CULTURE & COHESION:

The access of culture and the arts to EU Structural Funds –

A case study on Poland.

Der Fakultät I Bildungs-, Kultur- und Sozialwissenschaften der
Leuphana Universität Lüneburg zur Erlangung des Grades
Doktorin der Philosophie - Dr. phil. – vorgelegte Dissertation von
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Eingereicht am 7. Oktober 2009

POLISH PROVERBS

UCZ SIĘ UCZ, BO NAUKA TO DO POTĘGI KLUCZ.

TRANSLATION: KEEP LEARNING BECAUSE KNOWLEDGE IS THE KEY TO POWER.

NAJTRUDNIEJSZY JEST PIERWSZY KROK.

TRANSLATION: THE FIRST STEP IS THE HARDEST.

ACKNOWLEDGEMENT

ABSTRACT

Fostering socio-economic development throughout all Member States is a fundamental goal of the European Union. With one third of its budget, the EU tries to support regional development in less-developed regions and improve the life of its citizens. To reach its goal, a shift can be observed from a single sided focus on factor mobility and thus transportation and other infrastructure facilities to a higher diversity in approaches, including culture, the arts and creativity. Here, creative industries and innovation are keywords within Structural Funds, the main instrument of EU regional policies. However, very little is known on how cultural operators in the form of artists, opera houses etc. contribute to regional development by implementing Structural Funds projects. The framework conditions set on EU level are very open, allowing the sector to contribute in their own way to socio-economic development.

To improve the understanding of how cultural operators access Structural Funds this dissertation was guided by the question: **What kind of strategies do cultural operators use to access Structural Funds in Poland?** Or on a more abstract level: **What are the formal and informal norms within the application process for cultural operators, and in which way do they impact the application strategies of cultural operators in Poland?**

By working on those questions, this dissertation is providing an insight into how cultural operators on the ground approach Structural Funds. The case study on cultural operators in Poland serves as a concrete example and gives a clearer picture of access strategies, barriers and facilitators within this process.

Because research is scarce on this subject, a choice for an in-depth case study analysis within one country was taken. With a theoretical framework of sociological Neo Institutionalism, especially a model developed by Victor Nee and Paul Ingram (1998), the research focusses on different levels of interaction and the role of formal and informal norms. The model was modified to support the analysis of actors' strategies, and explain the application process of cultural operators. Here, the focus was on the micro level (cultural operators) and its interaction with the meso level (national). The model was enriched at the end of the research with elements of Bourdieu's theory of practise, namely his concepts of fields and capital.

Poland was selected as case study country due to its unique position as the biggest new Member State with its long cultural tradition at the heart of Europe and a very positive formal framework for cultural projects within Structural Funds. The focus was on the years 2004-2007 and thus covered mainly the first funding period for Poland.

As empirical evidence, 27 expert interviews were carried out with cultural operators and their environment in Poland. They were analysed on a qualitative basis, using Atlas.ti, and co-occurrence network views. The author conducted all interviews within a period of two months, and most of the interviews were conducted in English. Important steps within the analysis were the emergence of a project idea, the 'melting' of this idea into a project application, different challenges linked to the application process and information gathering as a crucial factor within this process. In the end, the findings were validated by three EU experts from the Commission and the European Parliament.

Conclusions:

Findings show that the application strategy is driven by a set of formal and informal norms. Among them one can find elements linked to financing and co-financing, access and distribution of information and capacity building in the form of knowledge gathering and experience. The informal channels proved to be especially valuable. Further, the organisation resources have a significant impact when applying for Structural Funds. This is not limited to sufficient financial means but also related to existing networks and knowledge of whom to ask for information and support. Here, reference can be made e.g. to Bourdieu's concept of capitals. Based on those findings, a typology of three different actors' groups with different challenges and project profiles was developed. It can be shown that their positions and strategies are influenced, not only by formal rules and norms, but also to a high level, by informal norms and structures.

As a result, projects were generally implemented by rather big and well-established organisations. Most of them focussed on the conservation of cultural heritage or the construction of new, 'classical' cultural infrastructure such as museums and opera houses. However, innovation and creativity are thought to grow especially in smaller, often younger and 'different' settings. As the EU is interested in those elements to find a region-tailored solution to socio-economic development needs, a nearly exclusive focus on rather traditional flagship projects implemented by well-established organisations appears insufficient: In other words, there is a discrepancy between proclaimed possibilities and attempts within political statements and Structural Funds rules on one side and the picture on the ground on the other side.

Thus, if the fostering of socio-economic development through innovation and new approaches is to emerge, attempts need to be taken to increasingly support cultural operators with less favourable given capital. The thesis presented enhances knowledge within these processes and therefore contributes to the improvement of the situation. Because only if conditions are analysed and known, processes on national and EU level can change and alternatives be considered. As a conclusion for the micro level, a strong networking and gathering of know-how independently from formal structures seems the most promising short-term approach. From a long-term perspective, a formalisation of networks and stronger lobbying, especially on national level but also on EU level will be needed if framework conditions are to change in favour of a more diversified and flexible approach.

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ABBREVIATIONS

AR	Anna Riepe (marking the authors questions and comments during interviews)
Art.	Article
BO	Budapest Observatory
CCI	Creative and Cultural Industries
CCP	Cultural Contact Point
Cf.	et alibi
CH	Cultural Heritage
CP	Cultural Policy
CUPID	Cultural Projects Internet Database
DCMS	UK Government Department for Culture, Media & Sport
DG	Directorate General
e. g.	for example
EC	European Community
ECF	European Cultural Foundation
ECSC	European Coal and Steel Community
Ed.	Editor
EEC	European Economic Community
EFAH	European Forum for the Arts and Heritage
EFTA	European Free Trade Area
eipcp	European Institute for Progressive Cultural Policies
EP	European Parliament
ESA	European Single Act
ESPON	European Spatial Planning Observation Network
et al.	and others
etc.	et cetera
EU	European Union
Euratom	European Atomic Energy Community
EUROSTAT	Statistical Office of the European Communities
f.	folio ('on the (next) page')
ff.	indicating the following pages in a citation
GDP	Gross Domestic Product
H	Hypothesis
IP	Interview Partner
IROP	Integrated Regional Operational Programme
Jst	Territorial Self-Government Bodies in Poland
MELSD	Polish Ministry of Economy, Labour and Social Policy
MENiS	Polish Ministry for National Education and Sports
MGiP	Polish Ministry of Economy, Labour and Social Policy
MOEL	Middle- and East-European countries
MS	Member State
N	Project Number
n.d.	no date
NDP	National Development Plan
NGO	Non-Governmental Organisation
N&I	Victor Nee and Paul Ingram

n.p.	no place
NPD	National Planning Document
NUTS	Nomenclature des Unités Territoriales Statistiques (administrational units mainly for statistical purposes in Member States)
OECD	Organisation for Economic Cooperation and Development
p.	page
PL	Poland
PNr	Project Number
Pop.	Population
Pub.	Publisher
Q	Question
SEA	Single European Act (treaty signed in 1998, amending the EEC treaty)
SF	Structural Funds
SOP RiMSziROW	Single Operational Programme Restructurisation and Modernisation of the Food Sector and Development of Rural Areas
SOP RZL	Single Operational Programme Human Resources Development
SOP WKP	Single Operational Programme Improvement of the Competitiveness of Enterprises
SOP	Single Operational Programme
SPD	Single Planning Document
SWOT	Strengths, Weaknesses, Opportunities, Threats
TEU	Maastricht Treaty or formally, the 'Treaty on European Union' (1992)
UK	United Kingdom
UNESCO	United Nations Education, Science and Culture Organisation
Voivodeship	Administrative Unit in Poland/corresponds to 'regions' in most EU countries, also spelled: voivodship, voivodina or vojvodina
WUP	Polish Voivodeship Labour Offices

1. Introduction

1.1 Problem statement

In recent years, discourses around the role of culture, the arts and creativity[1] for socio-economic development migrated beyond universities and circles of artists and think tanks, and slowly spread into politics and popular media[2]. Among others, politicians, economists and mass media increasingly accept the view that the arts sector is not only 'nice to have' but also an important element of social and economic prosperity. Some even hope that through this 'creative class' (Richard Florida, 2002b), 'creative cities' (Lawrence Lessig, 2004) and the 'creative industries', remote and underdeveloped areas within a country will find their niche and improve their position by a tailor-made creative approach, attracting business while respecting their unique position. Provokingly summarised, culture can be seen as a sustainable, perfect solution when everything else has failed.

In times of global challenges, the importance of a supranational level increases as well as that of regional actors for the cultural sector. Possibilities to interact at EU level can improve the chances of impact on a regional level e.g. by comparing best practice, sharing information and increasing resources. Fruitful impetuses emerge out of content related exchanges and debates but also cross-border cooperation (e.g. within the programme 'Culture 2007'[3]). Furthermore, the EU is providing new possibilities for financial support, complementing regional and national funding tools. This shift in focus away from a purely regional or national level towards a broader EU perspective was accelerated by the change in focus within the EU that allowed an open support of culture, creativity and the arts at EU level: This can be seen for instance within the EU 'Year of Creativity and Innovation' in 2009[4]. Here, as with other policies, (regional) socio-economic development elements play an important role. Those are

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[1] To ease reading, I will forgo without naming 'culture', 'the arts' and 'creativity' each time. Definitions of all three terms are very delicate (see chapter 2) and an overlap of all three terms makes an accurate separation difficult. However, in most political and every day discussions they are used interchangeably, above all following the understanding that creativity is both, part of 'the arts' and 'culture', and 'the arts' are one part or the manifestation of 'culture'. However, this always depends on the definition of culture.

[2] Comparing the growing number of publications and the use of different concepts in various media and among political actors.

[3] 'Culture 2007' is the only EU framework programme for culture. For more information see: http://ec.europa.eu/culture/our-programmes-and-actions/doc411_en.htm.

[4] For more information see: http://create2009.europa.eu/.

also reflected to some extent in the Lisbon Agenda or in a plurality of studies on the creative sector, creative industries or the arts sectors indirect economic benefits. Seminal papers such as the EU study on 'The Economy of Culture in Europe' (Kea European Affairs, 2006) are good examples of a growing awareness of possible outcomes if fostering creativity, culture and the arts.

Identity and tourism are other elements that equally come into play when discussing benefits for socio-economic development of respective activities[5]. This is, however, still not sufficiently reflected in the actual cultural spending (e.g. in form of annual budgets) or in the steps taken by cultural politicians in the EU. Very low budgets, decisions that are made without public debate, responsibilities that lie in the hands of the national states and regions are all framing the picture of cultural policies in the EU.

Thus, if the direct cultural support tools at EU level provide only very limited resources, cultural operators[6] might opt for other ways of gaining support for their activities from the EU. In the context of regional development and regional policy, the Structural and Cohesion Funds[7] as the major EU tool for regional socio-economic development can represent one option for cultural operators to receive grants on a regional level – that is, if they fulfil the set criteria for those funds. Structural Funds consist of different sub-funds such as the European Regional Development Fund or the European Social Fund. They represent about one third of the EU-budget making them only second to agriculture support structures. The main focus of Structural and Cohesion Funds is and has been hard infrastructure (e.g. roads, waste reprocessing plants) and to a smaller extent social end education projects - mainly employment-creation measures. As the expectations on culture as a positive driving force of socio-economic development is increasing, culture, the arts and the creative sector in general should take a share especially in Structural Funds. Still, projects will only 'fit' if they contribute to socio-economic development. They will also have to meet identical criteria as other projects within the same funding line. Compared to purely cultural programmes (e.g. 'Culture 2007'), the Structural Funds project budgets are generally much higher, cooperation

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[5] For instance as demonstrated in the study of Borisas Melnikas (Melnikas, 2007) on cultural and economic development in relation to the EU-enlargement; those elements are discussed also in the publication on culture and national identity in the integration process of eastern Europe by Richard Caves or David D. Laitin (Caves, 2000 , Laitin, 2002).

[6] 'Cultural Operators' are individuals or organisations that work in the culture and/or arts sector. Usually, they include all classical institutions (such as opera houses or theatres) but can also include churches, libraries or independent artists. They could also be described as 'cultural agents" or "cultural actors".

[7] Structural Funds and Cohesion Funds are normally mentioned together and are all instruments of the EU Cohesion Policy. In this paper, I focus on Structural Funds (see explanation in further details in chapter 3). Therefore, on the following pages, I will refer to the Structural Funds, leaving out the Cohesion Fund.

with other countries is not needed and the emphasis lies on cohesion. This is a very unique situation, but allows the cultural sector to access funding that otherwise would not have been available. As funding means opportunities, more detailed information on possibilities for cultural operators within those kinds of funds are of special interest. A clearer picture of challenges, drivers and barriers is not only interesting for cultural operators and the cultural and arts sector when considering to increase their share of the cake. It is also appealing for regional planners and politicians that are looking for sustainable approaches in a complex regional development process and do not want to focus solely on the construction of roads, bridges and water cleaning facilities.

In practical terms, Structural Funds are given a general framework at EU level but are implemented and distributed regionally. Therefore, situations vary in EU Member States. For instance, some countries openly support cultural projects within their Structural Funds funding lines[8]. As Structural Funds are more versatile than the Cohesion Fund and more often linked to cultural projects, the focus of the following dissertation lies on Structural Funds as explained in chapter 3.

Due to the regional competencies in the implementation mentioned earlier, this paper is focussing exemplarily on one country to analyse conditions of cultural operators when applying for Structural Funds. Poland was chosen for several reasons (see also chapter 6): Poland is one of the countries that, since 2004, has been a member of the EU and has been using Structural Funds, among other things, for cultural projects. Furthermore, Poland is a big cohesion country, part of the 'new Member States' and thus one of the primary target countries for Structural Funds. Poland is also a country 'at the heart of Europe' that traditionally had a strong emphasis on culture and national identity, especially linked to their difficult history as a nation. Therefore Poland provides an interesting starting point for my PhD research.

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[8] The EU provides a framework as well as funding, but it is up to the countries and regions to narrow possibilities down to specific funding lines dealing with different focus areas. The idea behind the subsidiarity principle insists that regional development is best supported by trusting local judgements on what should be supported by the EU. The EU is too far away to know what is needed and how the best outcome can be achieved. Therefore, countries adapted the EU-framework for Structural Funds within the given limits to regional and national needs. The allocation and distribution of funds (the acceptance of projects) is equally handled on a regional and/or national level.

1.2 Development of an academic problem statement

Taking the above-mentioned elements into account, the aim of the following dissertation is determine how cultural operators try to access EU Structural Funds. In this context, cultural operators, on the one hand, and the EU on the other, have different interests in strengthening the role of culture in Structural Funds, which should be pointed out more clearly:

From an EU point of view, it seems necessary to reflect on the contribution of cultural activities on the goals of Cohesion Policies. Because as much as Structural Funds can ease financial constrains of cultural projects, these projects can play a key role in supporting regional development, creating local and/or 'European' identity(ies). Therefore they can be a major mechanism through which the EU can achieve its Cohesion Policies goals. This positive trade off can only be strengthened if more knowledge is gathered along the way e.g. cultural operators learn about the funds and application procedures, and thus perceive their possibilities within the funding scheme. Furthermore, if the EU would like to support a specific kind of cultural project or shift the focus within their socio-economic development efforts, they can only adapt framework conditions and support structures such as the Cultural Contact Points[9] if more information is available.

For cultural operators, one of the main interests in this context is to collect more information about possibilities of applying and participating in regional development and Cohesion Policies in the EU. This increases their chances of funding but might also change their position within society. When scarce resources are allocated to cultural projects, not because 'it is nice to have them', but because they contribute to socio-economic development, the sector is positioning itself differently. When cultural operators apply for Structural Funds, it means that they access regional development money, which are funds that are not primarily for the culture and arts sector. This could mean that they have or gain a new awareness of the role of culture and its possibilities within socio-economic development. It could also mean that politicians and administrations are aware or gain a new awareness of the role of culture and its possibilities within socio-economic development. Moreover, Structural Funds distribute project sums that are above the usual sum for a cultural project within EU- or even national funds. Thus, they represent an international source of funding with an unusually big budget – something that might be attractive for the culture and arts sector but might also

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[9] Cultural Contact Points (CCPs) are part of the information and support structure of the EU programme 'Culture 2007', equipped and financed by national authorities. Their aim is to inform cultural operators on EU funding possibilities and guide their way through application processes. Originally, they were only informing about 'Culture 2000' (now 'Culture 2007') but evolved as a contact point for all kinds of cultural funding opportunities in the EU. However, as they are national offices, their range of support capacities and self understanding can vary from country to country. Their role is discussed in chapter 9.6.5.

incorporate some very specific challenges.

By analysing how cultural operators access Structural Funds, a better idea of drivers and barriers within decision and application processes can be gained that might not only be informative for the respective funds but also for other funds similar in design and size. Once processes are understood in a better way, possibilities of involvement of all actors can be improved, and the direction of funding more focussed.

Apart from this practical focus, this paper aims to bring forward theoretical knowledge of actors strategies by applying a sociological Neo Institutionalism model within this special setting; namely a slightly adapted model by Victor Nee and Paul Ingram (N&I). Strategies within this paper are intentional actions and behaviour patterns of individuals or groups to achieve a certain goal. The model of N&I is, in the end, enriched by elements of Pierre Bourdieu's Theory of Practise. Ways of gathering information, social and institutional embedding and thus important formal and informal norms are taken into account. Based on this, a clear focus on the micro-level will be applied. For this reason, cultural operators as individuals and as part of a cultural organisation are at the heart of my research. Thus, the main question I am asking is:

What kind of strategies do cultural operators apply to access Structural Funds in Poland? (practical aim)

On a more theoretical level, it is asked: **What are the formal and informal norms within the application process for Structural Funds, and in which way do they impact application strategies of cultural operators? (conceptual aim)**

The second question is firmly embedded in sociological Neo Institutionalism, underlining the assumption that within any process and thus also within the process of developing a project idea and writing applications, choices are made that cannot only be explained by the formally given framework; thus, informal aspects have to be taken into account[10].

In finer detail, I am guided by the following questions:

- What are the drivers for cultural operators to apply for Structural Funds?
- What kinds of projects were developed?

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[10] Questions such as: 'What is the contribution of culture/cultural industries and the arts in overcoming spatial/regional disparities?' will not be answered, as this paper is process oriented and does not aim at an evaluation of the outcome. However, it would be much welcomed if in further research more information on the impact and outcome of such projects were gathered.

- What kind of barriers and facilitators did cultural operators encounter?

- How was information regarding Structural Fund grants disseminated to and among cultural operators? What role did formal and informal channels play?

- Do cultural operators encounter 'culture' or 'art- specific' challenges when applying for Structural Funds and if so, which ones?

- How do cultural operators see the possibilities of their projects within the socio-economic development of their region or country? Has the discourse around culture/creativity as regional development factor e.g. in political documents had an impact on applicants?

As a practical outcome, I am assuming that analysing cultural operators access strategies to Structural Funds will:

- lead to better understanding of drivers (e.g. culture as regional development factor),

- lead to better understanding of barriers & facilitators,

- can support/encourage other cultural operators to apply,

- can encourage administrations & political bodies to actively support/guide/influence the use of Structural Funds.

To analyse this complex subject, a qualitative approach based on Grounded Theory through expert interviews with cultural operators in Poland was selected. The choice was based on different elements, among others, the difficult access to quantitative data. But even more so, the evidence that informal aspects of a process are more easily detectable when entering into a dialogue with actors involved were decisive. Therefore, a qualitative approach was chosen (see chapter 5, especially 5.3 and 5.4).

In addition to the practical aim of this paper, the explanatory power of Victor Nee and Paul Ingram's model embedded in the sociological Neo Institutionalism is examined to raise results on a more abstract level, allowing to look at the sociological strategies involved in the application process[11]. By doing so, conceptual advancements on the particular strategies of actors within a three level model are tentatively tested.

Within this paper, I will not look at the success or the impact of the respective projects, and thus an evaluation of cultural, creative or artistic projects within EU Cohesion Policies are not discussed. Those central and far- ranging questions demand a complex study at EU level taking an interdisciplinary and multinational approach that would allow more understanding

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[11] Thus, policy strategies or a purely cultural analysis will not be applied.

of important insights. However, this goes beyond the scope of this paper. The central interest in this paper is the moves from a project idea to the written application.

As well as the scientific aspiration to contribute to the enhancement of the chosen model, the aim is to find reasons, explanations, and opportunities for action to make better use of Structural Funds for cultural projects that are supporting regional development, and thereby help cultural operators be recognised as important contributors to a European regional development policy. In an increasingly complex world where the focus of political actors very often lies exclusively on economic factors, the importance of finding and supporting alternative approaches to traditional ways which are often perceived as failed, is of high importance. Here it could be referred e.g. to Adrienne Goehler's fierce contribution to the unmasking of the idea of fulltime employment for everybody as a myth, as something that is not valid anymore (Goehler, 2006, 28-30). Culture as a possibility to rethink society, to give innovative impulses and find new approaches for problematic regions (socially, economically or ecologically) must play a more prominent role. This is especially crucial for the Cohesion Policy of the EU that can truly benefit from more innovative and pluralistic approaches in the future if it is to achieve the set targets.

1.3 Outline of dissertation

This paper falls into five main sections: The first section is devoted to the background and basic concepts (chapter 2), including an introduction to Structural Funds (chapter 3) and a reflection on possible theoretical approaches (chapter 4). Here, the choice for sociological Neo-Institutionalism is validated, and the research has been well placed within the research stream. Also, methodological instruments such as expert interviews and case study research are described (chapter 5). This is followed by Part II, that implements the taken choices and addresses initials of first quantitative results (chapter 6 to 8). Primary data analysis is central for Part III where a descriptive interview analysis illustrates the project application process. Part IV builds on those findings by offering a validation of the interview analysis through a co-occurrence analysis (chapter 10), and a re-feeding of the results back into (the) theoretical concept(s) (chapter 11-13). The concluding chapters in Part V (chapter 14 and 15) offer a summary and put the results into perspective.

Part I. FRAMING THE CONTEXT

This chapter intends to give the reader a better understanding of the subject and a clearer vision of the existing environment of the research presented. It also prepares ground for the choice on theory and methodology. Therefore, in the following chapter the theoretical basis and framework concepts will be shortly discussed. It includes the definition of key concepts, the historical background and a summary of the existing empirical research. This will help to establish the background for a more detailed discussion around possible theoretical concepts that can be applied to the research presented. In the final section, the chosen theoretical concept(s) will be applied to better support the enquiry of cultural funding through Structural Funds. The chapter ends with the outline of deductive hypothesis that will guide the interview framework and analysis.

2. Definitions and clarification of central concepts: Why are cultural projects financed through Structural Funds?

Discussions on the potential of culture, creativity, the arts and their link to economics have increased over the last decades. They are dominated by terms such as 'cultural industries', 'economic cultures', 'business cultures', 'creative cities', or culture as innovation potential. Not only have scientists in the fields of cultural studies, sociology or economics become more and more involved in trying to grasp the possible relations that culture and the arts and economics (especially economic development) can form together, but politicians, urban development planners, and a limitless amount of international and local enterprises, NGOs etc. have also started to talk and act according to ideas about the above mentioned terms. Very often, the precise concept of what is meant by these terms is very vague. This is due to different groups using the word 'culture' in combination with economic terminologies in seemingly endless variations and contexts without necessarily referring to scientific models and precise definitions. Nevertheless, the issue of definition is fundamental to any scientific analysis and understanding. Therefore, the following pages give a short introduction to the different models and definitions of this paper's central terminology - culture, economics, cohesion -, as well as the main scientific concepts interlinking culture and economics, or culture and regional development/cohesion. This will help to understand what concepts lead

to a justified inclusion of cultural/artistic/creative projects within Structural Funds as European regional development instruments.

2.1 Defining 'culture' and 'the arts'

> *"The UN World Commission on Culture and Development (1995) has made abundantly clear the concepts of culture and of development are inextricably intertwined in any society"*
> (Frey, 2000, 11).

Culture, as Raymond Williams describes it, is "one of the two or three most complicated words in the English language" (Williams, 1976, 76) and, - whereas it is used in everyday life as well as in different sciences without using a common or even specified concept - defining 'culture' is a rather unthankful task[12]. Instead of entering into a long process of itemising possible definitions, I am presenting one of the very few attempts to scientifically describe and analyse culture, among others, related to its possible role in politics. This approach was developed by Bruno Frey (Frey, 2000, 3). He suggests a duality of the concept of culture:

His first definition mirrors a rather broad understanding of culture, related to an "anthropological or sociological framework to describe a set of attitudes, beliefs, mores, customs, values, and practices which are common to or shared by a group" (Frey, 2000, 4). The role of culture and its manifestation in symbols, artefacts, signs, language, traditions and other means play in establishing or supporting the identity of a group is important for the definition. Through this kind of culture, belonging to a group (be it ethnic, geographical, religious etc.); being 'in' or 'out', can be demonstrated.

Frey's second definition is attached more closely to creativity and intellectual, moral or artistic aspects of human life. 'Culture', as Frey sees it, "relates to activities drawing upon the enlightenment and education of the mind rather than the acquisition of purely technical or vocational skills" (Frey, 2000, 4). Linguistically this can be seen by the use of the word culture as an adjective in, for example, 'cultural institutions' or 'cultural industries'. Frey suggests that there are three characteristics of this definition of 'culture':

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[12] Historically, most authors describe the emergence of the use of the word 'culture' as follows: According to etymological research, one of the first meanings of the word 'culture' is the tillage of the soil, a meaning that can still be found in today's English and French as in the word 'agriculture'. Later, the cultivation of the mind was supplemented to the meaning assigned to the word in the 16th century. The change in terminology is reflected, for example, in the possible description of somebody as a 'cultivated' person, including the 'fine' or 'high' arts as part of this broadened cultural concept in nowadays life. In the 19th century, the intellectual and spiritual development of civilisation as a whole was added and a 'French culture' or a 'German culture' emerged. In due course, this humanistic interpretation of culture was therefore seen to embrace not just intellectual endeavour, but the entire way of life of a person or a society in general.

- *"that the activities concerned involve some form of creativity in their production*

- *that they are concerned with the generation and communication of symbolic meaning, and*

- *that their output embodies, at least potentially, some form of intellectual property"* (Frey, 2000, 4).

The **arts** (relating to performing and visual arts, music, literature etc.) as well as activities such as "film-making, story-telling, festivals, journalism, publishing, television and radio and […] design" (Frey, 2000, 5) can be summarised under this definition. Importantly, activities related to "a routine utilitarian end" (Frey, 2000, 5) as scientific innovation or road signs cannot be included in this concept of culture. For Frey, this definition can help to classify 'cultural goods' in contrast to 'ordinary economic goods'[13]. Here, a reference to **creativity** is also made as part of the concept of culture.

