited to book the orchestra to 'perform at your home at affordable prices'. 'Weddings, saints' days, christenings, birthdays, divorces, funerals... We offer special packages for political inaugurations.' The satirical ad was a protest against the state's cultural funding policy at that time. I was motivated by the fact that our orchestra musicians had a monthly salary lower than what was necessary to cover their basic cost of living. At that time, BPO employees had an average wage of EUR 300.00. The ad was a response to months of unsuccessful negotiations with the Ministry of Culture, concerning their obligations towards the employees of the BPO – whose founder is the state. During the same period, the state allocated hundreds of thousands of euros in funding for private commercial cultural projects. Our ad was followed by my letter of resignation.

Then, a *Deus ex machina*, a regular attendant of creative despair, appeared on the scene. Overnight, more than 10,000 people gave their support on the Belgrade Philharmonic's Facebook page. My demand to the government was that, when it comes to cultural funding policy, they must clearly identify their priorities. At the same time, we received support from many foreign artists and organisations, and among them, the *Fédération Internationale des Musiciens* (FIM). Before this event, the Belgrade Philharmonic could have only showed up in the headlines if their director had robbed a bank. Actually I thought about that, but I didn't need to do it because public support for the orchestra became the headline – not only in Serbia but in the international media as well. The *Independent*, the *Financial Times* and the *BBC* were now interested in our story. Because of such large social support, the government refused my resignation. We began to look for solutions in order to improve the financial situation.

I'm writing this piece still as the general manager of BPO. However, do not try this at home, because this story is not due to my wisdom and thought-out strategy but, as I said, to creative despair. Nevertheless, this experience led me to some conclusions. In Europe, we are traditionally focused on state budgets, which make us dependent on goodwill and the economic success of the political ruling elite. My experience shows that, in times of economic crisis, survival of cultural institutions depends on its own political and financial independence, which is possible only if the community recognises the broadest social values, promoted through work and art. In the 2009-10 concert season, our political independence was marked by a new advertisement (below) and slogan for the season, 'In spite of everyone and despite everything!'

Of course, we are still far from full financial independence, but from the moment when my resignation was declined, the private sector increased its share in BPO financing from three per cent to 25 percent. That was a signal for politicians who are guided by opinion polls that increasing the state's share in financing the BPO in 2011 could bring them more popularity. But despite this, with 1.9 M€ of the annual budget for the salaries, programmes and operating costs, BPO is one of the poorly financed national philharmonic orchestras in Europe, even in the region of southeast Europe.

Although I am a big fan of 'size does matter' ideology, I believe that the biggest success of BPO at the moment is that we are on the path to become one of the first public-private partnership (PPP) financing models in the region. I am aware that this is the toughest way, but it is also the only way possible. Above all, we must be aware that by accepting this challenge we are creating



a new reality and the dynamics in the relationships of management, employees, state and private donors.

Responsibility of management is increasing – solving financial problems cannot be achieved by clandestine political influence, but through market success.

Responsibility of the musicians is increasing – artistic quality and dedication to their work are not a job description, but the inevitable future key element of self-financing. Only unique experience and highest level performance of symphonic music can inspire the public and private interest to ensure the long term financial support for your orchestra.

Institutional marketing becomes more important than the commercial marketing – shift from economic engine based on producing concerts and selling tickets to economic engine based on development of patrons through a deep reciprocal relationship with the BPO.

The importance of PR is increasing – good image attracts donations, even those who do not understand our artistic mission.

The necessity of passing new laws to define the relationships between the state as the founder and the private sector as co-financier of national institutions – the state must be a guarantee of social stability, job security and must create benefits for the private sector to step in, as a co-financier of national institutions. At the same, tax breaks provided to the private sector to invest in national institutions like philharmonic, theatre or opera, which employ thousands of artists, must have a more favourable fiscal treatment of donations which are given to individual cultural events and festivals.

My deep belief is that PPP is a necessity of future funding, not only for one symphony orchestra in a poor country of the Western Balkans, but also inevitable adaptation to the era of economic crisis. I would say that this is the future even for the largest and most successful orchestras in Europe, which could now be regarded as somewhat dormant in their own artistic and financial well-being.