Frey also points out that culture can be understood as a thing and as a process. He suggests that the concept of culture as an inventory of objects or practices becomes one where the inventory is understood as "unstable and its content contestable when the dynamics of cultural processes and the power relationships they imply are brought into account" (Frey, 2000, 7). Further, in an attempt to clearly separate economics and culture, Frey suggests that economics concentrate more on individuals, while culture focusses on collectives and group interactions/experience. Therefore "the economic impulse is individualistic, the cultural impulse is collective" (Frey, 2000, 13).

Frey clearly refuses a universality of his approaches to defining culture and already points out himself that there are numerous examples where his definitions are overlapping or where cases contradict his definition. Still, as defining culture is very difficult, this approach seems to be a valid (scientific) point of reference to begin with, which will be used and referred to when choosing the research sample of this paper.

Still, other possibilities, especially linked to the EU and its political field, shall not remain unmentioned. However, from a political point of view, there is barely any effort made in defining 'culture', 'political culture' or 'cultural politics'. In general, it can be stated that in light of differing national, regional and local traditions and understandings of 'culture' in different countries or languages as well as to changing priorities in politics, the definition of the term 'culture' is, and probably will always be, linked to time and geographical or political circumstances. Therefore, two definitions will be introduced shortly: the UNESCO[14]

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[13] The debate on cultural versus ordinary economic goods has mainly focussed on the demand side. Taste of the consumer has been at the centre of discussion. Compare e.g. Richard Caves (Caves, 2000).

[14] UNESCO understood as one of the global players that strongly influences other institutions such as the EU.

definition as the UNESCO is closely related to the EU; and the EU definition as the institution providing Structural Funds.

UNESCO, as the world biggest organisation for education, sciences and culture, laid down in its Universal Declaration on Cultural Diversity *"that culture should be regarded as the set of distinctive spiritual, material, intellectual and emotional features of society or a social group, and that it encompasses, in addition to art and literature, lifestyles, ways of living together, value systems, traditions and beliefs"* (Unesco, 2001, 1)[15]. This definition leans on a broad concept of culture that, according to Bela Rasky, emerged as a product during the 1970th (see also Rásky, 1997, 63 ff.). As another global player on culture and diversity, the EU decided only in 2001 to make a tentative try of defining culture in the context of cultural politics. It is closely linked to voices of the group dealing with EU statistics (EUROSTAT) and has been published in the Ruffolo report:

> *"Most countries agree that the activities pertinent to cultural policy are those which come under the <u>definition</u> [original emphasis, the author] of culture provided by the Eurostat Leadership Group, i.e. activities relating to conservation, creation/production, dissemination and training and marketing in the following areas: artistic and historical heritage, the visual arts, architecture, archives and libraries, publishing and the press, live entertainment, cinema and the audiovisual sector. The only exception is that of the information sector (radio, TV and the press), which some countries did not mention with reference to national cultural policies, as their information policies fall under the remit of prime ministers or ministries for communication"* (Ruffolo, 16.07.2001).

As both definitions show, there is no final effort to grasp 'culture', but different attempts to find an operational, rather pragmatic definition that relates to given circumstances; an approach that appears rational in the light of difficulties around defining culture in a multilingual and multi'cultural' environment. Therefore, as Frey's approach offers a higher level of differentiation it will be seen as the background concept of culture that is valid for this paper.

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[15] "This definition is in line with the conclusions of the World Conference on Cultural Policies (Mondiacult, Mexico City, 1982), of the World Commission on Culture and Development (Our Creative Diversity, 1995), and of the Intergovernmental Conference on Cultural Policies for Development (Stockholm, 1998)" (Unesco, 2001 12).

The last paragraphs gave a short insight into the problematic nature of defining culture. Since the link between culture and economics (socio-economic development/ cohesion) are at the centre of interest, some aspects shall be highlighted shortly:

2.2 Economics and culture

There seems to be very little doubt about what is understood by the term 'economics'. As Bruno Frey points out, the discourse on the scope and content of this discipline diverges so little that "the introductory chapters of most modern textbooks of economics are virtually identical" (Frey, 2000, 1). Still, some things have to be specified: Generally, it can be stated that economists believe in scarce resources; They try to understand how individuals and groups (societies) satisfy their needs and wishes by focussing on different incentives influencing their decision-making behaviour.

Even though economics can be seen as very rational and mathematically based, it is in itself not free of culture. This holds especially true for the definition of culture, as for example, a set of values (Frey's first definition). Next to the simple statement that there are, as already mentioned, different economic schools with different 'cultures', traditions and beliefs (like the 'Keynesian', the 'Neoclassical', the 'Marxist' etc.), there are also more general values and attitudes that form and formed the beliefs and ways economists approach their research. As Frey points out, a well-known argument can be followed stating: *"the ideological standpoint of the observer influences the way he or she perceives the world, and that objectivity [...] generally is impossible since even the choice of which phenomena to study is itself a subjective process"* (Frey, 2000, 8).

Theories and schools are also made/created by human beings embedded in social groups influenced strongly by believes, rituals, and symbols, and therefore the surrounding culture should be taken into account. The protestant work ethic on the rise of capitalism by Max Weber (1920) is a very prominent example of an economic approach to capture these cultural influences of economics. In conclusion, it can be stated that economic concepts and performances are also dependent on the respective culture.

2.3 Culture and economics

On the other hand, the same holds true for culture; 'culture', free of any economic aspects is hardly imaginable. Any cultural relationship and interaction is embedded in an existing economic surrounding, and therefore can be captured (at least in some aspects) as an economic subject. Again, following Frey's definition of culture as a system of beliefs, values and other group-identity creating aspects, the economic concepts of exchanges of goods (symbolic or material) can also be used for cultural interactions. In the concept of 'cultural materialism' the point can be made that cultures and their evolution *"will not be determined [...] by the ideas that they embody but by their success in dealing with challenges of the material world in which they are situated"* (Frey, 2000, 10).

Coming to the second definition of culture by Frey (creativity and production of creative goods), again the link to economics is made by the fact that any cultural production or consumption takes place in an economic framework, making a cultural good/a commodity in the same way as any other good produced in an economic system.

Theodor W. Adorno and Max Horkheimer (Frankfurt School) strongly criticised the economisation of culture and introduced the -in their eyes negatively connotated- term 'cultural industry' by 1947. They referred to mass culture and a loss of value(s) and quality when dealing with cultural production and dissemination in a more 'economic' way. Nevertheless, the notion of culture as an economic good has been widely spread. The discourse initiated by Adorno and Horkheimer can therefore be regarded as a starting point for the development of different scientific concepts related to cultural goods and production/productivity in different academic fields of research. Cultural studies can be seen as one example, focussing on cultural phenomena in everyday life and popular culture.

Other research areas belong firmly in the field of economics and centre on economic processes in the area of culture. For some years now, it appears as if these sub-disciplines of economics are establishing themselves firmly within the field of economics, as is shown by a considerable increase of conferences, research projects and publications. Here, the 'creative'[16] or 'cultural industries'[17] are the main subject of research and are analysed with traditional,

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[16] 'Creative' and 'cultural' industries are often used interchangeably without any attempt to come up with a clear definition. Nevertheless, throughout the years, the cultural industries have become a sub-category of creative industries, which are supporting the latter. For further reading, see: O'Regan, 2001.

[17] This is for instance described by Dominic Power and Allen J. Scott (2004). Referring to Scott (2000), they state that as one big and new segment of the new economy in the 1980s, there is "a group of industries that can be loosely identified as suppliers of cultural products" (Power, 2004 3). For Power and Scott, this group of industries has three common features:

    1. (following Bourdieu, 1971 and others), "they are all concerned in one way or another with the creation of products whose value rests primarily on their symbolic content and the ways in which it stimulates the experiential relations of consumers"

sometimes slightly adapted methods of traditional economic sciences (Power, 2004, 3). I will come back to the role of these concepts when discussing theoretical schools and approaches in chapter 4.

In summary, it can be said that culture does play an important role on different levels of social and economic life. To gain a clearer and less vague vision, culture linked to the EU Cohesion Policies and thus to socio-economic development will be looked at. Therefore, EU Cohesion instruments will be introduced shortly.

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2. "they are generally subject to the effects of Engel's Law, which suggests that as disposable income expands so consumption of non-essential or luxury products will rise at a disproportionately higher rate. Thence, the richer the country, the higher expenditure on cultural products will be as a fraction of families' budgets".

3. "firms in cultural-products industries are subject to competitive and organisational pressures such that they frequently agglomerate together in dense specialised clusters or industrial districts, while their products circulate with increasing ease on global markets" (Power, 2004 3).

As a side remark, it can be commented that the second feature evokes association with Bertolt Brecht who wrote for one of the actors within his famous *The Threepenny Opera*: "Erst kommt das Fressen, dann die Moral" (first comes food, then morality). But experiences with music and poetry for instance in concentration camps during the second world war contradicts the hypothesis that art is second to basic needs, as culture can be extremely important for the survival of a subject.

3. The tools and their background: Cohesion Policies in the EU

Cohesion, coming from the Latin word 'cohaerere' (be joint, be connected) has been used in different fields of research (as e.g. in chemistry or biology). The European Union (EU) coined the term cohesion to describe the solidarity and cohesive strength of the different Member States (MS) and regions inside the EU. In practical terms, Cohesion Policies[18] are money and resource transfers from richer regions/countries to less privileged and developed regions within the EU in order to support socio-economic development. Therefore, Cohesion Politics could be equated with development politics and consist of different Cohesion Policies (methods or tools). Drawing attention to different economic concepts of development strategies and theories, a more detailed analysis of the instruments and the development of the EU's Cohesion Politics can be found later in this chapter.

Since the foundation of the Economic Union[19] the idea of a relatively homogenous economic and social union has been present in all treaties. Today, the most central point of reference for Cohesion Politics can be found in Article 2 of the treaty establishing the European Communities[20]:

> *"The Community shall have as its task, by establishing a common market and an economic and monetary union and by implementing common policies or activities referred to in Articles 3 and 3a, to promote throughout the Community a harmonious, balanced and sustainable development of economic activities, a high level of employment and of social protection, equality between men and women, sustainable and non-inflationary growth, a high degree of competitiveness and convergence of economic performance, a high level of protection and improvement of the quality of the environment, the raising of the standard of living and quality of life, and economic and social cohesion and solidarity among Member States."*

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[18] In English language, there is a distinction between 'politics' and 'policy'. Politics refer to a process of decision making, policy is a (political) instrument or method.

[19] The Economic Union was established through the treaty of Rome in March 1957. In this paper, when referring to the EU, all other pre-forms are included. There will be no distinction between the Economic Union, the European Union or other predecessors. Additionally, the European Union will be abbreviated as 'EU' or simply referred to as the 'Union'.

[20] A slightly different, more simple version that is focussing more on a common market and economic aspects can already be found in Article 2 of the EEC Treaty:

> *"The Community shall have as its task, by establishing a common market and progressively approximating the economic policies of Member States, to promote throughout the community a harmonious development of economic activities, a continuous and balanced expansion, an increase in stability, an accelerated raising of the standard of living and closer relations between the states belonging to it."*

The change towards a more socially orientated understanding, which is reflected in the changes in Article 2, is explained by Erke:

> *"[…][T]he main turning point was the commitment by the Commission in the late 1980s to link the internal market to similar progress in social policy. In other words, Single Market integration was not to be an end in itself, but a means to both political and social aspirations"* (Ehrke, 2003 13).

As introductory statement, the following paragraph can be found on the Internet page for the regional policy of the EU:

> *"European regional policy is a policy promoting solidarity. It allocates more than a third of the budget of the European Union to the reduction of the gaps in development among the regions and disparities among the citizens in terms of well-being. The Union seeks to use the policy to help lagging regions to catch up, restructure declining industrial regions, diversify the economies of rural areas with declining agriculture and revitalise declining neighbourhoods in the cities. It sets job creation as its primary concern. In a word, it seeks to strengthen the economic, social and territorial 'cohesion' of the Union" (European Commission, access: 10.01.2006).*

Those two statements can be regarded as the guidelines and goals of the EU Cohesion Policy even though it must be mentioned that they took shape only slowly (see the following paragraph on the historical development of Structural Funds). By creating the common market and the Economic and Monetary Union, the EU intended (and still does), along with other policies and programmes, to achieve the above mentioned objectives.

In general, the EU Cohesion Policy manifests itself, among other things, in different funds. Among them are the different Structural Funds but also the Cohesion Fund. In this paper, the focus lies on Structural Funds because they provide a broader approach to possible support for an extensive range of projects, among them not only hard infrastructure support (e.g. the construction of streets) but also other measures (e.g. social projects). Most literature on cultural projects and EU – Cohesion and Structural Funds equally focusses on Structural Funds (see chapter 3.7). Furthermore, the Cohesion Fund is only a small part of all funds. Thus, Structural Funds are mainly looked at in this paper.

Normally, Structural Funds are referred to as instruments of 'social and economic cohesion', exactly as formulated in Article 2. The tasks mentioned can be divided according to their duality of social and economic aspects (point 1, 2, 5, 6, 9 as 'economic' and 3, 4, 7, 8, 10 and 11 as 'social' goals). It reflects a balance between both aspects that the EU tries to achieve. As all Structural Funds are to some extent social and economic instruments, each goal is reflected in every single Structural Funds, although not always equally important as will be shown in further detail when describing the respective Structural Funds later in this chapter. Firstly, a short historical overview[21] of the development of Structural Funds policy in the EU will be provided.

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[21] For a general overview of the development of the Union's Cohesion Policy compare: Goring et al, 1996, 94 ff. and Beck, 1997 , 133 ff., in more details: Franzmeyer, 1998 , chapter 4 and 5.

3.1 Historical embedding

In the beginning of the EU (1951 ECSE, 1957 EEC)[22], with only six Member States[23] and a relatively small amount of power transferred to the common institution, the need to take action did not arise. Active regional policy was thought to be part of national politics. But ever since the enlargement of the Union and the development toward an Economic and Monetary Union, this situation changed.

First attempts to create European regional policy instruments and the pre-forms of Structural Funds can be found in the 1970s. To some extent, it was mainly Italy insisting on creating some form of regional support through money transfers at the Union level. They can be credited with helping to create the European Social Fund (ESF) in 1961 (compare: Ehrke, 2003, 6). This pre-form was, despite its name, concerned "with those measures that fall within what is generally understood as labour market policy" (Casey, 1993, 173 cited in: Ehrke, 2003, 6, footnote 10) and therefore not identical with today's ESF.

Two reasons led to the change of policies in later years: the first was the 'Werner-Plan', initiated by Pierre Werner, who, at that time, was the President of Luxembourg, and who recommended the extension of the common Economic and Monetary Union. His plan also proposed to create a system of regional financial balancing on EU-level (see also Weise, 2001, 15).

A second impetus can be seen in the first EU enlargement in 1973. With Denmark, the United Kingdom and Ireland joining the original six countries, economic systems and wealth in the community became more heterogeneous. At that point, the common agricultural policies had been already established (e.g. through the European Agricultural Guidance and Guarantee Fund (EAGGF) established in 1962[24]) and constituted the only active way for the Union to support regional development. Pushed forward by UK fears that they might not get any help from the EAGGF for their severe regional problems (Ehrke, 2003, 8), an instrument had to be established preventing a single-sided transfer of money (compare Beck, 1997, 134)[25]. With the establishment of the European Fund for Regional Development (EFRD), in 1975 an additional instrument for the ESF (1961) and the EAGGF (1962) was created. Even though the budget was rather small consisting of only 150 million Euro and therefore around 2.5% of the total EU-budget for the EFRD in 1975 (compare Franzmeyer et al., 1993, 27f.), in

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[22] At that time the EU did not exist as the 'European Union' but as the 'European Economic Union' and 'Euroatom'.

[23] The six founding members are: Belgium, France, Italy, Luxemburg, the Netherlands and Western Germany.

[24] See also: http://ec.europa.eu/regional_policy/funds/prord/prords/prdsc_en.htm.

[25] This political change was embedded in some other action plans of the Union initiated on the Summit of Paris in 1972. They included an action programme for the right of workers, action for gender-equality and minimum standards for workplace security (see also Ehrke: 2003, 7).

combination with the remaining EAGGF and the ESF, it comprised around 10% of the EU-budget. Further EU enlargements in 1981 (Greece) and 1986 (Spain and Portugal) led to a steady increase of the Structural Funds budget. After the accession of Greece the EFRD tripled its budget, which illustrates interrelations between the accession of new Member States and the development of Structural Funds.

The distribution of different funds was problematic during these first years. It was not linked to a common regional or agriculture policy, instead money was handed out according to fix quotas[26] that were not connected to conditions and did not encourage trans-national reflection or common actions of different EU countries or regions. First attempts to free the distribution of money from quotas were made in 1979. This triggered a fundamental reform of the funds framework. As a result, programmes were put in the centre of funding instead of simply transferring money to countries. The dominant practice remained however to finance single projects and not policies. But projects now had to integrate the newly introduced common European and national policies. Control mechanisms were enforced on all political levels to monitor the use and framing of the projects or programmes funded by the Union.

An important change related to the fund distribution followed: The fix quotas were abandoned and new margins were introduced. New regulation provided a minimum and maximum quota for every country, which encouraged all Member States to send in more applications for projects and programmes than before in order to receive their maximum amount of money. This increase in applications left some power, and freedom to the European Commission in deciding what to fund and support and where to cut back.

In the second half of the 1980s, some changes marked another turning point for regional development; namely the initiative to conclude the European Common Market and the enlargement in 1987 which brought two less developed countries (Spain and Portugal) into the Union. Those changes helped to create regional development politics as we know them today. Extensive debates on what is and could be done for Cohesion within the Union took place. Related subjects such as the consequences (both positive and negative) of the Common Market were widely discussed between new and old Member States. This changed the Structural Funds in "philosophy and design" (Gaspar, 1992, 2). When the European Single Act (ESA) replaced the Treaty of Rome in 1987, the goal of creating regional transfers and support was included explicitly for the first time in the treaties. It led to an increase in different amendments concerning Structural Funds made by the Commission. Structural

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[26] During the first 10 years, around 40% of the fund- money went to Italy, 25% to the UK, 15% to France and 10% to Greece (even though Greece only came in during the last 4 years) (Weise, 2002 , 15).

Funds were included for the first time in the financial planning as well (Delors – I - package), which helped tremendously to increase the budget (cf. Weise, 2001, 6). In 1988, the intended changes were put into practice and the system of creating specific regions of support ('Objectives') and support of programmes instead of projects became the central point of a common EU regional policy. For the first time, a real community programme with agreed common goals for regional development was created (cf. Weise, 2001, 17).

In the following funding period (1989-1993), the budget increased and arose to 25% of the EU-budget (15 billion Euro), and again in the second funding period (1994-1999) to 30 billion Euro or 35% of the budget. This mirrors an increase in the importance of Cohesion Politics.

3.2 Reasons for the establishment of a common Cohesion Policy

Reasons for establishing a common Cohesion Policy in the EU, as has been mentioned, can be found in different areas. The plurality of goals already becomes obvious when looking at the official declaration, stating that the aim of structural funds is the creation of 'social and economic cohesion'.

As Weise (2002) points out, there are three lines in the discourse on justifying a common Cohesion Policy that are not forcibly officially declared: social, political and economic (Weise, 2002, 22). They shape the (self-) understanding and use of Structural Funds and therefore are elaborated in further detail below.

From a **social perspective**, solidarity can be seen as the most obvious and dominant point in favour of the creation of a compensation and balancing tool. It is part of the idea of a 'Union' and can be found in most of central statements, e.g. on the official Internet page of the EU informing about Structural Funds (European Commission, access: 10.01.2006). Solidarity among Member States and regions presupposes a common set of values regarding solidarity as important for a community. The amount of money different Member States have to contribute or can receive and the efficiency and focus of the process nevertheless can also change a Member's attitude towards the support of common action based (also) on solidarity (Weise, 2001, 23). Moreover, it is the feeling of community and belonging ("Zusammengehörigkeitsgefühl" Weise, 2001, 23) that is the decisive factor for solidarity. Weise comments that weaker family members will be supported more likely than someone else outside the family. Therefore, personal or community relations are central. Thus, distance is causing significant problems for solidarity in an inter-European setting, and will continue to

do so as long as the consciousness of individuals belonging to the European community is as weak as it is today (Weise, 2001, 23). Assuming that receiving money from the EU can help to create a feeling of belonging and solidarity, the 'payers' already have to have this sense of solidarity. According to Weise, the fact that every country receives transfer money from EU-funds can be regarded as an attempt to solve this dilemma (Weise, 2001, 23).

Other points connected to solidarity are e.g. the idea that all people living in the Union should have similar living conditions, or that countries facing problems caused by natural disasters or the break down of dominant industries should receive some community help in order to precipitously ameliorate the situation.

Politically speaking, the transfer of money within the EU can be described as an important tool of compensation within a bargaining process. Since most important decisions still have to be made unanimously, tremendous bargaining potential is connected to political decisions on money transfers, eligibility of regions for funding or an increase of budget (Lang, 1998, Lang, 2006, 11). As far as Weise is concerned, three moments in the EU history illustrate this 'bargaining' aspect:

(1) the increase of funds and money (e.g. the introduction of the Structural Funds) for the four poorest countries on the eve of the introducing of the common Monetary Union,

(2) the introduction of the 'Integrated Mediterranean Program', supporting especially France, Italy and Greece just when the second southern- enlargement took place, and

(3) a special programme for the Portuguese textile industry that was introduced while trying to come to an agreement in the Uruguay-GATT-discussions (cf. Weise, 2001, 24).

The extreme perception of Structural Funds as a simple tool to compensate for political agreement (or as "trouble shooter" Weise, 2001, 24) is, however, delicate, as it contradicts the idea of solidarity and the aims of the proclaimed official Cohesion Policy of the Union.

A third line of reasoning is connected to **economic** concepts regarding regional development and Cohesion Politics. They consist mainly of the following ideas:

According to traditional growth theories, a common market should help to decrease regional disparities (as discussed in further detail below)[27]. To some extent, the creation of a common European market nevertheless produces unequally distributed advantages and disadvantages - at least in the short-term. Some regions have less optimal starting conditions than others when introducing or joining the common market (Gaspar, 1992). In most economic theories, short-term effects do not play a significant role. Even when there might be a general improvement for everybody in the common space, as has been estimated by the majority of economists, it might take time and does not imply that it can be seen and felt immediately (cf. Weise, 2001, 28). Therefore, some regions and countries should be supported to ensure that they are in a position to "benefit from the positive spillovers of increased integration" (Gaspar, 1992, 2). This was equally confirmed by the EU Commission ((Europäische Kommission, 2005, 2-3)). Some politicians and scientists also argue that less developed regions will slow down the economic growth of the remaining countries which would be negative for all participating countries (Gaspar, 1992, 2).

In short, different interests shaped European Cohesion Politics in the past and will continue to do so in the future. It is important to realise that an understanding of the outcome of negotiations concerning Structural Funds can only be achieved when taking all three elements of justification (political, economical and social) into account.

3.3 Establishment of Cohesion Policy: Structure Funds and the Cohesion Fund

To achieve the goals mentioned above, different funds and funding lines have been established over time. Since especially the criteria and priorities (and not so much Structural Funds in themselves) are changing constantly, only the conditions for the funding period 2000-2006 will be introduced shortly. A more in-depth vision of Cohesion and Structural Funds in 2000-2006 can be found e.g. on the Internet page of the DG Regio.

In the years 2000-2006, the European Regional and Cohesion Policy is financed by five different funds:

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[27] Following e.g. traditional export-and trade theories as described by Dluhosch, 1995, 251; Mankiw, 1998 , 24 ff. or Krugman, 1997 and the factor price equalization or models on endogenous growth (see e.g.: Grossman, 1990 or Frenkel, 1995).

1. The European Regional Development Funds (ERDF), whose principle objective is to promote economic and social cohesion within the EU by reducing imbalances between regions or social groups.

2. The European Social Fund (ESF) as the main financial instrument allows the Union to realise the strategic objectives of its employment policy.

3. The European Agricultural Guidance and Guarantee Fund (EAGGF- Guidance Section), contributes to the structural reform of the agricultural sector and to the development of rural areas.

4. The Financial Instrument for Fisheries Guidance (FIFG) is financing activities in the area of structural reforms of the fisheries sector[28].

5. The Cohesion Fund that is not part of the Structural funds and has been established to help the poorest Member States (cohesion countries) to speed up economic development, especially by financing infrastructure projects.

Together, they distribute approximately 1/3 of the total EU budget and are (financially speaking) the second most important policy area after the common agriculture policy. They co-finance[29] different projects and initiatives in all EU countries related to economic and social cohesion.

Availability of funding depends on different factors of which the 'objectives' are the most important ones. By objectives, the classification of a region[30] (and therefore the allocation of funding) according to strict criteria (such as the average GDP, unemployment rates etc.) is meant[31]. Main lines for the funding period 2000- 2006 were 'Objective 1' regions (O1), and 'Objective 2' (O2) regions, which are both territorial objectives, and 'Objective 3' (O3) as a thematic objective. The Cohesion Fund additionally supported environmental and transport projects in the least prosperous Member States.

At EU-level, each fund is administrated by the European Commission with different DGs administering different funds. Whereas the Structural Funds are financed out of the EU

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[28] For further information see: www.europa.eu.int, Regional Policy.

[29] As a general rule, funding for one project can only come out of one fund, and an accumulation of money from different EU funds for projects is not possible. Co-financing from Structural Funds covers between 25%-85% of the total project budget. The missing amount has to come from other sources (the so called 'co-financing').

[30] For the analysed funding period 2000-2006, there were 254 regions in the 25 Member States. For a clear definition of a region in EU-statistical definitions see: Europäische Kommission, 1999 .

[31] There has been the possibility for some regions to negotiate a 'fading out' of funding even though the strict criteria do not correspond anymore to the actual situation. Therefore, e.g. some former O1 regions like Cantabria in Spain or East-Berlin in Germany still received funding almost like an O1 region in the funding period 2000-2006 (there were some time limits). The main official reason was the hope that there would be more sustainable development in those regions if funding was not halted from one day to the next.

budget, the sharing of responsibilities and competences is distinctive for the implementation of Structural Funds; they are administered by the European Commission and the national and regional governments/administrations of the Member States, which includes programming, monitoring, evaluation and control.

In an initial process, the EU passes the general regulation and financial decrees that are binding for all activities financed by any of the mentioned funds. They include the regulation of spending, obligations (such as reports and evaluations), and criteria for the allocation of funds. Additionally, they give general guidelines regarding content through formulating support areas and political goals. These general guidelines are prepared by the European Commission and approved by the Council and the European Parliament.

The Commission then negotiates and approves the development programmes (e.g. Operational Programs) proposed by the Member States and allocates the funds[32]. Once approved, the implementation in the Member State can be initiated. This lies afterwards entirely in the hands of the national and local bodies. They manage and implement programmes by selecting, monitoring and spot evaluating projects. Afterwards, the Commission is again involved in the follow-up of the programme, appraises the way money was spent, and helps to examine the control systems in place in the different countries. Nevertheless, it should be clear that most funds (over 90%) go directly to the Member States, and therefore detailed content decisions, monetary distribution, and control are situated at national or regional level.

An exception would be the Community Initiatives such as INTERREG or URBAN[33] that support projects regardless of geographical classifications according to objectives. Those Community Initiatives are administrated directly by the European Commission and are not handled by Member States.

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[32] In the process of implementation, the following documents (in chronological order) are negotiated:
1. Development and conversion plans (submitted to the Commission by the MS) which include national and regional priorities, a description of the current situation, intended strategies, indicators of the use and form of the contribution from the funds.
2. Programming documents
   a. Community Support Frameworks (CSFs) and their Operational Programmes (OPs) are MS documents approved by the Commission that specify the regional and national priorities (in accordance with the Structural Funds strategies) and their specific objectives.
   b. Single Programming Documents (SPDs) can replace the CSF and OPs by including them in the same documents. This document comprises, like the others, the programme's priorities, a short description of the proposed measure and an indicative financing plan.

[33] For more information see: http://ec.europa.eu/regional_policy/urban2/index_en.htm (URBAN) and http://ec.europa.eu/regional_policy/interreg3/ (INTERREG3).

The budget of the Structural Funds (including the community initiatives and innovative actions), is 195 billion Euro in total for the years 2000-2006 and an additional amount of 15 billion Euro for the new Member States between 2004 and 2006. The Cohesion fund allocates 24.6 billion Euro during the same period for the EU 25.

Additionally, the programmes PHARE, ISPA and SAPARD supported accession countries with another 10.92 billion Euro (PHARE), 7.28 billion Euro (ISPA) and 3.64 billion Euro (SAPARD)[34] from 2000 on until their accession.

Regarding project sums, it is important to note that they are not limited by the EU-frameworks but have to be explicitly mentioned and approved by the EU when exceeding 25 million (environmental projects) or 50 million[35]. Thus, a minimum budget is imposed by Member States according to the call and funding line.

On the next pages, an overview of funds and objectives is presented. Even if this paper focusses on Structural Funds, other funds such as the Cohesion Fund, but also the different Community Initiatives that are financed through (different) Structural Funds, are included.

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[34] See: http://europa.eu/scadplus/leg/de/lvb/160013.htm.
[35] See Section two 'major projects', Article 39 in: Commission Regulation (EC) No 1828/2006 of 8 December 2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund (Official Journal L 371, 27.12.2006).

Table 1: Structural Funds' objectives related to funds, criteria and money [36]

Objective	Criteria	Fund	Share of EU citizens involved/€
Objective 1 Exists to contribute to the development and structural adjustment of regions whose development is lagging behind.	- Regions on NUTS II level with a GDP of less than 75% of the community average - regions that have formally been classified 'objective 6' (in Finland and Sweden) - border regions such as the French overseas departments, the Spanish islands (canaries), the Azores and Madeira	ERDF, ESF, EAGGF-Guidance section, FIFG	Around 22% of the total of EU-population lives in O1 regions. 69.7% of the SFs budget (195 billion Euro) up to 85% of EU co-financing per project
Objective 2 Supports activities in regions with structural difficulties that are not eligible for O1 funding. The focus is mainly on economic change, declining rural areas, depressed areas dependent on fisheries and urban areas in difficulties	For industrial areas: - that have an unemployment rate above the EU average - with a high level of industrial employment - that show a decrease in industrial employment over the past few years For rural areas: - with a low density of population or a high percentage of economically active population in the agricultural sector in combination with a high unemployment rate or a decrease in population density For urban areas at least one of the following criteria must apply: - high long-term unemployment - high level of poverty - destroyed or badly affected environment - high criminality - low level of education	ERDF, ESF	O2 regions may not include more than 18% of the overall population in the EU For every country, the EU has stipulated a population maximum but it is up to the Member States to propose regions that are then approved by the EU. By midterm, this list of regions can change (e.g. to react to sever crises). 11.4% of SFS budget or 22,45 billion Euro up to 50% of EU co-financing per project

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[36] NUTS (in French: 'nomenclature d'unités territoriales statistiques', English translation: 'Nomenclature of Territorial Units for Statistics') are regional entities developed by Eurostat for statistical purposes. There are three levels (NUTS 1, NUTS 2 and NUTS 3) that label different statistical levels (and therefore sizes of regions). NUTS 2 usually is the smallest entity for which statistical data are available. This classification was developed in the 1970s and was reinforced by the decree No. 1059/2003 (see http://europa.eu.int/eur-lex/pri/en/oj/dat/2003/I_15420030621en00010041.pdf). For more information on NUTS see: www.europa.eu.int/comm/eurostat.

	for areas dominated by fishery: - a high percentage of employment in the fishery sector along with the decrease of employment in this sector		
Objective 3 Projects concerning human resource development outside O1 regions, especially regarding employment strategies.	- Support of actions against unemployment - Support of the access to the labour market - Support of training and re-training activities - Actions for gender equality There is no regional limit (apart from O1 regions that are NOT eligible for support from O3 funds)	ESF	12..3% of SFS budget or 24,05 billion Euro up to 50% of EU co-financing per project
Community Initiatives	*Interreg III* Cross-border, transnational and inter-regional cooperation *Leader +* Rural development *Equal* Combating all forms of discrimination and inequality regarding labour market access *Urban II* Fighting economic and social decline in towns, cities and suburbs	Interreg and Urban: ERDF Leader+: EAGFL Equal: ESF	5.35% of SFS budget or 10,44 billion Euro
Technical assistance and innovative measures	Innovative Actions are projects in the field of: - regional economies based on knowledge and technological innovation - eEurope-regio: the information society and regional development - regional identity and rural development	All funds	0.65% 1.27 billion Euro
Intervention in the fishery sector outside Objective 1		FIAF	0.5% or 1,11 billion Euro
Cohesion Fund	For countries with a GDP per inhabitant below 90% of the EU average This money is mainly for infrastructure projects in the field of the environment and transport.	Cohesion fund	18 billion Euro

Two principles are essential for the Structural Funds: The **partnership principle** (§ 11) and the **principle of additionality**. The first one imposes the obligation to the European Commission and Member States to involve as many actors as possible in the planning and development of the programme as well as in the actual implementation. More precisely, the following parties are supposed to work together closely: the European Commission, the Member States, the regional and local administration (also environmental authorities), economic and social partners, as well as other organisations and institutions from different sectors (e.g. gender equality or environmental protection). This includes, among others, the obligation of hearings and consultation processes in the Member States during the programme planning and the installation of steering committees. Historically, the regional and local partners have been included in the processes first (1989-1993), followed by socio-economic partners (1994-1999). Finally, the partners and representatives of civil society were granted a say in the shaping of national and regional documents and the whole implementation process. Therefore, the EU strengthened the position of non-governmental bodies, associations, movements for equal opportunity and others during the period 2000-2006. In practice, this is mostly happening through public hearings, steering and monitoring committees.

The principle of additionality implies that Member States have to guarantee that national public expenses are not replaced by European Structural Funds money but remain constant. This is supposed to ensure that Structural Funds are an additional support for economic and social development in the respective regions. In other words, "Community assistance may not replace national funds"[37]. This is proved and controlled by ex-ante, half-term and final evaluations.

3.4 EEA- a special kind of regional development support for new Member States

In 2004, the three associated EU countries (Norway, Iceland, Liechtenstein) also joined in the effort to support socio-economic development. Together they created the European Economic Area and Norway Grants (henceforth EEA)[38] that are mainly financed by Norway, and function independently from the EU funds and structures. With a total of 1.3 billion Euro distributed over 5 years (2004-2009), social and economic disparities in Europe shall be reduced. EEA grants were especially designed for the 12 new Member States but also support projects in Spain, Greece and Portugal. The administration and distribution of the funds,

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[37] General provisions on the Structural Funds: http://europa.eu/scadplus/leg/en/lvb/l60014.htm.
[38] For more information, see http://www.eeagrants.org/.

similar to the EU Structural Funds, occurs to a large extent on national level. Still, calls and the final approval of projects lie in the hands of the three funding countries and their administration office in Brussels. Funding is organised around sectors and done separately in each country. To receive funding, a specific 'call' (a tender for a specific area or sector) is published approximately twice a year. It is important to note that 'cultural heritage' is one of the funding sectors of those grants[39].

As the EEA and Norwegian Grants are to some extent similar to Structural Funds in their goals and even ways of funding and focus on new Member States, they will not be excluded from the research even though the focus of this paper lies with EU Structural Funds.

3.5. Structural Funds regulations and the role of culture
3.5.1 EU regulation concerning Structural Funds

There are different documents shaping Structural Funds, the most important on EU-level being the Council Regulation (EC)[40]. The regulation No 1260/1999 acts as a general provision for all four Structural Funds. This regulation (No. 1260/1999) has been changed several times (1988, 1993 and 1999)[41] and lays down the general provision for all four Structural Funds. Included in these regulations are the overall priority objectives, the Community Initiatives like INTERREG or LEADER and the financial regulation (especially the funding ceiling of 195 billion Euro) for the programme period 2000-2006. Other aspects included in this regulation are the possible ways of assistance, the partnership principle and the additionality

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[39] To get a better understanding of what kind of projects are supported, below is a list of some of the funded projects that were initiated recently in Poland:
- Construction of sewage system together with the reconstruction of waste water treatment plant in the municipality of Moszczenica - (2008.09.10)
- Revitalisation of the renaissance synagogue in Zamosc for the needs of the Chassidic Route and the local community - (2008.09.10)
- Extension of the Spa Theatre in Jelenia Gora/modernisation of the Spa Theatre - (2008.09.10)
- The extension of the sewage system […] in Jarocin and Majdan Golczanski - (2008.09.10)
- "ECOLO-CHIEF" wastewater treatment plant (expansion of the existing facility) located in the town of Grabów-Wójtostwo - (2008.09.10)

(Compare: http://www.eeagrants.org/id/70.)

[40] EU regulations are pieces of legislation that are politically agreed upon mostly within the European Council meetings and depending on the political area jointly accepted with the European Parliament.
Decisions, however, are mostly in the hands of the European Commission and put into force the implementation of EU regulation. For Structural Funds there are e.g. decisions on eligible areas for regional development or the budgetary allocations per Member State.
Guidelines, again, are another kind of document mostly developed and published by the European Commission e.g. setting regional development priorities or providing explanations on how to do financial corrections.
Reports reflect some research on specific regions, policies and topics and might lead to **thematic communications** with recommendations and proposals for further actions.
Finally, **working documents** are aimed at assisting all actors involved in the implementation of EU regulations and form part of Commission documents.
[41] Tkaczynski, 2001 80.

principle, both central for the Structural Funds. Details about rules on management, monitoring and evaluation are also provided in this document[42].

In addition to this regulation, other documents offer more specific information on each fund.

The 'regulation on the eligibility of expenditure of operations co-financed by the Structural Funds' (No. 1685/2000) lays down specific rules determining the eligibility of expenditures under form of assistance as defined in Article 9 (e) of the regulation No. 1260/1999. In the 'regulation on information and publicity measures to be carried out by the Member States concerning assistance from the Structural Funds' (No. 1159/2000), the EU indicates ways EU activities should be publicised by Member States in order to raise the profile of the Union's structural policy and make actions more visible and information available[43]. Another regulation (regulation No. 643/2000) determines the Euro as the only currency used in all Structural Funds documents, decisions, commitments and payments by the Commission. Again others provide information on management and control systems for assistance granted under the Structural Funds (No. 438/2001)[44] or regulations defining possibilities to adjust and correct expenditures that have been badly managed or inadequately checked (No. 448/2001)[45]. Additionally, each fund has its own specific regulations[46], which are, of course, in accordance with the Council Regulations.

3.5.2 Culture and heritage in EU Structural Funds legislation

Regarding the plurality of funds, the question arises whether or not culture, creativity, the arts, heritage etc. already play a significant role in EU Structural Fund legislation. Therefore, a careful search of all major Structural Funds EU regulations for 'cultur(e/al)' (excluding agriculture) , 'art' and 'heritage' (as heritage is often understood as 'cultural heritage' in form of museums, historical monuments etc.), was conducted. Out of all regulations, only in the Council regulation No. 1260/1999 (laying down general provisions on Structural Funds) the following initial statement can be found (set of by the author):

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[42] See: European Commission: http://ec.europa.eu/employment_social/esf2000/regulations_en.html, or http://eur-lex.europa.eu/LexUriServ/site/en/oj/1999/l_161/l_16119990626en00010042.pdf.
[43] See: http://ec.europa.eu/en/comm/spp/rapid.
[44] See also: http://ec.europa.eu/employment_social/esf2000/working_en.htm.
[45] http://ec.europa.eu/employment_social/esf2000/regulations/f_c/es.pdf.
[46] For example for the ESF: regulation No. 1784/1999,
http://ec.europa.eu/employment_social/esf2000/regulations/esf/el.pdf
ERDF: regulation No. 1783/1999, http://ec.europa.eu/employment_social/esf2000/regulations/erdf/el.pdf.

> *"(6) [..] **cultural development**, the quality of the*
> *natural and the man-made environment, the*
> *qualitative and **cultural dimension** of life and the*
> *development of tourism contribute to making*
> *regions economically and socially more attractive*
> *in so far as they encourage the creation of*
> *sustainable employment"*

Neither regulation No. 1447/2001[47], nor regulation No. 1105/2003[48] mention culture, the arts or heritage. Turning towards specific fund regulations, the ERDF mentions culture in § 1.6 and § 2.d. (set of by the author):

> *"(6) [..], as part of its tasks, the ERDF should support the productive environment and the competitiveness of enterprises, especially small and medium-sized enterprises; local economic development and employment, including in the fields of **culture** and tourism where these contribute to the creation of sustainable jobs;*
> *research and technological development; the development of local, regional and trans-European networks including the provision of suitable access to the said networks in the sectors of transport infrastructure, telecommunications and energy; the protection and improvement of the environment taking into account the principles of precaution and that preventive action should be taken, that environmental damage should as a priority be rectified at source and that the polluter should pay and by fostering the clean and efficient utilisation of energy and the development of renewable energy sources; and equality between women and men in the field of employment;*
>
> *2. In application of paragraph 1, the financial contribution of the ERDF shall support, inter alia, the following:*
> *(a) the productive environment, in particular to increase competitiveness and sustainable investment by firms, especially the small and medium-sized enterprises, and to make regions more attractive, particularly by improving the standard of their infrastructure;*

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[47] Amending Regulation (EC) No 1260/1999 laying down general provisions on the Structural Funds, http://eur-lex.europa.eu/LexUriServ/site/en/oj/2001/l_198/l_19820010721en00010002.pdf.
[48] Amending Regulation (EC) No 1260/1999 laying down general provisions on the Structural Funds, http://ec.europa.eu/regional_policy/sources/docoffic/official/regulation/content/en/02_pdf/00_1_sf_3_en.pdf.

(b) research and technological development with a view to promoting the introduction of new technologies and innovation and the strengthening of research and technological development capacities contributing to regional development;

(c) the development of the information society;

*(d) the development of tourism and **cultural investment**, including the protection of **cultural and natural heritage**, provided that they are creating sustainable jobs"* [49]

As can be seen, both the ESF (regulation No. 1784/1999) [50] and regulation No. 1263/1999 on the Financial Instrument for Fisheries Guidance do not mention culture and heritage at all[51]: However, they can be found in the EAGGF regulation No. 1257/1999, IX, § 33:

"- renovation and development of villages and

*protection and conservation of the **rural heritage**"*[52]

The remaining two regulations on EU level, laying down detailed rules for the implementation of Council Regulation (EC) No. 1260/1999 as regards eligibility of expenditure of operations co-financed by the Structural Funds (No 1685/2000)[53] and the amending regulation No 448/2004 [54], are again 'culture and heritage free'.

It is striking that in these regulations at EU level, tourism and culture are 'paired up'. Also, cultural and rural heritage along with sustainable development are apparently strongly intertwined. This might reflect a certain biased perception on a limited action field for culture in the EU. However, this contradicts the rather broad definition introduced in the Ruffolo report mentioned earlier. It will be interesting to compare results of the interviews later with this hypothesis.

Concluding, it can be stated that at EU level, Structural Funds have no specific focus on culture. In order to understand what 'kind of culture' is meant to be supported, reference

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[49] Regulation (EC) No 1783/1999 of the European Parliament and of the Council of 12 July 1999 on the European Regional Development Fund
http://ec.europa.eu/regional_policy/sources/docoffic/official/regulation/content/en/02_pdf/00_2_erdf_en.pdf.
[50] Regulation (EC) No 1784/1999 of the European Parliament and of the Council of 12 July 1999 on the European Social Fund,
http://ec.europa.eu/regional_policy/sources/docoffic/official/regulation/content/en/02_pdf/00_3_esf_en.pdf.
[51] Council Regulation (EC) No 1263/1999 of 21 June 1999 on the Financial Instrument for Fisheries Guidance
http://ec.europa.eu/regional_policy/sources/docoffic/official/regulation/content/en/02_pdf/00_5_fifg_en.pdf.
[52] Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations
http://ec.europa.eu/regional_policy/sources/docoffic/official/regulation/content/en/02_pdf/00_4_eaggf_en.pdf.
[53] http://ec.europa.eu/regional_policy/sources/docoffic/official/regulation/content/en/02_pdf/ 00_9_3_expend1_ en.pdf, 24.4.2007.
[54] Commission Regulation (EC) No 448/2004 of 10 March 2004 amending Regulation (EC) No 1685/2000 lying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards the eligibility of expenditure of operations co-financed by the Structural Funds and withdrawing Regulation (EC) No 1145/2003, http://ec.europa.eu/regional_policy/sources/docoffic/official/regulation/content/ en/02_pdf/00_9_4_ expend2_en.pdf.

needs to be made to chapter 2. Especially indirect means of narrowing down the concept, such as the Ruffolo report or different political statements and studies that are only loosely coupled with the official regulations regarding Structural Funds have to be mentioned. Here, as Structural Funds are regionally implemented, an additional challenge is included that might result in different understandings of the role of culture in Structural Funds according to national settings. For now, already existing research in the field will be looked at, among other things, to gather hints in this direction.

3.5.3 Thematic communications and European studies

Even though regulations are not very precise in specifying the role of culture in regional development, thematic communications[55] are much clearer about the advantages the EU sees in cultural actions for socio-economic growth. One of the most important examples is the thematic communication on 'Cohesion Policy and Culture. A Contribution to Employment' from November 1996[56] and the working paper 'Study on cultural projects eligible for assistance from the European Union Structural Funds' published two years later (Bekemans, 1998). They highlight the active role of culture and creative industries in creating sustainable development and emphasise their enormous employment potential. Structural Funds are mentioned specifically as an important field of action where culture should play a strong(er) role.

Commissioned studies, such as the study on 'The economy of culture in Europe' from October 2006 (Kea European Affairs, 2006) also stress the potential of culture and the arts in most areas of socio-economic development. Newer publications, e.g. the journal 'Panorama', a publication by the DG Regio, published in Spring 2009 a special edition on 'Creativity and innovation' and gathered best practice examples (Directorate-Generale for Regional Policy, spring 2009). Those studies, however, can only be regarded as an offer to prepare the ground for further development and as nonbinding recommendations for Member States because most decisions are left to Member States during the implementation process. Nevertheless, both documents regard Structural Funds as one possible source of financing for socio-economic regional development projects related to cultural activities.

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[55] For a full list of thematic communications concerning Structural Funds consult the following web page: http://ec.europa.eu/regional_policy/sources/docoffic/official/communic/comm_en.htm, 24.4.2007.
[56] http://ec.europa.eu/regional_policy/sources/docoffic/official/communic/culture/home_en.html, 24.4.2007.

3.6 Culture and Structural Funds at the EU Level in the context of Cultural Policies

As presented in the last paragraphs, most EU Structural Funds regulations are 'culture free'; culture in a broad or narrow sense of the word (Frey, see chapter 2) is not mentioned or only mentioned seldom and in a very limited way. This provides evidence of the fact that EU Structural Funds are by no means direct cultural policy instruments. Also, the distribution of competences regarding cultural politics at EU level are hindering elements towards an active inclusion of culture in most political fields, including Cohesion Policies. In order to illustrate the special situation of culture in the EU, few aspects can be highlighted:

Since the Treaty of Maastricht, the EU formally gained some competences in the field of cultural policy[57]. However, the competences as stated in Article 128 of the Maastricht Treaty (today Article 151) are very restricted and limit EU activities to additional/complementary actions and the support of cooperation between Member States and third countries[58]. This is one of the reasons why there is only one single framework programme for culture in the EU ('Culture 2000', now 'Culture 2007') with very limited financial resources totalling 0.03% of the overall EU-budget[59]: At the same time, article 128.4 introduced a new facet of EU cultural policies: EU Member States agreed that cultural (policies) should be taken into account in all political areas. As a consequence, cultural activities not only can, but should even also be supported by other means and not only by purely cultural instruments[60]. For Phyrrhus Mercouris, "this Article ought to be interpreted by the European Commission as an obligation on it to ensure that funds are made available from [sic!] funding mechanisms – which include the Structural Funds" (Mercouris, 2002, 3). Other possibilities to influence cultural activities in Member States from an EU level are due to the close connection e.g. of some art forms with the industrial sector (work security, copyright, etc.) or the role of artists as employees (labour market restrictions, freedom of mobility in the EU, etc.).

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[57] See e.g. http://www.efah.org/.
[58] The understanding of article 151 is fiercely discussed and defended by Joost Smiers (Smiers, 2002 who lobbies hard for a wider interpretation of competences in the cultural field.
[59] For more information on 'Culture 2007' see: http://ec.europa.eu/culture/our-programmes-and-actions/doc411_en.htm.
[60] Article 151, paragraph 4:
" The Community shall take cultural aspects into account in its action under other provisions of this Treaty, in particular in order to respect and to promote the diversity of its cultures."

3.7 Culture in Structural Funds – state of affairs and existing research

From an EU point of view, and subsequently depending on the concept of culture and therefore the understanding of cultural activities, the term culture can consequently be 'everywhere' or 'everything'. Therefore it can be supported throughout all community programmes. At the same time, an inclusion or at least a 'taking into account' of culture everywhere is also carried by § 128.4 as mentioned above. The lack of precise concepts and definitions concerning culture can create a lot of misunderstandings and challenging exchanges between countries or interest groups when discussing the subject. Comparability of figures is also suffering due to the vague definition of culture. To illustrate the situation, reference can be made to different studies provided by the EU (see below). Along with some NGO-documents they indicate that the spending of culture is much higher than what could be assumed in the first place. Regarding culture and Structural Funds, some calculated that out of every €10 spent for culture by the EU, €7 are related to Structural Funds. Again, in other sources one comes across these figures: „Realistically in most cases 5-10% of the money indicated [in the OPs that are indicated by Mercouris in his list, remark of the author] is for the culture sector" (Mercouris, 2002, Annex, 7). The most detailed study can be located in France where different ministries published a joint study on the role of culture in Structural Funds in France, presenting successful projects and demonstrating how funds can be used for socio-economic development projects (Cultural Contact Point France, n.d.).

Still in most cases, it is hard to understand how those figures were generated and if they can be transferred to other regions. It can be stated that these studies mainly focus on linkages between culture and the labour market or culture and economic development, and that according to those studies the EU and its Member States should more consciously take them into account.

Similar to the allocation of cultural competences in the EU, the carrying out of Structural Funds lies in the hands of Member States and their respective regions. As other cultural policy regulations support (or at least don't intervene with) the use of other funds for cultural purposes, cultural projects in Structural Funds are a possible option. Good examples can be found in Greece and Portugal. These countries established Sector Operational Programmes devoted only to culture (and tourism) in 2000-2006[61]. The focus of both OPs lies mostly on cultural heritage. However, the support of culture, creativity and the arts through a specific

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[61] Greece spend €414.3 million or 1.9% of the overall funds from Structural Funds reserved for Greece and Portugal €237.3 million or 1.2% of the overall sum of resources from Structural Funds for Portugal in this period Lis, 2004 .

OP is a rare exception. How very little is known about the possibilities and the already existing examples of cultural projects in the EU is in contrast to the considered potential of this field.

Empirical and theoretical research about cultural activities and regional or Cohesion Policies in the EU is rather limited. Looking at research concerning Cohesion Policies, very few articles and publications touching culture can be found. Those are dealing with culture rather as a fringe phenomenon than as a central aspect. For instance, in a broader sense (together with education), culture has been regarded in classical regional growth theories, especially as a vehicle for innovation and as a factor to attract highly qualified employees. Andrés Rodriqués-Poses' work is an example of where one will encounter this field of research (Rodríguez-Pose, 1998).

Furthermore, some authors within the 'creative industries' and 'creative city' research, mainly from the Anglo-Saxon area, deal with the economic development of places through culture but do not forcibly focus on EU Funds and politics or policies. Representatives of this research area are, for instance, Richard Florida (Florida, 2002a), Allen J. Scott (Power, 2004) and Paul Ray and Sherry Anderson (Ray, 2000) just to name a few (see also chapter 4.1). The focus of their research is the investigation of how different steps of regional development and relevant influential cultural factors come together to e.g. improve the socio-economic situation in a city. These attempts concentrate on the urban space, first and foremost, in the USA and Great Britain, and have an extremely wide definition of creativity and culture (in particular the attempts of Florida). A direct transfer to regional disparities in Europe, especially for rural regions, cannot automatically be made without conceptual changes.

Various recent publications provide a rather empirical insight into the actual situation but also into the hopes of the involved actors for cultural Cohesion Policy. Already in 1996, the EU published its first more elaborate study about the impact of culture on the labour market policy 'Cohesion Policy and Culture. A contribution to employment'[62]. The study came to the conclusion that the cultural sector plays a significant role, which should be explicitly promoted. Above all, it concluded that already existing impulses and initiatives, that have an important impact, are coming from cultural-creatives and the cultural industry, e.g. for the creation of employment. This view - limited very often by the quantitatively only hardly measurable results – can be found in a row of European studies. Among others, the study of

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[62] Commission of the European Communities, 20.11.1996 .

the Danish Technological Institute carried out for the EU and published in 2005[63] or the paper already mentioned written by Pyrrhus Mercouris 'Structural Funds, Enlargement and the Cultural Sector' (Mercouris, 2002) can be singled out. Another publication, 'The politics of heritage and regional development strategies - actors, interests, conflicts' (Schröder-Esch, 2006) features articles and text collections about Structural Fund and cultural projects. Of special interest is an investigation of different French ministries from the year 2005 onwards (Relais Culture Europe, 2001), which deals explicitly with cultural support through Structural Funds in France, and comes to very positive results, in particular concerning 'Objective 2' regions as well as the Community Initiatives.

Cultural organisations also disseminate some publications and studies concerning culture and Structural Funds. For instance, the study by Christine Beckmann 'Kultur und die Fonds für Strukturentwicklung der Europäischen Union' gives a rather general introduction for cultural actors on the structure and the functioning of Structural Funds in particular in Germany (2006). Besides that, her focus lies on the possibilities of the support of cultural projects within the Structural Funds in Germany. Sylvia Amann of Stratcult (Austria) and her 'Strategy for Culture. Co-operative learning and planning for regional cultural development in the framework of EU-structural funds' (Amann, 2006) should be mentioned exemplarily as well as an organisation publishing, informing and working in the field of cultural projects within Structural Funds. However, Stratcult concentrates mainly on Austria and its neighbour countries and doesn't cover the EU as a whole.

A more recent study of the EU, commissioned in autumn 2005 and published in October 2006, deals with the influence of culture on economic policies and analyses; among other things, it connects culture (industries) and the Lisbon – Agenda (see e.g.: Kea European Affairs, 2006). It was published at the same time the OECD published their study on 'Culture and Local Development' (Oecd, 2005), emphasising a trend on a political level towards a growing awareness of the role of culture within regional development.

To my knowledge, there is a total lack of comparative studies between some or all EU-Member States, Europe-wide inquiries or country-covering processed data material for the cultural sector within Cohesion Policy. Even when inquiring at different DGs at EU level, a set of data on Structural Fund projects (regardless of their connection to culture and the arts) for the funding period 2000-2006 was not available or publicly accessible.

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[63] Danish Technological Institute, 02.2005 .

As an example for a regional study on the subject, a research project focussing on London and its use of Structural Funds for cultural purposes, or, more precisely, the use of Structural Funds for creative and cultural industries should also be mentioned; it was published in 2006 by Frontline/Ekos. They state: *"Is there a clear enough understanding of the complex relationship between the arts and the creative industries, and their impact on social inclusion and regeneration? Finding answers to theses questions remains a priority because significant EU funds have been made available to support cultural industry projects, and this is expected to continue"* (Frontline/Ekos, 2006, vii). One of the main questions for Frontline/Ekos is whether or not there are specific problems for cultural projects within Structural Funds. They discovered a "striking lack of project-level evaluation work" (p.64) and equally report major cash-flow problems (p.63). Furthermore, they see a problem between the idea of growth potential (developing strong industry sectors) or a wider community development and local area regeneration that are, according to them, at odds with each other because of contradictory approaches. "This duality makes it hard for projects to achieve their goals" (p.68). Their focus lies exclusively on projects within the area of London city, and the study was conducted by several bodies (university, city administration etc.) to obtain a broad picture.

They summarise:

> *"As the research has emphasised, the Structural Funds investment in the creative and cultural industries has strengthened and developed an infrastructure supporting the sector. I would go further - it is this infrastructure that makes it possible for the CCI [creative and cultural industries, the author]- specifically the core creative arts – to interact so successfully with local people and their communities, and this is the reason why the CCI have to be treated differently than other sectors in regeneration strategies"* (Frontline/Ekos, 2006, 101).

In terms of research strategies and methodological settings, their study comes closest to what is intended for the research at hand, even though their setting (e.g. a big and rather prosperous capital or several universities collecting data in a joined effort) is still different from this thesis.

Recapitulating, it can be stated that specific research on regional development linked to culture, creativity and the arts within Europe and related to Structural Funds is rare; a theoretical approach is even more challenging to encounter than empirical studies. This leads to a challenging situation when referring to other research within this paper; a continuation of existing research would be ideal but appears to be nearly impossible and is problematic for

the asked questions (chapter 1.2). The research gap in which this paper is positioning itself can thus be described as rather extensive; a need to approach the lack in understanding appears obvious.

Furthermore, a clear definition for culture is lacking in all papers. As a consequence, also based on the diversity of definitions outlined in the first chapters, I suggest following Frey's concept of culture, but also taking into account Ruffolo's definition of culture (see p.11 of this thesis). Therefore I will focus on Frey's second definition. Primarily, this leads to a strong but not exclusive focus on the classical arts sectors and media. In contrast to Ruffolo, I am explicitly including the information sector in my definition as it is regarded to be crucial for the creative industries.

Next to the mentioned studies that will of course be taken into account, a short introduction into possible theoretical concepts out of a variety of scientific fields will be given. It will help to understand the choice of the theoretical framework for the research presented, as there is no obvious choice or school to analyse cultural actors strategies within Structural Funds.

4. Theories for analysing cultural operators strategies in Structural Funds

As described on previous pages, research on culture, creativity and the arts as regional development factors, especially linked to EU-Funds such as Structural Funds is hard to find. As a consequence, theoretical concepts for this research are far from palpable. In general, it can be said that the research topic is 'falling between several stools', as it can be analysed using theoretical concepts linked to political sciences (Structural Funds as policy), to economics (regional development), sociology (actors behaviour and motivations), cultural sciences etc. In this chapter, different possibilities of theoretical approaches to the research topic and research question will be presented. Instead of listing possible approaches, I will group them by looking at three key elements of my research: On the one hand, the question of the **role of culture within regional development** and thus the justification for cultural projects within regional development funds will have to be addressed. In addition to this, as I am looking at cultural operators and their access strategies, **their organisational embedding and organisational structures** within my research subject must be looked at, as they might explain decision paths, options and frame work conditions. Within this, as a sub point, **decision-making** or actors strategies in different theories and models will be considered.

4.1 The role of culture within regional development – different scientific approaches

> *"Regional development is not merely about increases in the GDP per head, but may have a cultural, social and environmental content"*
> (Keating, 2000, 4).

It is not a matter of course that culture, the arts and creativity on their own or in their complex diversity are understood as elements and positive contributors to socio-economic development. Different traditional approaches to economic growth, such as the **classical model**[64], focus on other parameters like factor mobility and a free market as decisive within development processes. Following the neo-classical approach, investing in transport infrastructure and specialisation in industrial sectors can be regarded as one of the best ways to accomplish growth in less developed regions. The priority of transport infrastructure in Cohesion Politics can be linked to the school of neo-classical economists. Culture has no role

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[64]E.g Adam Smith, Stuart Mill and others. Compare Schumpeter, 2007 .

to play in this approach. Equally, historical developments or regional preferences are not looked at in more detail, and thus different approaches of regions or countries, the potential necessity to develop different strategies is mainly linked to a lack in missing infrastructure to allow the free flow of resources. However, in the approach on **Path Dependency** (Krugmann, 1991)[65], outcomes and situations are looked at by taking into account earlier events and explaining development paths and state of affairs based on the past ("lock-in" problems). Differentiations and specialisations in economies both within a country, between countries and at international level are explained in relation to historical development and less as a result of purposely planned or directed actions of individuals or political groups. Path Dependency research focusses on geography of industrial settlements and the analysis of concrete historical events, therefore concentrating on historical and political circumstances. Consequently, policies such as Structural Funds can be explained by history (backwards) and rather on a macro level; the focus lies neither on possibilities of a direct influence on socio-economic growth or a specific role of culture, creativity and the arts to model the future nor the role of individuals in this setting. However, a better understanding of questions such as 'why do we have Structural Funds', 'why are they structured like they are' or 'why is one country focussing on renewable energy and another one on nuclear plants' could be achieved through the path dependency approach. As another alternative within growth theories, the **Polarisation Model** as a rather geographical approach adds another element. The preference for specialisation that is already part of the neo-classical approach can equally be found back here as geographical concentration of industries. However, in the polarisation model, scientists are focussing on 'clusters', and thus analyse how clusters evolve and strong clusters can positively influence their surrounding. As opposed to the neo-classical model, the polarisation model evolved based on the belief that factor mobility, information and communication is linked to costs, and thus a close coupling in geographical reach of industries and/or services are the drivers for regional growth. As a consequence, every region is different, and there cannot be equal development in all parts of a country. Thus, aligned with Gunnar Myrdal (Myrdal, 1976, 1978), it is justified to intervene in the market and balance unequal situations, one of the crucial arguments for the EU for creating Structural Funds. Nevertheless, in order to initiate or support regional development, investment must be well directed into strong local clusters (instead of e.g. spreading support equally – thus a focus on flagship projects is desirable). As a result, a cluster such as the film industry around Hollywood will be a research subject as much as a cluster of textile companies.

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[65] For further reading, see e.g. Ackermann, 2001 .

Further to the already mentioned concepts, other researchers focus on innovation and creativity, and on technology or human capital to explain economic development. Without doubt, the **endogenous growth approach** (economics) with its main contributions by Paul Romer (Romer, 1986) and Robert Lucas (Lucas, 1988) fostered a change in the perception of innovation and technology as development factors. This is also reflected in the concepts of the **knowledge economy** (Cooke, 2001), **learning regions** (Morgan, 1997) and **human capital theories** (see: Singer, 1964, Seers, 1969, Thirlwall 1978, Hirsch 1977). One way or another, these scholars link development in our times to education and the concept of the 'information society'. Therefore, innovation, learning processes and human capital are key aspects of socio-economic development[66]. If culture and the arts are understood as sources of creativity and thus innovation and therefore can increase human capital, they could consequently have a great deal to say about those theories. Still, culture and the arts are not explicitly dealt with in all major approaches. Thus, these concepts and theories can be perceived rather as a background for cultural and creative industry theories, which relate innovation and learning to creative and artistic components as mentioned earlier.

The strongest supporters of culture as socio-economic development tools can be found in a group of fairly recent emerging research approaches situated between cultural studies, economics, sociology and urban planning. Names like Richard Florida, Charles Landry are the most known representatives of these schools. E.g. for Florida, "regional growth is driven by the location choices of creative people – the holders of creative capital – who prefer places that are diverse, tolerant and open to new ideas" (Florida, 2004, 223). Florida's concept is linked to a part of the human capital theory, and focusses on one aspect of human capital: the creative human being as key to economic development. Thus in his and other related approaches, culture, the arts and creativity are looked at as industrial sectors and essence for urban or, in more general terms, economic development. Very often, those concepts point towards the creativity and innovation potential within as the grain that is needed to make regions grow. Regrettably, concepts are often unclear and used interchangeably, lacking repeatedly clear definitions.

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[66] Keys in both directions as e.g. Hirsch, 1977 explains. He even goes so far as to point out that social aspects can limit or prevent economic growth.

As keywords, one has to name the following:

- **cultural or creative industries** as the parts of an economy linked to culture[67].

  Cultural economics include arts, heritage and media industries. However, the economic scale is not the only defining factor; the artistic/creative content is of central interest as well. As described by DCMS[68] (2002) in their standard definition, creative output can be split into a material (economic) and an immaterial (creative/artistic/intrinsic) dimension.

- According to DCMS (1997), the **cultural sector,** can therefore be defined as follows:

  "A. Culture has both a 'material' and a non-material dimension. The definition of the cultural sectors must focus upon material culture, and we understand this to be the sum of activities and necessary resources (tools, infrastructure and artefacts) involved in the whole 'cycle' of creation, making, dissemination, exhibition/reception, archiving/preservation, and education/understanding relating to cultural products and services. […]

  B. The range of activities defined as 'cultural' is fluid and changing. However, at their most inclusive, we recognise the cultural sector to cover the following seven 'domains': Visual Art, Performance, Audio-Visual, Books and Press, Sport and Health, Heritage and Tourism"[69]

- **Cultural-products industries** are described with their positive influence on areas and development by Scott[70] and Power as follows:

  "Cultural-products industries […] tend (though not always) to be environmentally-friendly; and they frequently (though again not always) employ high-skill, high-wage, creative workers. Cultural-products industries also generate positive externalities in so far as they contribute to the quality of life in the places where they congregate and enhance the image and prestige of local area. Moreover as noted above, they tend to be highly localized and often lace-bound industries. This fact has made them

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[67] See page 13, footnote 16 within this thesis.

[68] DCMS stands for the UK government Department for Culture, Media and Sports.

[69] There is a tendency of breaking up disciplinary borders within culture and the arts that is not taken into account within this definition.

[70] Allen J. Scott (2002, 2004, 2006) analysed different creative industries (e.g. the film industry in Hollywood), and described the emergence of leading enterprises, industries or regions throughout time in three phases: In an initial phase, the original geographical distribution of production units over the landscape is analysed and geographical conditions are given great importance to explain the emergence of an industry. Following this set up phase, the next time period starts when a region or an enterprise or a place takes over leadership (regardless of the reason). This is called the 'breakthrough' momentum. In the end, the region or enterprise enforces and stabilises its leading position in the market and a dominating place like Hollywood for the film industry is established. Scott does not focus so much on the factors influencing (supporting or hindering) the passing from one stage to another, which makes this approach not applicable for the research at hand.

increasingly attractive to policy-makers intent on finding new solutions to problems of urban redevelopment and local economic performance" (Power, 2004, 8).

At this point, the link between development and culture is taken as the basis for (economic) development: "The cultural economy now accounts for substantial shares of income and employment in a wide range of countries [...]. By the same token, it offers important opportunities to policy-makers in regard to local economic development" (Power, 2004, 13). In order to illustrate the advantages of culture for local development they mention the Guggenheim Museum in Bilbao/Spain as a successful "place marketing" tool (Power, 2004, 8). The museum changed the image of Bilbao from an old, unattractive and remote industrial city into one of the most world-renowned tourist centres. This is also confirmed by Florida, who believes that fostering and attracting the creative class[71] is needed in order to achieve regional development. In this process, the creative industries and creative capital are key concepts that are referred to constantly. When relating cultural activities and socio-economic regeneration processes, Graeme Evans and Phyllida Shaw identified three models in their research for the DCMS:

(1) cultural-led regeneration (where culture is the catalyst and engine of regeneration),

(2) cultural regeneration (culture is fully integrated into the regeneration strategy), and

(3) culture *and* regeneration (culture is an addition or afterthought) (Evans, 2004, in Frontline / EKOS, 2007, 99).

Most researchers focus on urban areas as, for instance, Charles Landry. He is known for his works on urban planning and city development through arts. His publications are a prerequisite for most urban developers. The idea of Landry's creative community in a creative city is an all-embracing concept of an open, tolerant and creative environment "where we can think, plan, and act with imagination – where ordinary people can act in extraordinary ways if given the chance" (Snurb, 2005). Landry argues for a culture of creativity to be embedded in those places in which people live in order to act out their creativity, and by doing so, trigger urban regeneration. However, as creativity is volatile, places are only creative for a very short time.

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[71] The 'creative class' is a group of people doing creative work in one way or another. This group is delimited rather loosely by including around 30% of all working population in the United States (Florida, 2004 8). Its characteristic is "to create and have considerably more autonomy and flexibility" than the other classes (Florida, 2004 8). The concept of 'class' or sectors is central in Florida's approach. He refers to the clustering of modern society in an agricultural sector, an industrial sector, and a service sector, and adds a forth one: the cultural class. This refers to the three-sector hypothesis by Jean Fourastie (Fourastié, 1949).

Both, Florida and Landry offer food for thought regarding spatial planners and politicians. However, as part of the attractiveness of their concept their openness and thus 'vagueness' make the operationalisation of their approaches a major challenge. Taking exemplarity criticisms towards the very popular approach of Florida, it can be pointed out that (his) ideas on the creative class and the creation of a creative city are often employed without proper reflection and screening of alternatives or the 'fitting' of plans for the region or cities at stake. In other words: not every city is meant to be a creative and innovative hub. Others disapprove of the wide and vague definition of the 'creative class' as mentioned earlier already or doubt the plausibility of his concept and claims. According to e.g. Steven Malanga in his article: The Curse of the Creative Class (Malanga, 2005), Florida's models of creative centres do rather badly in economic terms compared to other places in the USA and struggle somewhat unsuccessfully with creating new employment. In some concepts, again exemplarily for Florida, logical mistakes and methodological inadequately used statistics are criticised. This leaves ground open for supporters as much as opponents to work with the ideas and deepen the knowledge of possibilities and constraints of creative people in socio-economic development.

Summarising, it can be said that within the theoretical explanation models for spatial disparities, only very few attempts can be found that give culture in the narrower sense - understood as artistic creation - a place. Other elements of those concepts are only a vague component and an additional option within regional development for many researchers. The belief in absolute factor mobility and perfect competition (neo-classical approach) leaves very little space for cultural activities as the arts sector is similar to any other sector: emergence of innovation, creativity, cultural differences etc. do not play a significant role. The polarisation model identifies different clusters that influence each other, and explains, among other things, different kinds of communication costs. It leaves more space for culture, but nevertheless, lays its main foci on other questions.

The other economic-scientific attempts dealing with education, innovation and/or society - and therefore in the broadest sense with culture and creativity - move technology and research as innovation factors into the centre of their research. Actors' decisions and their strategies are examined but do not easily embrace the research question posed. However, all these models concentrate on the measurement of regional development or other aspects not linked directly to my research. The same applies to the model of path-dependency, which is therefore also unsuitable for this research project.

In sum, it can be said that a plurality of approaches exists from which to examine (socio-economic) development. Especially in economics, the role of culture has been negated in most theories. Due to this, its advantages and constraints can hardly be explained through the latter. Others elaborate the possibilities of culture and creativity for socio-economic development as, for example, Richard Florida and Charles Landry have done. It comes as no surprise to find that it is hard to deduce a clear and limited concept for the research at hand. Without favouring any of the aforementioned authors and schools, the approaches introduced form the background of this paper and can help understand political developments and the emergence of specific programs, comments and attitudes concerning the respective questions. As an example, the emphasis of the European development policy on transport infrastructure can be understood much better in the context of neo-classical models. Therefore, those approaches are important for the overall understanding of the subject but will not be explored further at this point. Approaches linked to systems and organisations as framework conditions for actors and decisions are therefore now examined.

4.2 Systems and organisations – different alternatives

The specific setting and environment or the (social) systems as framework of cultural operators can be seen as influential for the way cultural operators apply to Structural Funds. Thus, systems, e.g. in form of organisations, have to be looked at in different approaches and disciplines. Because of the vast literature and schools touching (parts of) the mentioned aspects, I will only briefly address some possible approaches linked to organisational theories, in particular in sociology[72]. They were chosen because of their influence within discussions around the behaviour of actors or because they appeared to fit to some extent to the research question.

When looking at structures within society one of the most essential questions for sociologists is the way individuals and the society in general interact and influence each other. Or in the case of this research, how individual cultural operators and their environment relate to each other. Here, e.g. Anthony Giddens developed his **Theory of Structuration** (Giddens, 1984), a rather holistic interpretation of society. He worked on the role of agency and social structures[73], while not giving either a preference over the other, insisting that both influence each other. By looking at individuals' behaviours[74], conclusions can be applied to the social system[75]. Thus, by talking to individual cultural operators, it might be possible to detect (parts of the) underlying structure of society. Following Giddens's analysis that most actions are unconsciously conducted, one could for instance assume that strategies of cultural actors while applying for Structural Funds have very strong hidden/unconscious elements. Therefore, cultural operators who can consciously reflect on their actions have more power than others. However, Giddens' approach is very abstract, linking hermeneutic and interpretative sociology concepts but also other structuralistic and functionalistic research streams. Due to his all embracing approach and his focus on the macro level, a bridge to the

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[72] E.g. research streams focussing on 'natural systems' such as behaviour analysis in psychology or the transaction cost theorem that is strongly rooted in economical sciences (Williamson, 1975) is not looked at as they are too far from the intended research of this paper.
[73] Social Structure understood as e.g. traditions.
[74] Giddens distinguishes between conscious or intentional and non-intentional actions. Conscious actions are actions that are done based on expectations and (thought) consequences one is aware of. For non-intentional actions, the agent is conscious of the action itself but lacks a clear understanding of its consequences and thus cannot esteem outcomes.
[75] Giddens states in his preliminary introduction to Constitution of Society: "The social systems in which structure is recursively implicated [...] comprise [sic!] the situated activities of human agents, reproduced across time and space. Analysing the structuration of social systems means studying the modes in which such systems, grounded in the knowledgeable activities of situated actors who draw upon rules and resources in the diversity of action context, are produced and reproduced in interaction" (Giddens, 1984 25).

intended empirical research of this paper that can be positioned on a micro (and in parts meso) level is rather difficult.

Giddens forms part of sociology as does Niklas Luhmann[76], whose **sociological theory of systems** is strongly influential not only in sociology but also in administrative science or political science. He takes a different starting point when looking at systems, the way systems work and the way communication happens within and between systems. Interesting enough, Luhmann proposes another concept of individuals and higher units of organisation: For him, "units and the total" consist of "operations that follow each other". Thus, systems are looked at through the perspective of operations and not based on single parts. They emerge and function through their way of operating, and therefore also delimit themselves through the way they go on and act. Those actions refer to themselves, and by doing so close the system. A differentiation between 'system' and 'environment' emerges that is fundamental to Luhmann's approach. In this process, Luhmann places the differentiation in the centre of his theory, approaching systems by looking at divergences and dissimilarities. Consequently, human beings and (their) actions do not strictly exist for Luhman who looks at everything as a 'system', being it a psychological, sociological, organic or other system. Luhmann: „Der Mensch mag für sich selbst und für Beobachter als Einheit erscheinen, aber er ist kein System. Erst recht kann aus einer Mehrheit von Menschen kein System gebildet werden"[77] (Luhmann, 1984, 67 f.). As Estelle Ferrarese points out: „la genèse de la théorie de Luhmann s'effectue dans le champ de la sociologie de l'organisation […]. […] Luhmann peut rompre avec le présupposé qu'il y a un acteur ou une action derrière la communication sociale"[78] (Ferrarese, 2007, 14). Luhmann's approach contains a very high level of abstraction, providing the researcher with a universal, functional-structural description on a macro level and food for thought when approaching society. For Johann Dieckmann remarks, Luhmann positively contributed to the further development and reflection on systems (Dieckmann, 2005, 85). Applied to the research planed, Luhmann's approach would, for instance, allow to look at symbols or 'codes'[79] within communication in the cultural sector (the communication of communication in the cultural field). With the help of Luhmann, like within Giddens approach, the all-embracing picture of society (for Giddens) or systems (for

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[76] For further reading on Luhmann see e.g. Johann Dickmann (Dieckmann, 2005) or Claudio Baraldi et al. (Baraldi, 1999).

[77] „A person may appear to itself and to observers as an entity, but it is not a system. Even more, several persons cannot from a system" translated by the author.

[78] „The development of Luhmann's theory takes place in the field of oganisational sociology […]. […] Luhmann can break from the presumption that there is an actor or an action behind social communication" translated by the author.

[79] Codes can be e.g. 'power' in a political system or 'paying/not paying' within an economic system.

Luhmann) could be explored. But as my research is intended to focus on micro or meso level, other theories and models are more appropriate.

Within sociology, other researchers especially within organisational sociology[80] [81] focus on organisations as structured parts of society, reducing the analytical level to the meso and micro level. Here, the understanding of organisations changes with each school and approach. Organisations are mostly understood as acting collective bodies and simultaneously as cooperative actors that can interact with other organisations and their environment. Even more, they are social systems with their own problems and internal dynamics. One essential role of organisations is to reduce uncertainty and choices for their members, and through this create stability, predictability and a certain 'meaning'. However, as stated by Peter Preisendörfer, one finds very often enumerative definitions of organisations within organisational research (Müller-Jentsch, 2003, Preisendörfer, 2008, 13), a sign of the difficulties to define organisations which results in a very open, extensive definition. To take an example, for some researchers, organisations are islands that can be looked at as an isolated or 'closed' system. This is in opposition e.g. to the **resource dependency theory**[82]. Here, organisations are understood as 'open systems', and research focusses on the impact of external resources and the environment[83] of organisations on strategies and the internal organisation of companies. This includes, for instance, recruitment strategies, the power of the management, the role of contracts, interaction with external structures and many others. As Jeffrey Pfeffer and Gerald Salancik, the two 'fathers' of today's research on the 'organisations as open systems' approach explain: "A good deal of organisational behaviour, the actions taken by organisations, can be understood only by knowing something about the organisation's environment and the problem it creates for obtaining resources" (Pfeffer, 2003, 3)[84]. To picture the influence of the environment and organisational structure, reference can be made e.g. to the article of Egbert Kahle on the strong city -culture of Lüneburg in the medieval times and their reciprocal influence on business culture of the salt mines at that

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[80] Organisational sociology is focussing on empirical and theoretical research linked to organisations, trying to answer questions connected to the understanding of structures, internal processes and forms of organisations. For instance, the differences between organisations or their similarities can be looked at (Preisendörfer, 2008).

[81] For further reading see e.g. Bernoux, 2009 , Müller-Jentsch, 2003 , Preisendörfer, 2008 , Scieur, 2008 .

[82] The book: The External Control of Organizations: A Resource Dependence Perspective (first published 1978) by Jeffrey Pfeffer and Gerald R. Salancik is seen as the key publication of this approach.

[83] As stated by Pfeffer and Salancik: "The concept of environment, however, is elusive" (p.12). For them, environment includes all events (outside the organisation) that have an impact on the organisation and that are perceived by the organisation as having an impact on those two criteria. All those elements, if noticed and perceived as important enough to require a response, have to be met. Those 'relevant' events have to be taken into account for the understanding of how organisations react to their environment and are shaped by it.

[84] Here, reference can be made to Scott (2003) who suggests that there are three possibilities to approach the analysis of organisations: by looking at organisations as a) rational systems, b) natural systems and c) open systems. Pfeffer and Salancik understand organisations as open and thus follow Scott's third alternative.

time. Kahle does not follow the approach suggested by Pfeffer and Salancik but focusses on (business) culture, transaction costs and symbols within this exchange – thus exemplarity demonstrates from another angle how important the (power) structures within the city were for the modelling of the salt business, and thus how external influence for organisations are crucial to understand structures (Kahle, 2007).

For Pfeffer and Salancik, organisations and their environment are loosely coupled (Pfeffer, 2003, 12)[85], and their positioning within their environment is of high importance. Here, a reference e.g. to Talcott Parsons can be made. In Parsons model, legitimacy is an important concept. This corresponds as well to the model of Pfeffer and Salancik who insist that to understand organisations and their relationship with their (social) environment, legitimacy is an important concept. It is linked to their understanding of organisations as competing bodies for limited goods (resources, attention etc.). Only by legitimising their existence and activities (proving their 'usefulness') they can secure needed resources and survive over time (Parsons, 1956). Thus, individuals and organisations are not detached from what is happening around them, and as such, structures and existing organisations within Structural Funds and within the cultural field are expected to be highly influenced by their environment; furthermore, all organisations will have to prove and guarantee their usefulness. Organisations develop different strategies to inform themselves and interact with their environment. In other words, they construct their perception of reality. This can lead e.g. to the creation of a specific department within the organisation or regular contacts with officers within the administration that are perceived as crucial (see: Pfeffer, 2003, 14). Of course, constraints play an important part in the interaction. For Pfeffer and Salancik constraints equal rules, norms and all sorts of (existing or missing) resources. Those constraints can be manipulated and changed, depending on their character and the skills and resources of the organisation as well as the power of interest groups involved. In general, constrains explain limits and differences in the performance and choices of organisations. Pfeffer and Salancik's approach has been mentioned because it appears very appealing, as it points out the influence of the environment on processes and outcomes. Also, the environment helps to understand which resources are available or scarce and why structures of organisations might take a lot of time and effort change – and changes are, of course, influenced strongly by the environment of the respective organisation. Thus, the possibility of being influenced and influencing others must be taken into account more than the 'island' of the organisation itself when looking at the research

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[85] They refer to March and Olsen, (1975) and Weick, (1976) by explaining that the phenomenon of a loosely coupled relationship between an organisation and its environment is due to the fact that information and interaction are "frequently filtered and imperfect" (Pfeffer, 2003 13).

subject. Applying this approach, external factors of influence for cultural operators or the administration for Structural Funds and their influence can be looked at. Here, one could examine the interplay between interest groups and possibilities of influencing them or one could focus on the (limited) power of the management. Yet, I am interested in how different cultural organisations and individuals within the cultural field approach the challenge of applying for Structural Funds. Thus, the focus on one organisation (e.g. the administration responsible for the authorisation and follow up of grants) would be interesting but requires another research setting than the one chosen. Furthermore, the resource dependence approach provides very little micro-level tools to analyse risk-minimising instruments and their implementation in organisations (see also: Preisendörfer, 2008, 133). Nevertheless, the notion of the importance of the environment and interest groups on decisions as well as structures will accompany my research.

There are many more approaches dealing with organisational settings, e.g. different approaches to governance structures (see for instance the transaction cost approach (Picot, 1997, 66 ff.)) and two more schools will be presented later (Pierre Bourdieu's **Theory of Practise** and the **sociological Neo-Institutionalism**), as they are regarded as crucial. Before doing so, some alternative approaches to focus solely on actors strategies will be mentioned briefly. The aim is to highlight a few of the most influential schools and ways of approaching the question of how actors act.

4.3 Actor centred strategies

Within economics, psychology, sociology and other disciplines, diverse understandings of actors and their scope of action (including constrains) exist. They are very often (re-) defined by each school within their field of research and specified for each developed model. As John Child states: "One looks in vain for a unified theory or approach to provide the basis for understanding cooperative strategy" (Child, 2005, 17). As can be seen in the last chapter, actors and their behaviour are very often looked at within organisational settings. Some general lines can be found in different research schools regarding the understanding of actors: For instance within neo-classical economic approach, actors or agents[86] are mainly rational

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[86] The term agent is used in different disciplines. It usually describes a decision maker within a model or within an analytical setting. E.g. in game theory, the agent is the 'player' of the game. It goes without saying, that not only individuals but also organisations such as a company, a family, a government etc. can be an agent. One central model within economics linked to agent theories is the principal-agent model, where an agent is acting on behalf of a principal (Eisenhardt, 1989).

and have perfect knowledge that allows them to make the best choices, which are ones that aim at maximising their benefits within an environment of scarce resources. In other models, the concept of bounded rationality (e.g. Herbert Simon 1957) is introduced, describing limits on actors capability to obtain perfect knowledge, still assuming that actors behave rationally. Other sciences (especially sociology) reject this notion of a calculating individual, and insist that actors have only inequitable knowledge and act only partially rational, taking into account other elements such as personal preferences or their environment e.g. in form of external influences such as customs, norms or social institutions[87].

Actions can be intentional and unintentional and within some approaches, e.g. for Giddens, there is a strong dominance of unintended or unconscious actions. In sociology, many researchers assume that generally rules or social practices and thus patterns of actions have been internalised by individuals that unconsciously reproduce them, and through this reproduce a social system. This has different consequences: For instance the possibility to change a structure and to exert power is linked to being conscious of the action and decision taken. This means that cultural operators might not be able to reflect on their strategies, as it includes a lot of unconscious decisions and actions and thus interpretation is essential if structures are entered so as to be revealed. Apart from different understandings of actors and their scope of action within organisational approaches, some models and research schools focus solely on actors. One example is the **agency theory** or **principle agent theory** (see e.g.: Eisenhardt, 1989). It is an approach that is focussing on the micro level, trying to analyse situations in which a principle (a person or an organisation) asks services from an agent (which can be equally a person or an organisation). Agents are thought to follow their own interests, which can easily be opposed and conflicting with the principle's interest[88]. Thus, contracts, incentives and other models of bounding or monitoring are discussed. Applied to the research setting, the principle – agent theory would allow e.g. to look at the way the EU is trying to ensure that socio-economic development policies are implemented in their name to created the intended results (economic growth, better social conditions etc.), which could be done by looking at the formal regulations of Structural Funds. Based on this, an analysis of (conflicting) interests of the agents can be conducted, and possibilities of imposing a structure that guarantees a maximum of coherence between the wished outcome or service asked from the principle (the EU) could be discussed.

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[87] For a good introduction to decision processes and problems within firms see: Kahle, 2001 .
[88] For instance, because the agent has better knowledge of a certain situation, and therefore it was chosen by the principle to carry out the request. Different examples are e.g. in every day life a patient (principle) and a doctor (agent) or in an economic setting a big company (principle) and a supplier (agent).

Game theories could be mentioned as another approach, especially, but not exclusively, used in economics to capture behaviour in strategic situations. It can be said that game theory is part of a research field based on applied mathematics. Through different, precisely defined sets of players and rules, choices of individuals that depend on other actors' choices are looked at. Among this research stream, the 'prisoner dilemma' is presumably the most famous example. The initial point and birth of game theories can be found in the book of John von Neumann and Oskar Morgenstern on 'Theory of Games and Economic Behaviour' (Von Neumann, 1944) and later John Nash (1959). Seeing that the set of actors and their choices are not intended to be limited which would allow a mathematic approach, game theories will not be explored further for this paper.

Another alternative to examine individuals and their environment and different organisational structures can be found in the **theory of practise** developed by Pierre Bourdieu. In his approach, he focusses on the way individuals or groups position themselves and influence (or are influenced by) their surroundings, namely other actors and groups. During the preparation phase of this paper, Bourdieu's approach has been intensively explored. Given that the intention of this research is to focus on strategies of agents within the cultural sector, a possible field analysis of different fields and their actors was not explored in detail, and another theoretical framework was chosen. However, some elements will be taken up after the empirical analysis later in this dissertation. Thus, his approach will be presented in some more details:

4.4 Pierre Bourdieu – Theory of Practise

The French philosopher and sociologist Pierre Bourdieu, who is often referred to as "cultural sociologist", developed a detailed analysis of how individuals are influenced, influence and situate themselves within different groups of society within his mostly empirical studies. He coined concepts such as 'habitus', 'field', 'capital' and 'class' within his empirically based new sociological 'theory of praxis' (Bourdieu, 1977). More precisely, Bourdieu analysed the role of objective, pre-existing and unequal social structures (e.g. classes) in society and the emergence of subjective patterns of thoughts and actions. Within his works, he illustrated how

an individual pattern of preferences and behaviours, called the 'habitus'[89], emerges as an unconscious internalisation of the given structural patterns.

In short, Bourdieu sees individuals as surrounded by 'space'[90] consisting of social and physical elements. Often, this space is seen as society in general. These structured spaces consist of different 'fields' (fields can equal networks, reference groups etc.). 'Habitus' is developed within different 'fields'. As one important element, the habitus allows mechanical behaviour patterns, and therefore does not represent a consciously reflected choice but a high degree of automatisation of interactions with and interpretations of the outside world. It goes without saying that 'habitus' and 'field' interact and depend on each other as habitus is developed within a field, but the individuals internalised habitus is needed to maintain and reinforce the field. Michael Grenfell describes this interaction as follows:

> "Since there is this fit between field and habitus, what is doable and thinkable (and unthinkable) within the fields is limited and defined in terms of what is legitimate for that particular area of social space" (Grenfell, 2004, 28 accentuation in original).

Individuals can be part of different fields, fields can overlap (which can also result in internal conflicts for individuals e.g. when rules of the overlapping fields contradict each other), and borders are not always clear. Individuals are also representatives of their fields; thus: "interpersonal relations are never, except in appearance, individual to individual relations, and the truth of the interaction is never entirely contained in the interaction" (Bourdieu, 1977, 87).

In general, and therefore within and in between fields, resources are limited. This is why there is always competition between and within the fields, and individuals and fields try to improve their situation constantly. This is one of the often-criticised pre-conditions of Bourdieu's approach. For him, the fight (often described as power struggle) within a field and between fields was a prerequisite of his research (this precondition was also criticised by several authors, see e.g. Borke Rehbein (Rehbein, 2006, 110 or 120). Thus, there are pre-dominant fields with more power to influence the rules of the power struggle between fields, and less influential fields (see e.g. in Bourdieu, Passeron, 1971). Their autonomy of other fields is an indicator of their power (the more autonomy a field has, the stronger it is). The emerging hierarchy is defined very little by Bourdieu but can be found e.g. in his "principle of external hierarchization" (Michael Grenfell, 2007, 128). As for Bourdieu, systems and interpersonal

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[89] Charles Taylor also describes it as a „level of social understanding" when discussing parallels between Wittgenstein and Bourdieu (Taylor, 1999 35).
[90] When analysing social space, Bourdieu focusses on three dimensions: the total amount of capital, the structure of the capital and the historical emergence of this specific settings (Bourdieu, 1977).

relations are characterised by unequal shares of power, and thus on a hierarchical order, hierarchy is therefore present in and in between fields.

Furthermore, each person has different 'capitals'[91]. Bourdieu distinguishes between several capitals such as 'economic'[92], 'social'[93] and 'cultural'[94], often also 'symbolic' capital, in some articles several more are introduced (Bourdieu, 1983). This individual amount of different capitals allows actors to position themselves within the field. It is used to preserve or change their position. For instance, Bourdieu defended the power of and benefits of cultural capital in his interview with Didier Eribon in Libération (3-4. Nov. 1979), as follows: *"there is such thing as cultural capital, and [.] this capital secures direct profits, first on the educational market, of course, but elsewhere too, and also secures profits of distinction – strangely neglected by the marginalist economists – which results* automatically *from its rarity, in other words from the fact that it is unequally distributed"* (Bourdieu, 1993, 1, emphasis in original).

All capitals have to be understood as symbolic, as they have only value within the context of the socio-culturally defined setting that is described as 'arbitrary' by Bourdieu (Grenfell, 2004, 28). Different balances of capitals depend on the field(s) and the individual. Following Bourdieu, the interaction of individuals in everyday life can be seen as a big game. Games are played within a field and its rules (the 'nomos' being a kind of a basic constitutional law and the 'blind' belief in the game, the 'illusio') or between fields. Each player sets out from a different starting position with different potentials or capital and can use this capital to improve his or her position according to the rules of the field. Rules are generally followed as they are internalised, and incompliance is sanctioned by other members of the field. Increasing one kind of capital (e.g. economic capital) is not only improving ones situation and increases this specific capital, it can equally help to increase another kind of capital (e.g. cultural capital), and through this improve ones situation within a field. However, this is not coercible and only an option as especially cultural capital is very hard to obtain. Nevertheless, very often the old saying 'wer hat dem wird gegeben' (who has, receives) holds true.

In other words, members of the field emerge with a specific habitus that allows them to intuitively play games with other members of the field. Outsiders that try to join the field have to learn the rules of the game in order to be able to join the field. This proves to be difficult as

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[91] For Bourdieu, all socially needed resources that empower individuals to act are described as capital (Rehbein, 2006 111).

[92] Economic capital includes mostly goods and resources (aligned with Marx understanding of capital) with a strong link to production and money. Here, Bourdieu added all goods that can be exchanged for others, e.g. property rights.

[93] Social capital is mainly linked to interpersonal relationships, to the belonging of a group, a network, including being recognised and accepted by others.

[94] According to Rehbein, cultural capital is another form of information capital (education, competences, books, art pieces, music instruments and titles) (Rehbein, 2006 113).

a constant fight for resources is negatively influencing the acceptance of outsiders within a field. In general, no one wants to give away scarce resources. What is more, rules that are learned through hard work cannot be as easily applied as the rules one unconsciously internalised within ones own field. However, the habitus can change when individuals 'trespass' different fields and incorporate different elements of the different fields within their habitus (see: Barlösius, 2006, 90-91). Furthermore, individuals can try to 'free' themselves of some of the field's rules e.g. by actively reflecting on the habitus and the field's rules (e.g. through sociology) and try to 'step out' of the rules of the game.

Within Bourdieu's approach, the focus on a micro as well as meso and macro level is very attractive. Also his perspective on grown structures, power relations and inherited behaviour ('habitus'), that help actors and groups of people to position themselves in a field can provide added value to the analysis. However, applying Bourdieu would suggest among other things, that I try to sketch the field of cultural operators and their position in relation to each other within their as well as other fields. As I am primarily interested in strategies of a plurality of cultural operators in a given setting and do not want to focus on defining fields and subfields as well as actors' positions within those fields, especially as being an 'outsider' of Poland, I will consider some elements in a later step, but will not engage in a detailed field analysis based on Bourdieu's research.

At this point, I would like to suggest another approach that helps to understand different levels of decision-making, their influence on each other and their way the general described concepts[95] are influencing decisions and outcomes on a micro level for a very specific group of actors: cultural operators that apply for projects through a socio-economic development tool (Structural Funds). The possibility of looking especially at the micro level and the ability to take into account formal and informal aspects is one advantage of the Sociological Neo Institutionalism, which is an approach that is suggested as a theoretical framework for this paper. Also, a focus on empirical questions and a quest to understand social reality within this approach was decisive for the offered choice, along with a concept of actors that are influenced by institutions but maintain the capacity to take decisions and make (only partly rational) choices. This is backed up e.g. by Michael Keating who focusses on institutions and their cultural embeddedness, when discussing regional development approaches, especially in the sense of region building (Keating, 2000, 5). It is equally mentioned as one element within cultural theory by Tasos Zembylas when discussing institutions as central concepts of cultural

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[95]Used e.g. in the aforementioned studies, political statements and policies such as 'creative industries'.

theory (Zembylas, 2004, see Chapter 4: Institutionelle Annäherung.). Before situating cultural projects within Structural Funds in the context of sociological Neo Institutionalism, the approach shall be introduced in more details in the next chapter.

4.5 The Sociological Neo Institutionalism as a framework

> *"The institutionalism we are considering is neither a theory nor a coherent critique of one. […] The new institutionalism is an empirically based prejudice"* (March, 1984, 747).

Neo Institutionalism (NI)[96] emerged in the 1970s and 1980s and is closely linked to the behavioural revolution. It can be described as an explanatory discipline or research framework that has been developed mainly from three different scientific disciplines: economics, political sciences and sociology. It deals with the role (in society as much as towards the individual) and functioning (emergence, change, disappearance) of institutions. Whereas different disciplines and schools are involved with the research on institutions, there is no common agreement on terminology or on one single concept of NI. Mostly the label 'Neo/New Institutionalism' is seen as an aggregation of a number of different perspectives "united by little but common scepticism toward atomistic accounts of social processes and a common conviction that institutional arrangements and social processes matter" (Dimaggio; Paul J.; Powell, 1991, 3)[97][98].

From a methodological point of view, following Robert K. Merton (1957), NI can be understood as a middle-range theory that tries to help close the cap between theory and empirical approaches. As the impetus of a new attempt to deal with institutions in sociology[99] as well as economics, the article 'The Problem of Social Costs' by Ronald Coases (1960) is mentioned e.g. by Nee (Nee, 1998a, 2)[100]. Coases pointed out that transaction costs matter and re-initiated discussions on the role of 'institutions' in particular but not only in economic sciences. Earlier works e. g. of Max Weber[101] and later Robert Merton or Talcott Parson and

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[96] 'Neo Institutionalism' and 'New Institutionalism' are used congruently by most authors, and thus also in this paper. An introduction to Neo Institutionalism can be found e. g. in Rothstein, 1996 ; but also in Schulze, 1997; Grendstad, 1995 or Koelble, 1995 .

[97] Therefore, an end to the efforts of grasping theoretically and operationally the mechanisms, 'rules of the game' or cultural aspects of individual actions and their structural framework (institutions) to explain a (political) 'output' is not in sight (Göhler, 1999 17).

[98] Introducing this rather broad understanding of institutions, Sjöblom points out that one has to be aware of the fact that "… the wider the definition of 'institution', the more obvious it is that 'institutions matter' but the more difficult it is to say anything precise in what ways they matter. That will also increase the risks for circular reasonings, by confusing empirical and definitional statements" (Sjöblom, 1993 491).

[99] Here, one can refer to Taylor who stated: "What we are calling sociological institutionalism arose primarily within the subfield of organization theory. The movement dates roughly to the end of the 1970s, when some sociologists began to challenge the distinction traditionally drawn between those parts of the social world said to reflect a formal means-ends 'rationality' […] and those parts of the social world said to display a diverse set of practices associated with 'culture'" (Taylor, 1996 946).

[100] Bermbach's criticism of the deficits of the political theory by Marx (Bermbach, 1983 , 24) can be seen as another general 'take off' for the theoretical debate around the concept of institutions.

[101] "As Randall Collins (1980, 928) observes, Weber's conception of the market was virtually indistinguishable from that of neoclassical economists" (Nee, 1998a 5).

other classical sociological theorists - published mainly post-World-War II - also prepared the way for the NI.

As important streams or sub-divisions within NI 'economic NI', 'political NI' and 'organisational-sociological NI' are mostly mentioned (see e.g. Mayntz, 1995) [102], especially organisational-sociological and political NI has again been split into three or four sub-disciplines by P. Hall and R. Tayler (1996): 'historical'[103] and/or 'path dependency'[104], 'rational choice'[105] and 'sociological'. Peters even adds a normative and a structural institutionalism (compare Taylor, 1996), and Rainer Schmalz-Bruns (1989) comes up with four totally different categories (policy-orientated, modernisation orientated, state orientated and democracy orientated NI). As DiMaggio and Powell (1991, 1) state, "there are as many 'new institutionalisms' as there are social science disciplines", and Veronika Tacke points out the fact "dass es faktisch in erheblichem Umfang zu fachübergreifenden wechselseitigen Bezugnahmen gekommen ist, erklärt sich nicht zuletzt dadurch, dass es insgesamt vor allem um *Organisationsforschung* geht – ob in bezug auf Organisationen der Politik oder der Wirtschaft oder in anderen Bereichen der Gesellschaft"[106] (Tacke, 1999, 83 original emphasis). She rejects a discussion along traditional disciplines (Tacke, 1999, 82).

Even though there are a few good reasons (e.g. see Tacke) to ignore traditional disciplines, I choose to use the (organisational) sociological NI as proposed by Scharpf and specified by

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[102] For an introduction to institutionalism and economic and political thoughts see Nee (Ibid.2).

[103] **Historical Neo Institutionalism:**
Historical Institutionalism focusses on long term development. Institutions are formal and informal rules that consist of rational and cultural aspects; actors are seen as relatively rational. The most important point is that the emergence of institutions is strongly path-dependent, and therefore only understandable in a historical context. Following this argument, changes in institutions are due to rationalising after the institution has been created and are largely dependent on historical contexts. According to Lukes, 1974 , institutions can influence decisions, suppress conflicts and prefer some individuals or interests group systematically over others. Historical Neo Institutionalism is mainly applied during studies that concentrate on past forms of institutions and long-term observations.

[104] **Path dependency:**
The 'path dependency' approach suggests that relevant consequences may follow small historical events and economic action may modify such consequences only in part. Main thinkers here are David (1985), Arthur (1988) and North (1990).

[105] **Rational Choice Neo Institutionalism:**
The actors in a rational choice approach are individuals acting as rational egoists. In order to limit opportunistic behaviour of individuals, institutional regulations are introduced. Institutions control agreements and therefore influence individual decision (without changing their goals or preferences). Unlike the traditional rational choice approach, the rational choice institutionalism acknowledges the differences between the displayed and real preferences. Institutions are created out of aggregated individual decisions and consist of rules and processes. They stabilise and reduce transactional costs and social dilemmas (Taylor, 1996) in a relatively short time frame. Therefore, they are only created because of their efficiency for individuals with the aim of securing those positive effects. Their performance in fulfilling these tasks is the main reason for the creation and the change of institutions (Rehder, 2003). The rational choice approach is closely linked to economic sciences as has been mentioned earlier in this chapter.

[106] "it can be actually stated that there has been to a substantial extent an exchange between different disciplines. This can be mainly explained by the closeness of the research subject to organisational theories – whether regarding political or economical organisations or organisations within other parts society ". Translation by the author.

Hall and Tyler. Among other reasons, the decision has been based on the belief that, as George Thomas stated, "cultural assumptions are implicit in all action" (Thomas, 2004, 73) which is best reflected in a sociological approach. Also, Nee and Brinton point out that "sociology has a strong comparative advantage in proving subtle analysis of the constraints of the interlocking roles of the informal *and* the formal in structuring action" (Brinton, 1998, xvi, emphases in original). Thus, as I am interested in the formal and informal parts of patterns of actors, or 'strategies' within a given setting, the sociological NI appeared most fitting. Additionally, the methods chosen for research (qualitative expert interviews, see chapter 5.4) strongly rely on sociological concepts.

To give a brief historical background, it can be said that for sociological NI[107], the paper by John Meyer and Brian Rowan (1977) on 'Institutionalized Organiszations: Formal Structure as Myth and Ceremony' is mentioned as the initial point by Göhler and Kühn. Others state, more generally, that NI in sociology has been driven by interdisciplinary research "directed at understanding and explaining institutions" (Nee, 1998a, 1). It emerged between economic, political and sociological research streams, and has been strongly influenced by aspects of all three areas of research while rooted in sociology. Interaction has not been one-sided in the evolution of research on institutions as can be demonstrated by the influence of classical sociology on the 'Neo Institutionalism in economic'[108] as presented by North (1981). Compared to older assumptions in sociology stating that institutions exist and have consequences for social and economic action, NI, in contrast to the 'old' ones (e. g. represented by Talcott Parsons, 1937 and others), "seeks to explain institutions rather than simply […] assume their existence" (Nee, 1998a, 1).

For Nee, the role of sociology in research on institutions can be:
"to explain the connection between the subinstitutional domain of social action and concrete relationships, and the meso- and macroinstitutional domains of custom, conventions, law, organizations, ideology, and the state. This connection involves social norms that bridge the microworld of individual actors and networks, and the larger institutional framework" (Nee, 1998a, 3).

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[107] (Sociological) Neo Institutionalism should not be confused with the already well-established institutional theory in organisational analysis or with the New Institutional Economics.
[108] The Neo Institutionalism in economics e. g. has developed theories explaining formal constraints but did not invest much into the social basis of formal institutions such as social relationships and other factors of informal constraints.

This briefly introduced diversity of approaches and disciplines involved within the NI lead to a situation in which the definition of 'institution' depends on the academic field of the researcher as much as the chosen research subject or research question[109]. Geoffrey Hogson for instance states, that " there is no unanimity in the definition of this concept [institutions, the author]" (Hodgson, 2006). In sociological NI, institutions are defined rather broadly, as can be seen in the definition by John Scott. For him, institutions are

> *"systems of interrelated norms that are rooted in shared values and are generalised across a particular society or social group as its common ways of acting, thinking and feeling. They are deeply embedded in social life and generate the recurrent social practices through which most social activity is undertaken. As such, institutions are central to the idea of social structure and to the structural organisation of human activities"* (Scott, 2006, 90).

Aspects of shared (cultural) norms and values[110] that are reflected in an institution as much as the offered concepts of reality, meaning and role models for understanding and acting are essential to most definitions[111]. Some authors put more emphasis on constraints and incentives that are offered to/imposed on (groups of) individuals by institutions. They point out the ability of institutions to enforce those formal and informal norms by creating behaviour patterns [112].

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[109] In his book "Ansätze und Perspektiven der Institutionentheorie" (1989), Rainer Schmalz-Bruns summarises and especially criticises different classical approaches from political sciences, sociological sciences and economic or philosophical approaches that were known at his time. Therein, research on organisations and administrations takes as much space as attempts to analyse the state, the concept of democracy or the influence of culture (mainly values and norms) on organisations/institutions and vice versa. To him, the differentiation between theories of actions ('Handlungstheorien') and theories of systems ('Systemtheorien') represented by e. g. Luhmann (1975) seems to be important. In turn, they are greatly influenced by Parsons. Schmalz-Bruns tries to compare those theories and, to some extend, combine them in order to give impulses to a new approach to institutional research. Nevertheless, he is not able or willing to come to a comprehensive and clear definition of his concept of 'institution' and mostly complains about the lack of methodology and theory in most, if not all, analysed approaches.

[110] Already for Merton (1957), shared values are of central relevance in explaining how societies and institutions work. He observes that some aspects of institutions turned out to be dysfunctional for some or all members of society due to existing values that influenced behaviour. Merton therefore focussed his research on manifest and latent functions and manifest and latent dysfunctions. Manifest functions (or dysfunctions) describe consequences that can be observed or expected. Latent functions (or dysfunctions) are those consequences that are neither recognized nor intended.

[111] Another very broad definition is provided by George Thomas: "Institutions are cultural rules, principles, and models of reality that give ontological value to actors and actions. They are elaborated in a structured order of things. Institutional structures are built into the practices of every day life and the legal, economic, political, and scientific theories of society, and they are constitutive of actors" (Thomas, 2004 72).

[112] Others, as Wolfgang Balzer, try to create tools for exact statistical and analytical examinations of different situations in order to decide, according to the researchers pre-assumptions, the object of research is a (social) institution (a clear definition with parameters has to be defined individually before by the researcher himself) and if so, to investigate whether or not these institutions are the best (compared to others) and why they exist at all (Balzer, 1993 15).

> *"Institutions are the humanly devised constraints that structure human interaction. They are made up of formal constraints (for example, rules, laws, constitutions), informal constraints (for example, norms of behaviour, conventions, self-imposed codes of conduct), and their enforcement characteristics. Together they define the incentive structure of societies and, specifically, economies"* (North, 1998, 248).

By doing so, institutions help to reduce uncertainty and make actions of individuals and groups more predictable for others (see e.g.: Nee, 1998b, 19). They shape the choice-set of actors and offer models of action that themselves are nevertheless always subject to individuals' choices and decisions. As Nee points out, institutions

> *"specify the limits of legitimate action in the way that the rules of a game specify the structure within which players are free to pursue their strategic moves using pieces that have specific roles and status positions"* (Nee, 1998a, 8).

In this context, cultural (historical, religious etc.) beliefs are reflected in different sets of norms (see above) and play an important role in shaping institutions and individuals and thus can be understood simultaneously as part of institutions and as factors that influence institutions. Thus, norms are also relevant for the outcome/result of institutions (Nee, 1998a, 8). Institutions consequently operate in an environment of other institutions and are influenced by them. Following this assumption, the concept of institutional isomorphism[113] by DiMaggio and Powell (1993) explains the emergence of institutions with similar structures, rhetoric, and forms as much as similar changes within short period of time in different institutions (DiMaggio, 1983). This might help to explain similar outcomes in different regions or countries of the same institution, and thus will be taken up in the concluding chapters of this paper. An example of an application of the concept of isomorphism can be found e.g. for the cultural sector by Kirchberg (Kirchberg, 2004, 107).

One of the goals of institutions according to NI, is to 'survive', which forces them to, not only be economically successful, but mainly to establish legitimacy within their environment. Thus, when dealing e.g. with political institutions, sociological NI focusses mostly on the social embedding and structures of state organisations and emphasises the importance of the state. In this context, political processes primarily create meaning and identity and at the same time generate legitimacy for the institution. The consequence can be an enormous difference between rhetoric and actions or plans on one side and needed action and outcomes on the other.

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[113] Institutional isomorphism explains the structural adaptation and conditioning of organisations or other structures, resulting in similar structures. For more details see the original paper by DiMaggio and Powell (1983).

In general, research within NI very often focusses on the existence of formal and informal elements of social relationships within institutions as only by observing both – formal and informal norms – institutions and the interactions of actors in the institutional setting can be understood. Here, some parallels can be drawn to the definition of organisations by Pfeffer and Salancik[114].

In this paper, I will take into consideration the definition of institutions by Nee, who also provides the central model of this paper (along with Paul Ingram, see later in this chapter). For him, an "*institution is a* web of interrelated norms – *formal and informal – governing social relationships*" (Nee, 1998b, 19 (original emphasis)). As Nee states, norms are:

"*implicit or explicit rules of expected behaviour that embody the interests and preferences of members of a close-knit group or a community*" (Nee, 1998a, 9)

Thus, norms can equal implicit (informal) and explicit (formal) rules that mirror interests, preferences and thus values. This is the way they are looked at in this paper[115]. Therefore they incorporate values (intrinsic and extrinsic values) and influence, and are shaping reality by influencing beliefs of its members. Here, values can be understood as important and enduring beliefs or ideas of individuals of a group. Mostly, they provide a reference for individuals and groups of what is perceived as good or bad. Thus, values are an underlying part and often the source of norms[116].

As norms are the fundament of institutions, some elements shall be addressed briefly:

Informal norms are not stated explicitly (not in written, in public declarations, in juridical texts etc.). Further, they have no clear and direct formal means of enforcement, and thus depend heavily on informal mechanisms of monitoring. In short, through social approval and disapproval informal norms are strengthened and become internalised by groups and individuals. Formal norms however additionally rely on formal mechanisms of monitoring and enforcement such as parts of (state) regulations, laws or material incentives (e. g. money). As N&I (1998), referring to Shibutani (1986) point out, both formal and informal norms are

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[114] "Organizations are not so much concrete social entities as a process of organizing support sufficient to continue existence. When one social actor exchanges a product with another for money, it may be convenient to label the situation as one in which an organization is selling its product to a customer, but the point missed is that the very act itself defines the activity of the organization as one of selling. Establishing a coalition large enough to ensure survival is an organisation's most critical activity. The organization as an entity becomes defined only by that activity" (Jeffrey Pfeffer, 2003 24 f.). See also chapter 4.2.

[115] Rules can also be described as "a socially transmitted and customary normative injunction or immanently normative disposition, that I circumstances X do Z" (Hodgson, 2006 3).

[116] Terminology, especially regarding norms, values, institutions etc. is a much controversially discussed subject. I abstain from listing all possible definitions. As further reading, the paper by Hodgson on 'What Are Institutions?' (2006) can be recommended.

closely related to each other. Thus formal norms cannot be analysed without considering their social embedding (cf. Nee, 1998b, 19). Some authors state that informal norms are much more important than formal ones. E.g. for Thomas, in reality, "actual practises end to be only loosely linked or complied with formal rules" (Thomas, 2004, 80).

If formal and informal norms exist, chances of contradiction are high, as simultaneously, two (or more) sets of rules have to be respected by individuals. When formal and informal norms within an institution are inconsistent, they create a myriad of possible outcomes because individuals must choose which norm (formal or informal) they prefer, and thus which rule they apply. Here, sociological NI believes that different choices and alternative options are not automatically obvious and visible for decision-makers. They have to be found in a complicated process where time and information are limited. Institutions help to provide some of this needed information about consequences of different options but give space to actors to take decisions. Mostly, informal norms are stronger and more consistent as Douglass C. North (1996) points out.

> *"It is the admixture of formal rules, informal norms, and enforcement characteristics that shapes economic performance. While the rules may be changed overnight, the informal norms usually change only gradually. Since it is the norms that provide "legitimacy" to a set of rules, revolutionary change is never as revolutionary as its supporters desire, and performance will be different than anticipated. And economies that adopt the formal rules of another economy will have very different performance characteristics than the first economy because of different informal norms and enforcement. The implication is that transferring the formal political and economic rules of successful Western market economies to Third World and Eastern European economies is not a sufficient condition for good economic performance. Privatization is not a panacea for solving poor economic performance"* (North, 1996, 353).

Thus actors[117] take decisions under conditions of 'choices within constraints', framed by different institutions (see chapter 4.3 on actor centered strategies). This understanding is caused by an initial rejection of assumptions such as efficiency in transactions, existence of complete information and entirely rational actors (especially strong in neoclassical approaches). It was crucial in the emergence of NI. Therefore, it is one of the central points when distinguishing neoclassical (economic) approaches of decision-making and NI [118].

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[117] Or 'agents' and thus individuals or organisations.

[118] Already Max Weber used this concept of embedded actors who decide out of their social and cultural background and their actual situation: "He [Max Weber; remark of the author] maintained that rationality and choice must be understood within the context of the institutional framework of a given society and historical epoch. For Weber, the institutional framework encompassed customs, conventions, social norms, religious and

Thus, actors have their own interests and act in a partly rational manner. Whereas there is no way of possessing perfect information, the actor will take costs (social and economical) into account when making choices and pursue his/her interests. Interests can be understood in this case as 'thick' interests as defined by N&I (Nee, 1998b, 30). They include material benefits as much as purely social goods (status, avoidance of social disapproval etc.). The autonomy of the individual towards institutions, and therefore, her or his freedom of decision-making, results from the plurality of institutions and actors. As different institutions compete with each other and offer a multitude of systems and logics of action (Friedland, 1991, 232), they propose an enormous choice to all individuals to select the ideas and concepts that are closest to their preferences and might offer the best help or best choice for the individuals' situation. There can be moments when norms as part of one institution are not followed because they are in opposition to other norms or individuals decide against it. Phrased differently: institutions provide a framework for behaviour patterns and norms, but individuals have to take decisions and chose. Thus, one could say that institutions do not impose themselves on individuals but support their independence by the plurality of perceptions, rationalisation and options offered by them. Therefore, as individuals have the choice of institutions, they are simultaneously in a position to question existing institutions, and through this, force institutions to change and constantly compete with each other[119] [120]. As a consequence, the mechanisms through which institutions shape the parameters of actors' choices are an essential part of NI research. Research in this area should, according to N&I (1998, 19), create a more "adequate sociological understanding of economic action". Even though some basic assumptions of neoclassical economics (e. g. the already mentioned 'perfectly informed egoistic actor') are explicitly rejected, methodologically and theoretically some economic (neoclassical) choice theories/concepts are integrated in NI. Related to the actors' model in NI, one can therefore find e.g. concepts of bounded rationality, social embedding and social networks, transition costs, human and social capital, externalities, and enforceable trust that are emphasised more or less depending on the researcher and the context.

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cultural beliefs, households, kinship, ethnic boundaries, organization, community, class, status groups, markets, law, and the state"(Nee, 1998a 6).

[119] This, however, demands that there is a plurality of institutions; a situation, which cannot always be taken for granted. Taken e.g. the economic system of the German Democratic Republic where, as no alternative was allowed to exist, the actors had no way of choosing, questioning and influencing the existing system (Hertle, 1995).

[120] One should also be aware of the fact that if there are organisations representing the ideas of institutions they are less dependent on individuals' acceptance of their concepts. Thus, the less institutions are represented by organisations, the more they depend on people who have internalised their leitmotifs and represent these individually (Ibid.399).

After this brief introduction to (sociological) NI, I will now try to apply the above-developed concepts on the research of this paper.

As stated earlier, the choice for sociological NI was mainly due to the perspective of sociological NI on individuals and organisations that, when facing one framework (Structural Funds) still are facing several sub-frameworks and scope of action. Thus, there is room for a plurality of options and strategies; an observation that easily matches every day experiences on complex decision structures. The focus on formal and informal norms within institutions in relation to cultural operators' strategies opened the possibility of looking at more than the formal and officially declared explanations. One of the basic assumptions of this paper states that informal aspects matter in the emergence of strategies (see chapter 1.2); therefore, sociological NI seemed a fitting choice. Furthermore, in the chosen model that will be introduced in the next chapter, a clear structure to analyse different levels of decision-making is offered. Thus, a first attempt to apply sociological NI on Structural Funds will be made:

Structural Funds can be understood as a policy instrument. They consist of funds (money) and rules (regulations on EU and national/regional level), but can also be seen as a manifestation of preferences and beliefs that were expressed in chapter 3, especially 3.2. Here, solidarity might be one of the most obvious and widely accepted concepts, triggering e.g. the norm: if a member is suffering from a huge flood, another member should help. Others are the concept of cohesion, the sharing competences on different levels, the belief in joined problem solving within the EU and an approach that is as close as possible to the citizens and aligned with the subsidiarity principle. It could even be said, as the EU spends one third of its budget on Structural Funds, that Structural Funds reflect the legendary idea of 'one big family'. Formal statements of the goals of Structural Funds underline my assumption (European Commission, 18/12/2003).

Furthermore, if defining Structural Funds as an institution, they consist of formal and informal norms[121]. The formal norms could be seen primarily in the formal framework of Structural Funds. Here, one could name the way funds are distributed (according to GDP, unemployment rate etc.) or the preference for flagship projects and thus less but big(er) financial contributions to projects. This formal framework imposes formal norms[122]. Those formal norms are constrains that can formally be enforced e.g. through legal steps. There are

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[121] For a definition of norms see page 62.
[122] E. g. the rules on how to create OPs, how to control money flows etc. or the amount of co-financing given to each region

equally informal norms[123], which can manifest themselves formally[124] or informally[125]. The framework is thus part of the European Union and based on the common treaties as much as on political interests and different norms and values embodied by the leaders and administrative staff involved in this process of all Member States. At the same time, another element can be seen: Structural Funds structure economic support and enforce the concept of a social union that is trying to enrich citizens' lives in both material and nonmaterial dimensions. Through this, Structural Funds could even be regarded as one tool for creating legitimacy for the European Union towards its Member States and citizens.

If we assume that Structural Funds are the instrument of Cohesion Politics of the EU, one could argue that SF are rather an 'organisation' in the understanding of Salancik and Pfeffer (chapter 4.2), or a political tool[126] than an institution. In the process of defining SF as an institution and thus in the course of justifying the chosen model (chapter 4.5), this segregation between an organisation and an institution, also crucial for the chosen model in chapter 4.5, will be addressed briefly. To differentiate between an organisation and an institution, reference can be made to Erhard Stölting (1999). He developed a concept based on a 'Leitidee' (leitmotif) as the key to defining institutions that serve as the central definition for institutions within this paper. For Stölting:

"Institutionen lassen sich als Organisationen oder Organisationskomplexe denken, die als Verkörperung von Leitideen unterstellt werden. Die Leitideen legitimieren damit die Institutionen und schränken die reformerische Gestaltungsfähigkeit ein"[127] (Stölting, 1999, 116). For him, institutions are "normative bestimmte Handlungsformen" ("normative influenced forms of action" Stölting, 1999, 112). Therefore, a common (idealistic or at least normative) idea of an institutional aim must exist: the 'leitmotif'. To function well, a leitmotif must appear to be objective and publicly accepted as 'real' and true to create an institutional base[128]. Without public acceptance of the leitmotif, without a perceived 'legitimacy' of the

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[123] Such as local preferences for wind energy over nuclear power or an interest in fostering creativity or a historical perspective on how things should be shaped.

[124] E.g. if they are written in formal regulations and frameworks.

[125] E.g. through passing on information and support to the preferred addresses.

[126] E.g. when looking from a political science point of view.

[127] Translation of the citation by the author: "Institutions can be thought of as organisations or complex-organisational-constructs, that materialise the leitmotif. The leitmotif legitimises the institution and limits the reformatory scope of action".

[128] At this point, also De Muck agrees by stating that : "Les faits institutionnels ont "toute l'apparence de l'objectivité" mais ne partagent pas la caractéristique essentielle des faits bruts. L'existence et les propriétés des faits institutionnels sont en effet dépendantes des croyances des interprètes." (De Munck, 1999 173). Translation by the author: " Institutional facts "present an appearance of objectivity" but do not share the essential characteristics of the bare facts. The existence and the properties of the institutional facts are actually dependent upon the beliefs of interpreters".

institutions (and therefore of its ideas and goals[129]), no institution can exist. Therefore, through a public legitimisation of the institution, the concept of a 'Gemeinwohl', a 'public welfare' for society in general (public) and not for a single group or personal (private) is central to institutions.

Leitmotifs are not necessarily identical with the stated aim or goal of an organisation or an institution and normally not fixated in written form. Rather, the goals of an institution are not contradictory to the leitmotif, which is not exactly defined or stated explicitly. The underlying leitmotif is simply perceived as logic and 'there'. As written frameworks and formal papers are due to change and are often the result of long negotiation processes, the leitmotif is the overall common idea that is leading the partners in their negotiation to find the best way of how to realise the guiding idea of the institution. Of course, every individual can have a different understanding of the leitmotif, e.g. of the concept of 'democracy' or 'the market'. But by discussing how to create more democracy or how to integrate countries into the European market, these institutions are perceived as real objects (that can be criticised as much as praised) with the underlying assumption that they follow a general, public purpose.

One can therefore differentiate between the normative and publicly accepted leitmotif on the one side, and practical advantages of an organisation, a calculated benefit or an individual preference on the other. This is the main difference between an organisation and an institution. Organisations are created because of their advantages for members or groups involved but do not need public acceptance or support for their goals. If the goal is to produce red colour and gain money, no public support is needed. But of course the framework of every organisation (e. g. for a manufacturing plant for carpets) – reflected in public laws, in the concept of market economy or in environmental protection – is again subject to public legitimisation.

In addition to the already mentioned fact that actors can have very different understandings of a leitmotif, there is a second problematic point: The leitmotif, even though imperative for the existence of an institution, rarely corresponds to the real processes of the existing institution. Therefore, a dichotomy between an ideal picture (leitmotif) and of the 'real world' is inherent in every institution. Depending on the groups involved in the process, this dichotomy can be very fruitful as it can create a dynamic discussion (if discussions are allowed) around different ways of how to achieve the goal, and through debating it, reinforce the more abstract and still as objective perceived leitmotif. This can be seen in the discourse on 'solidarity' in different

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[129] Goals are controversially discussed. A short introduction to the challenges and the importance of goals for organisations in general can be found in Peter Preisendörfer's book on organisational sociology (Preisendörfer, 2008).

EU bodies but also in the national and local media e. g. when the new financial perspectives were discussed in 2005/2006 (e.g. Hmk, 2005). Also socio-economic cohesion can be seen in this perspective.

To verify if one can talk of an institution and not of an organisation, Stölting (1999) proposes to observe the discourse regarding institutions. If the discourse is publicly accepted, and as in his example of the institution 'democracy', discussion turns towards a 'reform of democracy' and stops discussing 'democracy' in general, the process of institutionalisation has happened successfully (Stölting, 1999, 129). An indicator for the institutionalisation of 'Cohesion Politics' in the form of Structural Funds could be the discourse around 'solidarity' and the necessity to support less developed regions within the EU, as it is led in European committees and in Member States but also at the regional level. Also, in the last preparations and negotiations of the EU budget, the 'how' of Structural Funds but not the 'if' was discussed, again strengthening the 'institutionalisation' of Structural Funds.

Thus, assuming that leitmotifs are there (especially cohesion and solidarity), Structural Funds can be understood as the tangible institution of 'EU –Cohesion'. This implies that Structural Funds consist of norms, embedded in other norms and institutions. They contain, influence and are influenced by different actors such as the EU bodies (often called 'institutions' such as the EU Commission), the EU Member States, regional and local administrations, project organisers and civil society.

Structural Funds also offer concepts of reality when promoting certain ways of socio-economic development strategies such as their penchant for transport infrastructure or their increasing considerations concerning environmental protection. See also chapter 3 and 4.1. By explicitly supporting certain activities, Structural Funds limit the scope of action within socio-economic development approaches in European regions, again, confirming the definition of Structural Funds as an institution. Even though every region and every administration remains autonomous in its choices, Structural Funds money is only distributed to the approved Operational Programmes (OPs) with accepted content lines and binding formal regulations (such as budget restrictions, obligatory evaluations, reports etc.). Control mechanisms on all levels and the possibility of loosing financial support are strong incentives to comply with formal rules. Through this, a common EU Cohesion Policy is sustained.

However, as stated in chapter 3, a scope of action remains and, as different institutions and different norms exist, a diversity of outcomes is possible. This implies e. g. that in different countries, even though equal formal norms (e. g. the framework of Structural Funds) are

applied and even a leitmotif such as the central norm 'solidarity' or the concept of 'cohesion' might be accepted, the outcome can be very different and will create an enormous variety of individual solutions to the same formal requirements and problems. This has already been intentionally included in the institution of Structural Funds, as they are bound to the subsidiarity principle. In the general framework of Structural Funds, the local adaptation in form of OPs and therefore a (limited) amount of varieties is institutionalised in EU Cohesion Politics. Thus, the chances of good performance are expected to be high, as N&I (1998) point out because close coupling of both formal and informal norms should be possible (cf. Nee, 1998b, 34-35). This however still has to be proved. Furthermore, the process of institutional isomorphism might lead to a certain level of consistency between regions and countries. For Structural Funds, the local interlocking of formal and informal norms will be part of the research focus and the aspect of plurality of possibilities and thus of a 'non-comparability' or an institutional isomorphism will have to be addressed in the end.

4.5.1 Criticism of Neo Institutionalism

New approaches are never introduced and established without being criticised, and before moving on, some of the criticisms towards NI shall be mentioned. As has been hinted already, some authors argue that NI is not 'new'[130] anymore but just a twist in some already existing, although neglected, theories (Göhler, 1999, 18). Others wonder if the changing focus in research towards institutions is due to influences from the United States, where the state has a much weaker position than in Europe. Whereas Europeans theorised about the state, for Americans the role of institutions was and still is predominant in political research (Immergut, 1997, 325). If NI is a rather American-based method, its applicability for other regions outside the USA can be questioned.

On a more general level, Rothstein (1996) criticises that there is a theoretical emptiness in NI approaches. He insists that the theory has to be developed further if relevant answers are to be found.

> *"To say that 'institutions matter' does not tell us anything about which institutions are more important than others and for what issues. The value of the institutional approach may only emerge when it is combined with a more*

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[130] "Whenever a concept is packaged as 'new', social scientists are apt to be wary, and for good reason. Fads come and go. The enormous number of dissertations, schools of thought, books, and articles based upon prefixes such as 'post', 'neo', and 'new' which enjoyed a brief stint in the bright sunshine of glory at various conventions only to disappear a few months later serves as a reminder of social science's tendency to reinvent the wheel" (Koelble, 1995 231).

substantial theory form which we can draw hypothesis about why some agents, resources and intuitions are more important than others" (Rothstein, 1996, 154).

However, in political science this lack of theoretical aspects has been balanced e. g. by the combination of NI and institution economy (Göhler, 1999, 20).

Others criticise the lack of clear definitions, borders and common, well-tested models and theoretical elements. This can even lead to contradicting models and concepts, as pointed out by Preisendörfer (Preisendörfer, 2008).

In my eyes, the mentioned criticisms are important but nevertheless they do not hold up against the use of the theoretical approach, as most elements appear to be very valuable for the research question posed. Rather, by using it, some theoretical and/or conceptual flaws might be further tested and even balanced out. This potential of further development and critical use of the sociological NI is one of the concluding points of John Meyer in his foreword of Raimund Hasse and George Krücken's book on Neo-Institutionalism (Meyer, 2005, 12). As a consequence, it seems coherent to take advantage of the openness of the sociological NI while focussing on one model (a model by Victor Nee and Paul Ingram, see upcoming chapter) that is embedded in the wider school, but sets clear limits (see chapter 4.6) and provides a comprehensive structure for the intended research.

4.6 Research aims and Neo Institutionalism. The adaptation of a model

To analyse strategies of actors within the institution Structural Funds, a specific model has been chosen: The analytical framework of Victor Nee and Paul Ingram (1998). It is used as one concrete model within sociological NI to distinguish different levels of analysis, and structure the assumed interrelations on the spot. Starting from criticism towards the limits of network embeddedness, Nee and Ingram (N&I) seek to combine network embeddedness and the influence of institutions on individual's choices. As a point of departure, an economic sociology point of view by N&I is taken. From there, they draw and explore limits of such approaches as the transaction cost economy (e.g. Oliver Williamson (1985) as a response to Granovetter (1985)) or the New Institutional Economics with its focus on formal norms (e.g. Davis and North 1971, 85). Their most crucial point is that only by looking simultaneously at formal and informal norms[131] and thus at institutional constraints, the missing link between social networks[132] and resulting actors decisions can be explained[133]. As I assume that formal norms alone cannot explain outcomes and actors choices, their approach seems well fitting. Both authors developed an interaction model of different levels (institution, organisation, individual) and formal/informal norms/constraints that are based on six propositions.

N&I (1998) propose:

Proposition 1. Individuals jointly produce and uphold norms to capture the aims of cooperation.

Proposition 2. The more frequent the interactions between members of a group, the more effective the monitoring of its norms.

Proposition 3a. The successful attainment of values by members of a group provides effective reinforcement for the joint production and maintenance of informal norms. The more frequently ergo compliance [noncompliance] to a norm is regarded [met by disapproval] by alter, the more likely ego will uphold the norm.

Proposition 3b. Competitive striving for social approval results in a self-reinforcing mechanism rewarding individuals for second-order contributions in upholding the norms of a group.

Proposition 4. The close coupling between informal norms and formal organisational rules results in high organisational performance.

Proposition 5. When the formal rules are at variance with the preferences and interests of subgroups in an organisation, a decoupling of the informal norms and the formal rules of the organisation will occur.

Proposition 6. When the organisational leadership and formal norms are perceived to be at odds with the interests and preferences of actors in subgroups, informal norms opposing formal rules will emerge to 'bend the bars of the iron cage' of the formal organisational rules.

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[131] As stated on page 62, norms are implicit or explicit rules of expected behaviour that embody the interests and preferences of members of a close-knit group or a community.

[132] For N&I 'networks' are 'personal connections' (Nee, 1998b 20).

[133] N&I draw from works on social exchange theories done e.g. by Homans 1958/1974, Emerson 1962, Blau 1964 but also from game theory and other approaches (Brinton, 1998 24-27).

Those six propositions reformulate different assumptions of sociological NI and will be part of the research at hand. N&I's aim was to build a fully integrated model of institutions, their embedding, and group performance[134].

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[134] This model is based on another model by Williamsons (1994).
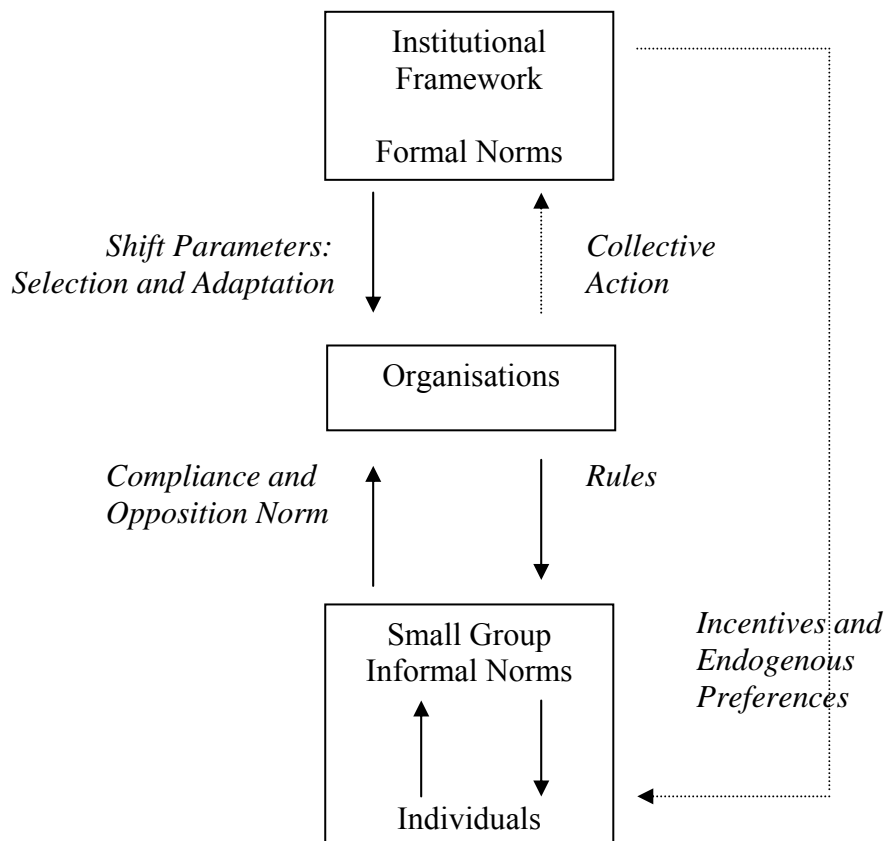
Figure 1: A copy of the model suggested by Nee and Ingram (Nee, 1998b, 32)

──────► : direct influence/impact from one level to the next

·············► : indirect influence/impact from one level to the next
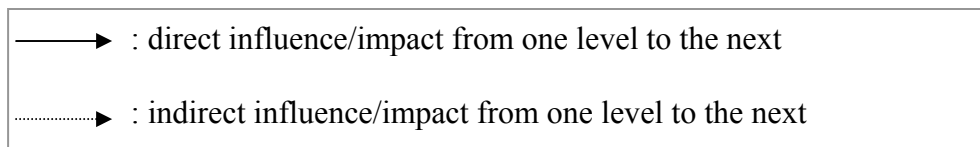
This model shows nested levels of constraints. The hierarchically superior level defines a framework valid for all subordinated levels. It comprises incentives and goals for social units at lower levels, including "formal norms that constrain organizations; organizational rules - a type of formal norms - that constrain groups; and informal norms that constrain the members of groups. Institutions also affect individual action through endogenous preferences" (Nee, 1998b, 32) (see arrows pointing downwards). Organisations on a lower level are dependent on the indicated constraints placed on them by the hierarchically superior level (arrows pointing downwards). At the same time, the organisational level interacts with both, the hierarchically superior and inferior level. This is indicated by the upwards pointing arrows. Lower levels can also influence and interact with superior levels (directly as between the individual level and the organisational level or implicitly as between the organisational and the institutional level).

The foundation of all activities is formed by individuals situated in networks or in small groups[135].

They create and enforce informal norms. For N&I,

> *"rules are determined by groups within the organization through a bargaining process […], and organizational performance is a function of group performance. Organizations in turn affect formal norms through political action, while their performance determines performance at the macro level"* (Nee, 1998b, 32).

The model helps to separate different levels of interaction and, even more, allows focus on formal and informal norms, their origin and interplay. Through this, different influential elements on actors' choices on a micro level but also their possible influence/interaction with hieratically higher levels can be analysed. Because actors' strategies and thus their choices are at the focus of this research, N&I's model emerged as a helpful tool. The goal is to better understand decisive elements and the resulting behaviour patterns of cultural operators in the Structural Funds application process.

Before applying the model to the case study, some questions have to be raised. N&I try to combine different analytical levels and categories within one model. This leads to a slightly unclear vision of 'pairs' of theoretical concepts. Here one can single out e.g. 'small group' versus 'organisation'. The problem of accurate separation of 'networks' towards 'small groups' has been raised already (see footnote 136). One could ask: Why do we have 'small groups' but no 'big groups' and can't a 'small group' be an 'organisation' or is it rather a 'network'? Another form of 'labelling' of what could also be described as the larger body in which an individual is embedded might be helpful. For the time being, I suggest to rename the highest level (institutional framework) as MACRO, the intermediate level (organisation) as MESO and the lowest level as MICRO level, understanding individuals as representatives for applying bodies and thus the smallest entity within the micro-level[136].

Another question needs to be raised:

If 'formal norms' are on the institutional framework level (macro), and 'informal norms' on the small group level (micro), what do organisations (meso) do or have? Assuming that they

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[135] Within their paper, N&I are not accurate in their concepts of 'networks' and 'small groups' that usually are conceptually separated. Reading their paper, it appears that for them both concepts can be used interchangeably as 'networks' are 'personal connections' (Nee, 1998b 20). However on page 32 they list both terms and state: "Individuals situated in networks or small groups create and enforce informal norms". The OR suggests that on a conceptual level, they are not congruent. Nonetheless, as N&I do not clearly define those key concepts, 'networks' and 'small groups' cannot be separated accurately on the base of their paper.

[136] This is an often used differentiation of systems that can be found e.g. in Luhmann's approach where he is separating the micro level (interaction), meso level (organisations) and macro level (society) (Luhmann, 1975).

pass on 'rules' (norms) to the lower level (as shown by the original model), they presumably provide 'adapted' formal norms and thus rules to the lower level that come from the macro level. Whenever a choice is made, an assessment or valuation is made and hence norms come into play. It is difficult to prove a direct influence of informal norms from the micro-level on the adapted rules. Still, regardless of whether the implemented norms were chosen in an independent manner or if they were depending on the informal norms of the micro level, it can be supposed that a set of norms influenced the decision. This is indirectly stated by N&I when they underline that "cultural beliefs and cognitive processes embedded in institutions are key to understanding actors' perceptions of self-interest" (p.30) and thus of their decisions. Furthermore, they state that informal constrains and consequently norms of an institution "arise" (p. 31) from and are upheld by individuals.

It must be assumed that all levels (including the macro level) incorporate norms that influence to different degrees the other levels. This upward flow of influence is hinted as being 'collective action' within the original model. For the sake of conceptual clarity, they will be described in the future as informal norms as they incorporate norms that lack formal means of enforcement.

Furthermore, 'formal rules' or formal norms always come in a value-environment, which should not be forgotten. This has been hinted at through the arrow 'shift parameters: selection and adaptation' within the original model and through the explanations by N&I that informal norms are part of the constraints placed on the lower level by the hierarchically higher level (Nee, 1998b, 32). Choices are made within the macro and meso level (within a specific setting of norms) and then passed to the lower level. To keep the model clear, I will not add in every box a circle of informal norms, inviting the reader to understand formal norms as biased and therefore value-embedded rules that have formal means of implementation (such as laws or framework agreements, financial incentives etc.) and informal norms as sets of beliefs and behaviour rules that cannot rely on 'official' enforcing mechanisms (see also def. of norms page 62). The macro and meso level have formal means of enforcing their norms towards the hierarchically lower levels. Informal norms (compare figure 1) are projected towards the hierarchically higher levels and therefore displayed with a dotted arrow. Furthermore, as 'formal rules' are changing when passed on from the macro to the meso and then to the micro level, I will label the original set of formal norms as 'formal norm' and the filtered set of rules that is passed from the meso to the micro level as 'adapted formal norms', as they are a different set of rules.

Another element has to be addressed: Why is it that the organisation 'shifts' parameters from the institutional level to select or adapt them, but then only passes on rules to the lowest level of the model without any possibility of interacting directly with the organisational level? What happened to the possibility of an upward channel? Earlier, I insisted on informal norms but one could additionally think of 'collective actions' in terms of strategic interactions and exchange, not only between the organisational and meso level, but also between the micro and meso level.

This interaction (negotiation of policies, application strategies etc.) is strongly shaped by interests and could therefore be described as a strategy rather than a 'collective action' or 'compliance and opposition of norms' or a down passing of formal rules. Strategies in this paper are directed actions of individuals or groups that aim at a certain goal[137]. I suggest visualising this interaction with 'strategy' arrows between side-by-side levels. Even an interaction not only from the macro to the micro level[138], but also the other way around could be imagined.

In summary, I therefore propose to differentiate the chosen model by introducing three main categories, essentially through re-labelling and restructuring elements of the existing model:

- A hierarchical differentiation, separating the three levels into 'macro' (former: Institutional Framework), 'meso' (former: Organisation) and 'micro' (former: small organisations and individuals) level
- A distinction between formal norms and informal norms
- A category named 'strategies' that gathers elements linked to the scope of action and different behaviour patterns, replacing and including 'incentives/compliance and opposition', 'selection and adaptation', 'collective actions' etc.

This creates the following, slightly changed model:

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[137] E.g. to improve the actors situation, reach a specific objective and/or more generally to exert influence.
[138] as displayed by the dotted arrows in the original model.
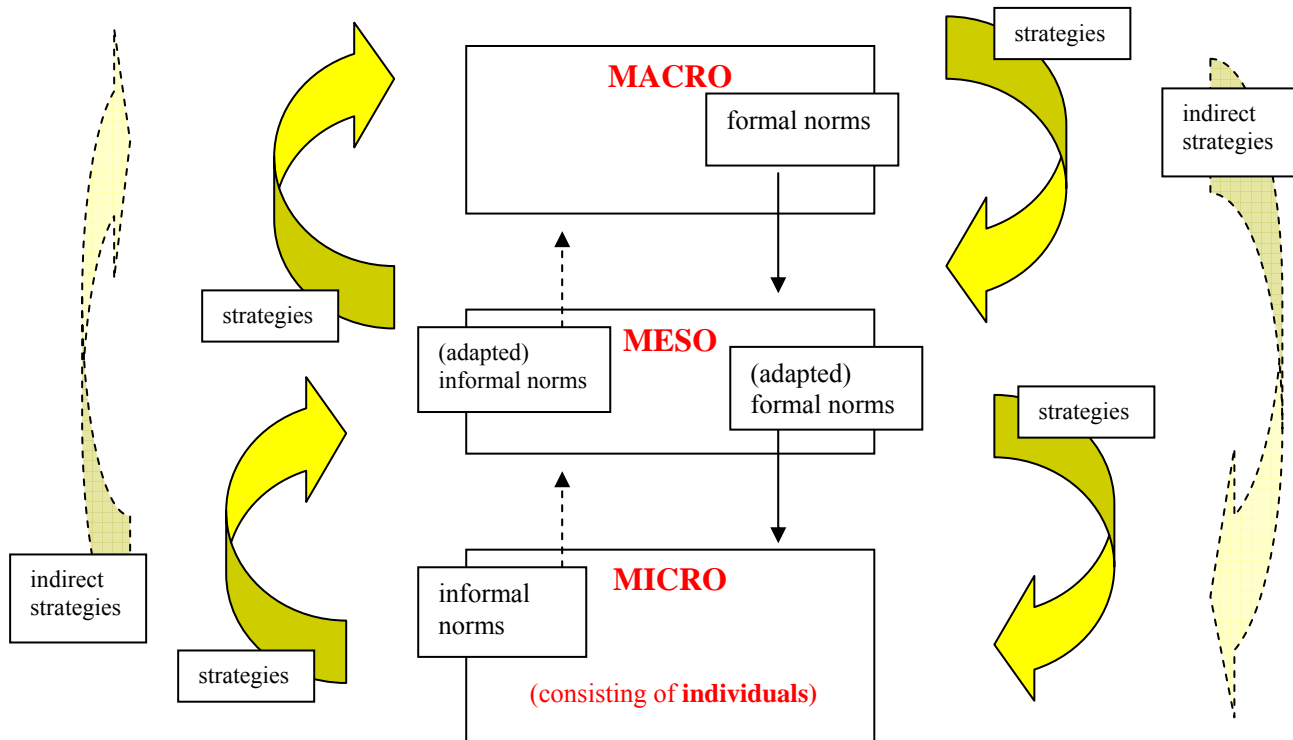
Figure 2: Changed model by Nee and Ingram

: formal norms on macro level and adapted formal norms on meso level that comprise formal enforcement tools

: informal norms as part of the micro and meso level that have an indirect influence on the hieratically higher level

RED : hierarchical levels (Macro, Meso, Micro)

: direct strategies between adjacent levels

: indirect strategies between distant, not directly abreast levels

To distinguish different sections and categories, the levels within the model are in red, formal norms are in small black (informal in dotted) arrows and black and white boxes, direct strategies between adjacent levels in yellow and indirect strategies between the lowest to the highest level and the other way around in a light yellow.

With this clearer vision of interaction, a first attempt shall be made to use the model for the chosen case study. The changed model was therefore adapted to the presented research project by attributing formal levels of Structural Funds to the different categories and levels of the model.
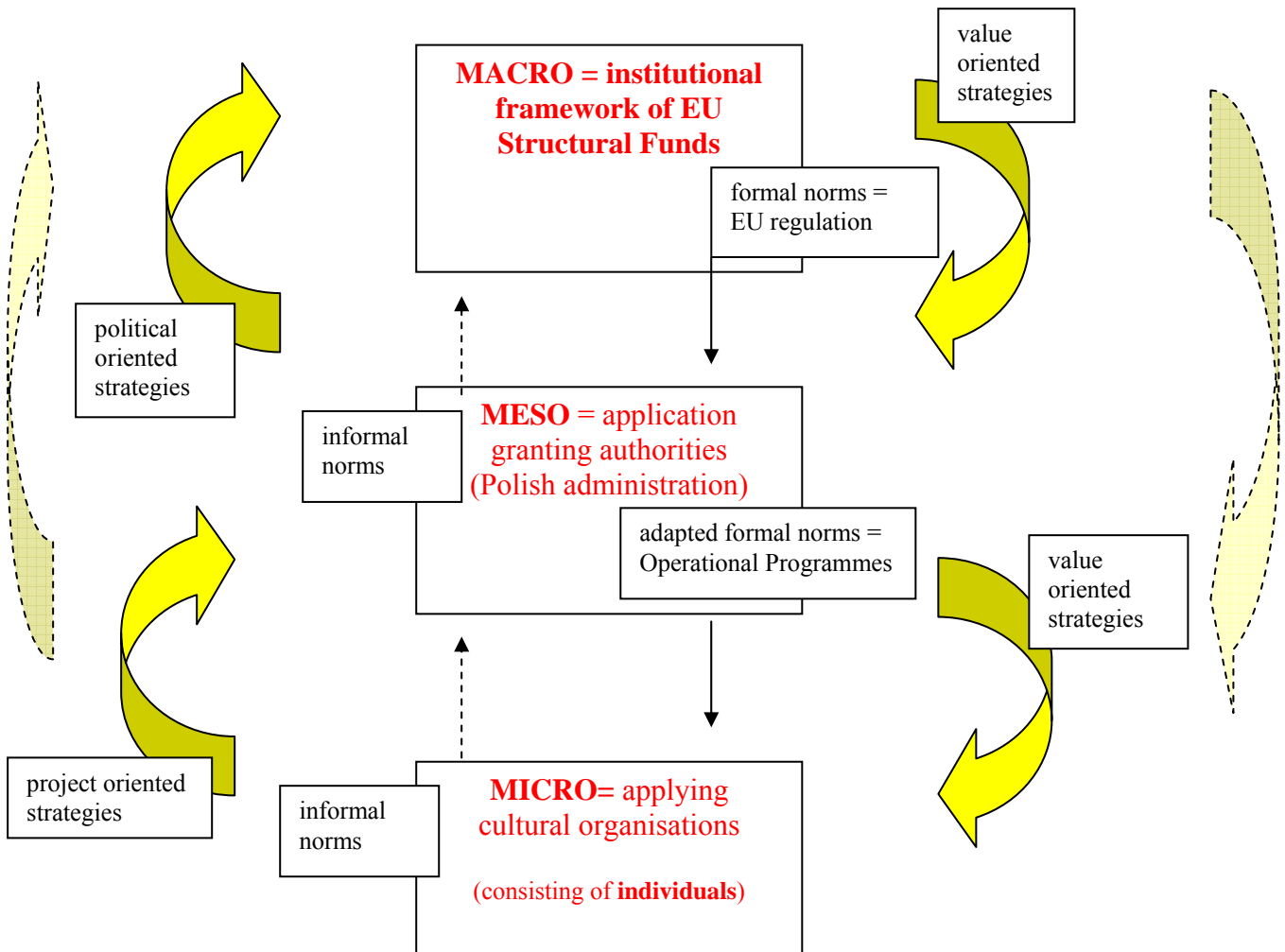
Figure 3: Adapted model of Nee and Ingram to the research project

Structural Funds are shaped and created at EU level (macro) and include informal norms (e.g. 'solidarity') and formal norms (exemplarily EU-regulations on Structural Funds). This institutional framework is at the top level of the hierarchy, embedded e.g. in EU treaties. They define formal norms (Structural Funds regulations) and create incentives (by providing funds) for all other levels (arrows pointing downwards). To simplify the picture, the informal norms on the macro level are not taken into account. On a national or regional level (meso), the application granting authorities (the Polish administration) create different programmes (SOP, NPD, SPD etc.) that comply with the formal criteria imposed by the macro level. Those formal norms are passed on to the applying cultural organisations (micro). In other words, the scope of action inherent in the institutional framework (macro) is reduced by the meso level and then interpreted and taken up by applying cultural organisations consisting of individuals at the bottom level (micro) of the hierarchical pyramid. Individuals thus are understood as

representatives of their organisation. Cultural organisations (micro) determine the informal environment of individuals (interview partners I have chosen). They channel information, support activities and interfere when their interests are not respected sufficiently within their structures and towards the meso-level. An intensive exchange of individuals' actions and beliefs within the setting of their cultural organisation has to be assumed.

Within this setting, every level is pursuing different goals and following different strategies that are displayed through the thick yellow arrows. For instance, the institutional framework (consisting mainly of formal norms) is created on EU level and aims at implementing a certain regional development policy through incentives and firm guidelines (yellow arrow pointing towards meso-level). Structural Funds regulations are created by the European Union on the basis of the common treaties as much as on political interests of the Member States who negotiate between them and the EU administration on EU level (macro). In this process, every Member State (meso) is pursuing own interests (yellow arrow from the meso to the macro level) and at the same time jointly creating EU policies such as the Structural Funds framework that are binding for all Member States. This bargaining process between the EU level and the Member State level could be described as a political game or 'political oriented strategies', something that is supported by N&I, too: "*Organizations in turn affect formal norms through political action, while their performance determines performance at the macro level*" (Nee, 1998b, 32, emphasis added by the author).

Once the framework is set, the Member State (meso) can explicitly support certain activities within the institutional framework. Those preferences in form of informal norms can be transferred into formal norms. Through this, the scope of action in EU regions is also given a clear direction and regional preferences are strengthened. This is not detached from the macro level. Even though every region and every administrative institution is autonomous and can chose their priorities and activities, Structural Fund money is only distributed e.g. to the approved Operational Programmes with accepted content lines and binding formal regulations (such as budget restrictions, obligatory evaluations, reports etc.). Control mechanisms on all levels and the possibility of losing financial support are strong incentives to comply with institutional framework rules (formal norms). Through this, a common EU Cohesion Policy, built also, as mentioned earlier, on informal norms, is formally sustained. This interaction could be described as a 'value-oriented strategy'.

Also between meso and micro level, different interests lead to different strategies. The meso level is in a position to adapt the formal institutional framework of EU Structural Funds and

enforce certain elements within the implementation of Structural Fund projects. They can set priorities (within a certain limit) and by doing so, direct grants towards what they believe is the most promising or most 'valuable' direction (informal norms). In other words, similar to the strategy of the macro level towards the meso level, they pursue a 'value-oriented strategy'. Conversely, applying cultural organisations face the adapted formal rules that include the assessment of the macro and meso level and have to balance the informal norms they are surrounded with and those adapted formal rules, and try to decide on how to deal with those elements in order to receive funding for their project. Here, one could describe the strategy as a primarily 'project-oriented strategy' as the micro level mainly tries to receive the funding, and only partly influences the selection and adaptation process within the meso level.

Indirect strategies and interaction between the micro and the macro level can be e.g. activities of umbrella organisations (e.g. the 'Culture Action Europe'[139]) or other, less direct attempts of influencing the other level such as published studies on EU level that support or discourage certain activities or actors, hearings etc.

In particular, the part of the model that is enclosed by the thick black dotted box will be used for the upcoming analysis. It mainly includes influences from the meso level and actors' strategies (project oriented strategies) from the micro to the meso level, and therefore mirrors the strong focus of this paper on actors' strategies and within this the interplay of formal and informal norms as part of the institution Structural Funds:

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[139] See: www.cultureactioneurope.org.
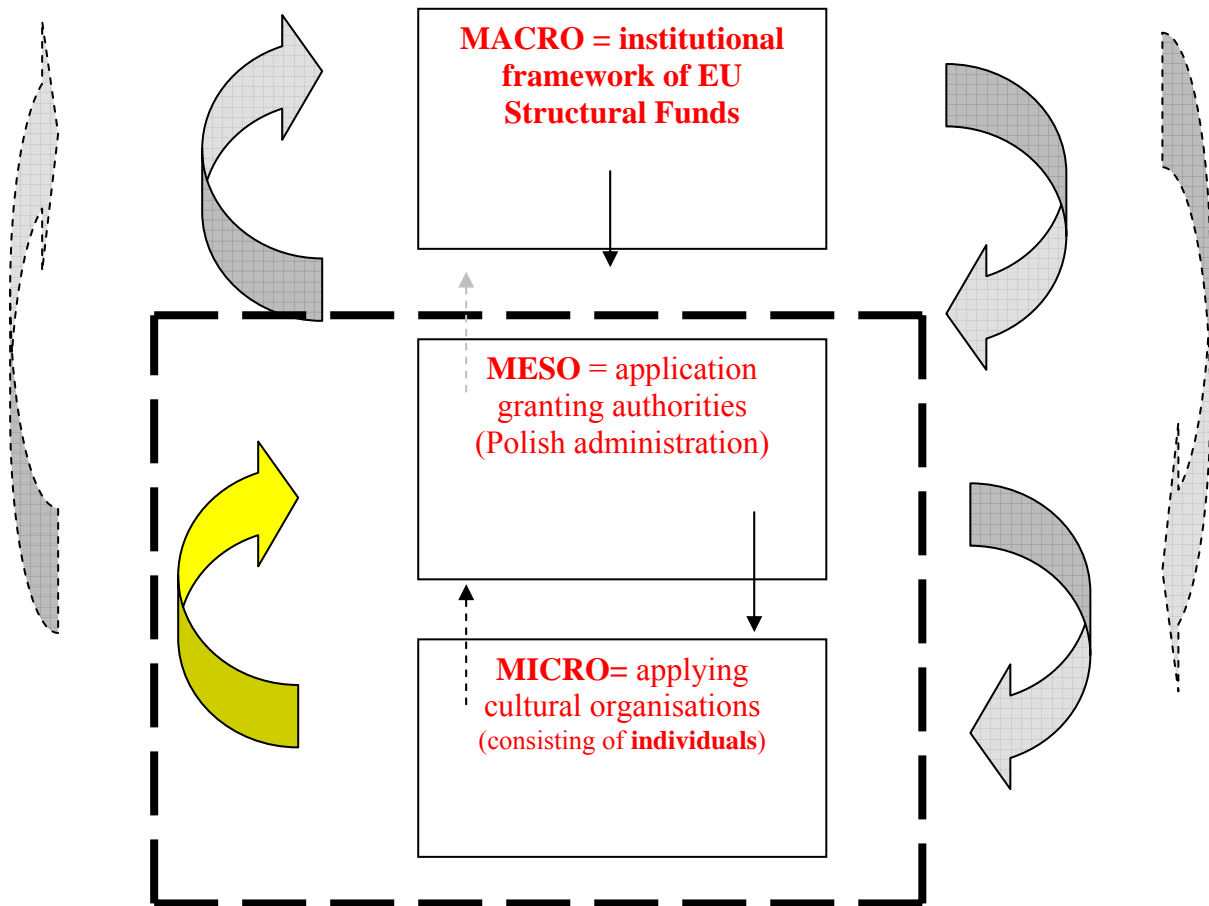
Figure 4: Adapted model of Nee and Ingram to the research project

To summarise, different changes within the model were suggested. They all aim at structuring even better possible elements within the research subject. This slightly adapted model shall now be used to develop a research design that helps to understand how cultural operators see themselves and their projects within this bigger setting, focussing on their strategies when applying for socio-economic development grants. The model will help to structure the sources and understand the interaction of norms and thus incentives and constrains on the micro level and through this support the analysis presented.

Before entering into the methodology of this paper and the justification for the chosen case study, some key assumptions and research questions along with working hypotheses will be presented and specified. They are the backbone of the selected methodology and guide the analysis in a later step.

4.7 Working hypotheses guiding the research

It is important to note that assumptions and hypotheses can be developed in a deductive and inductive way. For this paper, most assumptions and hypotheses follow a deductive approach (compare Neuman, 2007, 29-30). They are the foundation of the interview guide that has been developed, which is presented later in this paper as well as of the analysis of the collected data. At the same time, grounded theory guides the data collection and analytical process of this research[140] through introducing an inductive approach (compare Neuman, 2007, 29-30). This duality of research approaches is highly problematic as observations and the emergence or involvement of a theory alternate with theory guided research. The author is aware of this duality, but as far as the results are concerned, it is believed that it is also a very enriching approach as long as they are used and combined deliberately. As an overall observation, this paper follows a deductive approach in its first chapters (preparing the ground and choosing the theoretical framework and methodology). The conducting of the interviews and interview analysis however are influenced by an inductive approach (grounded theory). Results are then tested through a deductive approach in the last chapters.

On the next pages, deductive hypotheses will be presented. The developed premises will be part of the interview analysis conclusions and might help following research projects to deepen the knowledge regarding the research subject and its theoretical reflections. Starting point of this paper is, as stated earlier, the analysis of cultural operators access strategies to Structural Funds in order to better understand drivers, barriers and facilitators in this process.

NI suggests that something must be formally and informally supported in order to 'work well'[141]. Therefore, next to some formal framework criteria and formal statements the informal support and decision-making processes must be of major importance and ideally overlap to large extents. As a result, the informal norms and the drivers and barriers within the application and grant distribution system resulting from it are of special interest to the understanding of the real life situations and have to be taken into account.

The following slightly adapted research questions (see chapter 1.2.) and deductive hypotheses will be addressed. Underlying is the basic assumptions that cultural operators have the means to apply for Structural Funds. Also, the understanding of culture as an important factor in socio-economic development, as developed earlier in this chapter, guides the research.

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[140] See the following chapter.
[141] See the six propositions by Nee and Ingram (Nee, 1998a).

Question Ia: What kind of strategies did cultural operators develop to access Structural Funds?

Question Ib: What are the formal and informal norms within the application process for Structural Funds, and in which way they impact application strategies of cultural operators?

In more details:

Question II: What are the drivers for cultural operators to apply for Structural Funds?

Question III : What kinds of projects were developed?
- QIII/H1: Because cultural heritage and tourism are important focal points within EU regional development policies, they are equally part of cultural Structural Fund projects.
- QIII/H2: The application process includes formal obligations that oblige cultural operators to create projects in a specific way/to adapt their projects.
- QIII/H3: Cultural operators apply for funding in order to finance the implementation of an already developed (and therefore pre-existing) idea.
- QIII/H4: Cultural operators are willing to adapt their project ideas to fit into the funding scheme.

Structural Funds provide a relatively big budget. Simultaneously, the EU is promoting flagship projects. Therefore, the following hypothesis can be formulated:
- QIII/H5a: Cultural operators are influenced in their development of projects by the 'big is beautiful' norms (high minimum budget within Structural Funds and promotion of flagship projects). Thus, it can be assumed that:
- QIII/H5b: Within Structural Funds, cultural operators developed big projects that do not focus only on a micro (regional) level (flagship projects).

Question IV: What kind of barriers and facilitators did cultural operators encounter?
- QIV/H1: Financial challenges linked to a Structural Fund project are a major problem for cultural operators.
  - o QIV/H1a: Within Structural Funds projects, a certain percentage of the project sum has to be provided by the organisation itself (through their own budget or

other sources than Structural Funds). This co-financing can be a major challenge, especially for financially less well-positioned organisations.

- o QIV/H1b: Structural Funds regulation demands from project organisers to pre-finance part of the costs and hand in documentation for reimbursement. This pre-financing is increasing financial challenges for project organisers.

- o QIV/H1c: A very detailed procedure of administrating costs (budget plans, reimbursement procedures etc.) demands project organisers to be very well organised on the formal-administrative side of the project, as they risk losing financing if this is not followed. This administration of funds can be a barrier, especially for inexperienced project organisers.

- QIV/H2: External funds such as the 'Promesa' programme help cultural operators to face financial challenges linked to a Structural Fund application.

- QIV/H3a: The Ministry of Culture and National Heritage and the Cultural Contact Point are facilitators within the application process by informing and supporting cultural operators.

- QIV/H3b: Because of the recent accession of Poland to the EU, some support and information structures are still evolving.

Question V: How was information regarding Structural Fund grants disseminated for and within cultural operators? Which role did formal and informal channels play?

- QV/ H1a: Because of the accession of Poland in 2004, ways of **formally** informing about Structural Funds are still fairly new.

- QV/H1b: Therefore, official information channels that are specific to Structural Funds are in the process of being established and are under constant change.

- QV/H1c: This is a destabilising factor for cultural operators when seeking support.

- QV/H2a: As a consequence, **informal** information structures (in form of direct contacts to decision-makers or between cultural operators and experts) based on formerly created ties between actors play a crucial role in the dissemination of information.

- QV/H2b: Thus, having a well-established informal network helps within the application and implementation phase of a project.

Question VI: Do cultural operators encounter 'cultural specific' challenges when applying for Structural Funds and if so, which ones?

Questions VII: How do cultural operators see the possibilities of their projects within socio-economic development of their region or country? Has the discourse around culture/creativity and the arts as regional development factor e.g. in political documents an impact on applicants?

- QVII/H1: Cultural operators are aware of the broader role of culture and its possibility to influence socio-economic development.
- QVII/H2: Being forced to argue according to concepts of culture as socio-economic development factor increases awareness within the cultural sector for the mentioned schools and approaches.
- QVII/H3: Applications are not limited explicitly to cultural funding lines as culture can be seen as integral part of different political fields.

In the previous chapter, central concepts and possible theoretical approaches have been scrutinised. A choice for a theoretical model was made as well as embedding the research project embedded in the N&I model, thus firmly rooting the research in sociological NI. The following chapter will present methodological choices for the empirical research based on the developed questions and hypotheses.

PART II. METHODOLOGY

In order to analyse the situation of cultural operators engaged (or in the process of engaging) in projects that are funded by Structural Funds, the author focussed on one Member State of the EU, namely Poland, as case study, which encompasses qualitative expert interviews as empirical evidence. Before justifying the choice of country, interview partners and the methodological approach, the general concept of case studies and strategies of research connected with cases studies in sociological research will be briefly introduced, followed by an overview of the survey methodology[142].

5. Methodological and strategic instruments

5.1 Case studies in sociological research

Case studies have been used in research for years now without a common agreed understanding of their definition. Mostly they are applied when trying to understand complex situations. As Robert K. Yin points out, they help "investigators to retain the holistic and meaningful characteristics of real-life events" (Yin, 2003, 2). By doing so, case studies provide the researcher with the possibility of falsifying or verifying hypotheses and to develop new theoretical approaches analysing a limited set of examples in further detail. Referring to Yin (1981), Kohlbacher also points out that "case studies seem to be the pre-ferred strategy when 'how' or 'why' questions are being posed, when the investigator has little control over events, and when the focus is on a contemporary phenomenon within some real-life context" (cf. Yin 1981, in Kohlbacher, 2005, 4). This holds true for the use of Structural Funds.

For Yin, case study research is "an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident". Therefore, case study research "consist[s] of a detailed investigation, often with data collected over a period of time, of phenomena, within their context" in order "to provide an analysis of the context and processes which illuminate the theoretical issues being studied"(Yin, 2003, 13). In this context, it is not of

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[142] 'Methodology' and 'methods' are used as synonyms in English. However in other languages, among them German, a 'method' is the practical tool, the 'methodology' is the meta – level where choices and strategies for or against different methods are discussed. Both words will be used congruent in this paper. If ever translated in another language, this aspect has to be taken into account.

importance if the researcher decides to focus on qualitative or quantitative data. Both are valuable methods that can be part of a case study analysis.

Scientifically, case studies in sociological research are mostly understood as a research approach and not as a method, whereas it is not a method ('how do I study something') but a strategy on 'what' to study[143]. According to Yin, explanatory, exploratory, and descriptive case studies can be distinguished. This distinction is dictated by the research question, the focus on contemporary or historical events and "the extent of control an investigator has over behavioural events" (Yin, 2003). For him, it is one of the most challenging research strategies in social sciences.

In practice, case studies try to collect relevant data[144], mostly around central themes and questions that can later be put into categories in order to analyse the research questions (cf. Hartley 1994, 2004, in Kohlbacher, 2005, 6)[145]. To achieve this aim, data collection for this research will be organised around categories and analysed by using qualitative content analysis, supported by Atlas.ti[146]. Eric Patton and S.H. Appelbaum point out that "the ultimate goal of the case study [is] to uncover patterns, determine meanings, construct conclusions and build theory" (Patton, 2003).

For the research presented, case studies have been chosen for the aforementioned reasons. The (present) use of Structural Funds is a very complex, contemporary phenomenon with a limited set of available data; hence a clear and limited choice of the research 'case' was needed to gain first a clearer understanding of the path towards answering research questions (e.g. 'HOW are Structural Funds used by cultural operators'). Furthermore, if strategies or 'patterns' shall be uncovered to 'determine meanings' and propose first steps towards possible explanations and theories, case studies are a possibility for analysing cultural operators' use of Structural Funds and understand actors' strategies. Thus, relevant data has been collected as part of this research project, mainly though qualitative expert interviews[147]. Additionally, extensive analysis of secondary data (studies, articles, books etc.) was undertaken.

To deconstruct the above-described case study, a few questions and methodological elements have to be discussed. One of the main questions regarding data study is whether to apply

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[143] "Case study is not a methodological choice but a choice of what is to be studied. By whatever methods, we choose to study the case" (Stake, 2000 435).
[144] Yin mentions six different sources, namely "documents, archival records, interviews, direct observation, participant-observation, and physical artefacts" (Yin, 2003 85-94).
[145] The methodology of qualitative content analysis chosen for the research project at hand is further described in the following sections of this chapter.
[146] Qualitative Content Analysis and Atlas.ti will be discussed later in this chapter.
[147] Qualitative expert interviews are discussed later in this chapter.

methods of **quantitative** (focussing on hard data) or **qualitative** (focussing on soft data) analysis[148]. Both methods are antipodal, but share the same goal and can be combined depending on the research objectives and settings. Since this study focusses on choices, and whereas quantitative data is not readily available, a qualitative approach was chosen. Whenever possible, it will be complemented by quantitative elements in order to reduce (to a certain degree) any possible 'subjectivity' that qualitative research is often accused of (Kohlbacher, 2005).

5.2 Content Analysis

To structure the qualitative analysis of Poland as a case study, qualitative **Content Analysis** is used. In general, Content Analysis is a method of extracting information from data (mostly texts)[149] and has long been regarded as a purely quantitative method, focussing on "quantifiable aspects of text content, and as a rule on absolute and relative frequencies of words per text or surface unit" (Titscher et al, 2000, Kohlbacher, 2005, 7). From a focus on frequencies, Content Analysis developed over time, including categories and patterns into its (quantitative) scope of action. To work according to the method of Content Analysis, codes have to be established, and the text has to be reduced. Then, an analysis is driven through the codes established. Coding for Babbie is "the process of transforming raw data into a standardized form" (Babbie 2001 in: Kohlbacher, 2005, 7), and it is supported by the creation of categories[150]. This creation of categories and codes requires the researcher's own judgement in assessing the data. In traditional approaches, codes are pre-set and established before starting to analyse the data, and once codes and categories are linked to text fragments or other data, they are analysed according to frequency and other quantitative elements.

As a method of data analysis, (quantitative) Content Analysis therefore helps to convert non-numerical data (e.g. text) into a form that can be used for mathematic-statistical analysis. In qualitative Content Analysis, codes and categories are equally developed but their analysis is different. Coded segments and text fragments are grouped together and analysed according to their content. The absence of an answer or a wrong answer might receive much more attention than the rightly repeated answer from five different interview partners.

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[148] Neuman, 2007 2, 88-89.
[149] Babbie described Content Analysis in general as studying "recorded human communications" (Kohlbacher, 2005 7).
[150] "Categories are understood as the more or less operational definitions of variables" (Ibid.10).

Furthermore, there are different ways of handling the development of codes. Compared to the previously described approach where codes are chosen before starting the data analysis, codes can also emerge during the analysis. In this context, it can be referred to Grounded Theory[151], where it is recommended to developed a pre-existing set of codes according to the research intention and contextual knowledge, and adapt and supplement it by new/changed codes that are developed during the process of coding itself. Equally, the grouping of codes into categories and the emergence of categories themselves happen while coding the selected data[152].

5.3 Grounded Theory

Grounded Theory is a style of qualitative data analysis, developed by Barney Glaser and Anselm Strauss in the 1960s[153]. This paradigmatic research style combines different given procedures with a pragmatic theory of action. Categories and coding are at the heart of Strauss and Glaser's approach as well as middle-range theory building[154], and data analysis are combined in an abductive approach by constantly comparing new and old results to develop a theory in the process of research rather than at the very beginning or very end. Micro-level events are used as a foundation for a more macro-level explanation (Neuman, 2007, 31): The ultimate aim is to develop a near to reality theory that helps to reduce the gap between theory and practice focussing on social phenomenon and their understanding. In other words, its purpose is to "build a theory that is faithful to the evidence" (Neuman, 2007, 31).

Originally developed in the field of sociology, Grounded Theory has spread into various other scientific areas and can be applied to all sorts of data (e.g. interviews, questionnaires, texts, diaries, field observations, statistics).

The research process linked to Grounded Theory requires a trajectory of induction, deduction and verification (Strauss, 2004, 433-434). It is important to note, compared to other formal research techniques, those three procedures are not forcibly positioned in a linear succession but can be combined in whatever chain the researcher believes useful. A tentative development of a theory including preliminary hypothesis usually stands at the beginning of the research (induction), followed by the deduction of implications. Those implications

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[151] See the introduction on Grounded Theory, chapter 5.3.
[152] See especially Anselm L. Strauss: Qualitative Analysis for Social Scientists (1987).
[153] Since then, both researchers have developed further what they understand as 'Grounded Theory', resulting in a split of schools.
[154] Generally, different levels of abstraction can be described for theories: 'empirical generalizations' (a pre-form of a theory), 'middle-range theories' (generally focussing on a specific field, including empirical generalisation and theoretical explanation) and 'theoretical frameworks/paradigm/theoretical systems' (the most abstract form of a theory).

prepare ground for the verification of the hypothesis and implications that should help an emerging theory to be aligned with the research data. Verification is described as an important momentum of Grounded Theory. This process of going back and forth between data and (adapted/developed) theory allows close contact and further development of a theory that cannot be achieved without such a process[155]. Bearing that in mind one has to conclude that codes and categories need to be adapted and changed in the process of coding, and elements of the research or emerging theory can change even while ultimately writing the findings.

According to general Grounded Theory guidelines, the following process can be implemented:

Firstly, data is collected and sorted by coding and adding categories/memos to the data sequences regarded as important for the research project. This is followed by 'theoretical sampling', a continuous process of searching examples for the established ideas and hypothesis. This results in the 'integration' of the selected data sequences (codes, memos etc.) into a theory, and by doing so strengthening and 'verifying' the evolving theory. As a result, the emerging theory can be described as a medium-range theory; it is no longer a hypothesis nor has it reached the status of a well-proven and accepted theory.

To help the coding process, Atlas.ti[156], a computer based qualitative data analysis tool has been used. Being close to concepts of Grounded Theory, it supports the creation and allocation of codes and memos, but can also help in creating semantic or conceptual networks (similar to mind-mapping) or provide some quantitative elements such as a 'word counter'. Developed codes, networks and other elements and results of the analysis process through Atlas.ti will be described later (see chapter 5.5 and 7.3).

Citing Neuman, Grounded Theory helps researchers to "show connections among micro-level events and between micro-level situations and larger social forces for the purpose of reconstructing the theory and informing social action" (Neuman, 2007, 31). As the research focusses on micro-level situations[157] to understand better how different processes within the described model of N&I function, Grounded Theory is expected to support this process in a fruitful way.

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[155] Strauss describes traditional approaches as an "imposition" of theories on a research project that is preventing a fruitful exchange between existing and emerging theories.
[156] For the analysis of data, Atlas.ti, Version 5.2 has been used.
[157] individuals that are involved in cultural Structural Fund projects.

5.4 Expert interviews in qualitative research

To generate data, I chose to conduct in-person interviews with actors involved in Structural Fund funded cultural projects in Poland. As previous stated, this choice of methodology is due to the fact that quantitative data and other studies and materials are scarcely available. Furthermore, the focus of this research relies not only on formal and quantitative incentives and constrains for cultural operators but also on informal norms and aspects of their application strategies to understand better this complex interplay between different levels and actors. Therefore, qualitative interviews were used to generate data not available elsewhere.

In general, it can be stated that (expert) interviews are a well-accepted method in sociological research. There are different approaches and kinds of interview techniques that can be distinguished by their level of standardisation; e.g. the kind of questions (open or closed questions) and their flexibility in asking them. Also, interviews can be analysed by using quantitative or qualitative approaches (or a combination of both) and the choice of analysis influences the selected interview technique as well.

Open or non-standardised forms of interviews like e.g. the narrative interview follow a flexible guideline and resemble normal conversations in which only the general topic(s) is/are given. Closed questions as well as suggestive questions are to be avoided in order to prevent yes or no answers, and the interviewee is encouraged to 'tell the story' without strong direction by the interviewer[158].

Semi-standardised or -structured interviews follow a guideline in a firmer way, still allowing flexibility in the answers or their order but also guiding the course of the discussion in a firmer way. Most expert interviews are semi-standardised, following a more or less flexible interview guide instead of a questionnaire. Sometimes they are also referred to as 'focussed' interviews (Merton, 1990).

Standardised or closed interviews are clearer structured. Questions and answers follow a strict order, and answers should stay in a limited (pre-set) range; the technique is mostly reserved to written questionnaires with pre-set questions and answers that allow an easy transfer of answers into quantitative data (multiple-choice).

Other choices are regarding the form; single or group interviews, repetitive interviews (to compare and get more data) or one single interview (often done for narrative interviews where

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[158] Here, Herbert Rubin refers to Douglas (1985) (Rubin, 1995 5).

one single case is at the centre of the research project) and between face to face or phone interviews (or even paper/online based questionnaires)[159]. As all forms have their advantages and disadvantages, the decision for or against one or another depends mainly on the research setting and can be influenced by available resources. In this paper, individual, face-to-face interviews based on an open interview guide have been chosen as they allow a certain extend of structuredness but are open for unexpected elements and changes (Grounded Theory). They are explained in more details in chapter 7.

5.5 Atlas.ti: codes, conceptual networks and co-occurrences

To support the analysis of collected data, Atlas.ti was used. Atlas.ti is a computer-assisted analysis tool for qualitative (interview) data, combining support of a qualitative analysis of data while at the same time offering some quantitative tools. The most important functionality of Atlas.ti is the possibility to code data and, later on, sort or filter data (codes, memos etc.) according to different criteria. Especially the coding function that allows at a later stage to understand co-occurrences[160] and create conceptual network views based on those findings (see chapter 10) is an interesting function of Atlas.ti.

As described by Gubrium Seale, one "of the major potential advantages of CAQDAS [Computer-Assisted Qualitative Data Analysis Software, the author] is that the approach encourages (but does not enforce) rigor" (Seale, 2002, 656). For some, it also enforces public accountability and credibility (Seale, 2002, 656) even though others, among them Seale, question this aspect (Seale, 2002, 656-657). For this research, it has been mainly chosen because of the need to thoroughly sort and code data to support the analysis of the interviews. As Seale mentions, "CAQDAS is clearly something that can assist the craft of social research […] but it is unlikely and indeed undesirable that any single "killer app" should substitute for creative thinking about data analysis" (Seale, 2002, 667). Therefore, Atlas.ti has the status of a tool for the research. For this thesis, Atlas.ti version 5.2 was used to help the coding process of the transcribed interviews [161] [162].

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[159] Compare e.g. Gubrium, 2002 ; Merton, 1990 ;or Bogner, 2005b .
[160] co-occurrence means which codes appear within the same code or directly before/after each other.
[161] For further reading on functionalities of Atlas.ti consult the following internet page: www.atlasti.com.
[162] I am grateful to the Leuphana Institut für Kulturtheorie, Kulturforschung und Künste for having provided me with a licence of Atlas.ti.

6. Choosing Poland

> *"One has the impression that Europe also needs such a museum because this could be a way to approach this kind of art that is so far away.*
>
> *Although we have the idea to construct an integrated Europe in which we all work together, at the same time the division between the east and the west remains huge. One can communicate, but there is a lack of comprehension between each side. So suddenly we were thinking that a museum here in Poland that is focussing only on contemporary Eastern European art could serve as a tool for Western Europe to get to know this other part"* N5: 5:30 (167:168)[163] [164].

As Structural Funds are a very complex EU institution that support regional development in Member States and are organised according to the subsidiarity principle, most competences related to Structural Funds lie at the regional level. Only by analysing operators in their regions with their approaches, their problems, and success stories, can one begin to understand the possibilities, the hopes, and the constraints that can be achieved. As resources for this research are limited and in respect of the complexity of the situation, only one country, Poland, has been chosen as case study country, and thus providing the projects to be analysed and the individuals to interview.

Poland was selected because of its unique situation. Historically, Poland is at the 'heart' of Europe, especially culturally. Krakow as the former capital is often described as the 'Florence of the north' or the 'Polish Rom'. For centuries, it displayed an affinity for cultural activities and recently (2000) was European Cultural Capital. At the same time, it acted as a window to the east and thus bridged east and west (see also citation above). It is a cohesion country (in contrast to e. g. France or Germany), and therefore is one of the primary beneficiaries of Structural Funds that are part of the Cohesion Funds/Cohesion Politics. Whereas Poland joined the EU as recently as 2004 in a historical opportunity of enlargement, it is a new Member State that might provide novel ideas and strategies. Seeing that it has very limited pre-accession experience with EU funds[165], the institution 'Structural Funds' can be tested on

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[163] Interview partner responsible for the content related side of the preparation and creation of a new museum.

[164] Citations are organised as follows: First, the number of the project and interview are mentioned (Nx). They can be found back in Table 2. This is followed by the Atlas.ti reference of the respective text passage.

[165] E.g. PHARE, one of the three pre-accession instruments financed by the EU to assist the applicant countries of CEE in their preparations for joining the European Union. See: http://ec.europa.eu/enlargement/how-does-it-work/financial-assistance/phare/index_en.htm.

fresh new ground in a dynamic Member State. Naturally, this is a rather positive perception. Different research schools show clearly that nothing is built on a 'neutral' ground, and thus old structures still remain. However, this will be discussed in the conclusion chapter. The choice of Poland might also be of value in the context of the Lisbon Agenda as important studies and documents on the use of culture and the arts for the development of the EU are a recent phenomenon[166]. For Poland, in contrast to older Member States, they were not added until after the implementation of Structural Funds became a routine but were an integral part from the beginning of their use of Structural Funds.

Furthermore, Poland introduced some specific funding lines for culture in Structural Funds[167] and a very unique additional fund to provide (parts of the needed) co-financing to cultural EU-projects (called: 'Promesa', see chapter 6.1.3). This points to Landry's hypothesis of innovation and creativity in situations of great change[168] but also meets criticism of the London Study on financial problems as earlier described (see chapter 3.5.3). At the same time, a political framework document regarding the role of culture was passed in 2004 by the Polish government, which included a very strong vision of culture and the arts as socio-economic factor for development with close links to concepts of creative industries and cultural class. It will be explained in greater detail later in this chapter, but was regarded as a sign for an open environment for the research topic at hand and therefore positively influence the choice.

Still, external validity is applied towards other countries and for other cultural operators to a certain extend. In many regards, Poland has to deal with similar problems as all other Member States inexorably face. Regional growth is a problematic topic for most countries regardless of their overall wealth, and the emphasis on culture is more and more seen as a possible option in the fight for better socio-economic development[169]. Problems and best practice examples of including and facilitating the access of cultural operators therefore is not a uniquely 'Polish' topic but an EU-wide subject of interest. Regarding the methodology, a bigger country promised a larger sample of possible cases and interview partners than a small country, hence Poland appeared to be the most appropriate choice.

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[166] See chapter 3.5.3, 3.7 for more details.
[167] This was done by only a very few smaller countries in the past funding periods, mainly Portugal and Greece.
[168] Change and necessity, as Landry (2000) explains, foster creativity. In the chosen case study Poland, politically, economically and socially tremendous changes took place over the last years. As far as Landry is concerned, this might stimulate new and innovative approaches to regional development through culture.
[169] See chapter 1.1 but also 2.2 or 3.6 for more details.

However, in a long-term perspective, a second study comparing results with other countries such as e.g. Spain or Ireland as Cohesion countries with a similar size or other new and older cohesion countries might be a very valuable addition. Country comparison would also allow to delve further into institutional isomorphism and thus is highly recommendable for future research projects.

6.1 Poland as case study

Because Poland was chosen as case study for this research, a short summary of Polish participation in Structural Funds and its administrative and decision-making structures shall be provided to help the reader gain a clearer picture.

Poland joined the EU in May 2004 and since then has been a full member of the Union.

Prior to its accession, Poland benefited from pre-accession funds, namely PHARE[170] and ISPA[171], which aim to improve infrastructure in (all) pre-accession countries and not only in Poland. They were created in 1990 as an instrument of financial and technical cooperation between the EU and the Middle East European Countries and were used to reform the economic and agriculture sector(s). Through this and other programmes, experts were sent to support Poland in its preparation for accession by providing guidelines and support e.g. on how to apply for funding and where to ask for additional information at the EU-level. Therefore, Poland had some experience in administrating and applying for European funds when joining the EU.

After May 2004, formal criteria linked to the allocation of Structural Funds[172] classified all Polish regions as 'Objective 1' regions allowing a maximum of co-financing through Structural Funds (including the Cohesion Fund). As described earlier, Structural Funds require national and regional frameworks to start implementation. Those frameworks or Operational Programmes were created for the first time in Poland in 2004 for the financial period 2000-2007 and therefore covered the two years following EU accession. As can be expected, first applications and money transfers were delayed for some months mainly due to complex requirement(s), but were also slowed down by nascent structures comprised of mostly inexperienced staff. Still, considering the difficulties of implementing such

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[170] See earlier in this chapter.
[171] ISPA: Instrument for Structural Policies for Pre-Accession, for more information see http://ec.europa.eu/regional_policy/funds/ispa/ispa_en.htm,
[172] See chapter 3.

programmes for the first time, culture was taken into account and included in some of the frameworks.

6.1.1 Poland and Structural Funds

Soon after 1989, the EU financially and technically supported the fundamental economic transformation in Poland. In the beginning, the 'PHARE' Programme tried to support restructuring activities of the economies, create normal market conditions and help to prepare EU accession countries for the integration into the EU. Prior to EU-access, Poland was required to create an EU-comparable legal basis, and prepare a variety of reports concerning the economic situation and the strategies relating to regional and national development. One of the most important legal acts was/is the regional development law passed in May 2000. It "addressed conditions supporting regional development and is the first act of this kind; it established the state's regional policy" (Schötz-Sobczak, February 2005, 3) by introducing guidelines for the cooperation of the Council of Ministers and the public administration with the local government and social and economic partners.

The next step was the approval of the implementation system for Structural Funds and the Cohesion Fund, which took place in March 2002, mainly prepared by the Ministry of Economy, Labour and Social Policy. Based on this, the 'National Development Plan' (NDP) (2004-2006) was developed which laid a base for the 'Community Support Framework' (SCF).

The SCF consists of five 'Sectoral Operational Programmes' (SOP)[173] [174].

Additionally, there is the multi-funded 'Integrated Regional Operational Programme' (IROP)[175], and the 'Technical assistance Operational Programme'[176], as well as projects funded by the Cohesion Fund and the Community Initiatives INTERREG and EQUAL. As all regions of Poland are currently selected as 'Objective 1- Regions', there are no Programmes for 'Objective 2 - Regions'[177] in 2004-2006.

In order to put this into a financial perspective, the estimated EU transfer for the first Structural Funds funding period for Poland (2004-2006) is mentioned: As the largest of new Member States, it has allocated € 12.45 billion for the Structural Fund policy[178] of which €

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[173] SOP Human resources development (ESF), SOP Restructuring and modernisation of the food sector and rural development (EAGGF_ Guidance Section) , SOP Fisheries and fish processing (FIFG), SOP Transport (ERDF).
[174] See: Poland National Development Plan 2004-2006, 71-72.
[175] Financed through ERDF and ESF.
[176] Financed by ERDF.
[177] Therefore, there are only objective 1 Operational Programmes in Poland for the funding period 2004-2006.
[178] European Commission DG for Regional Policy: The Impact and Added Value of Cohesion Policy. Brussels, July 2005, http://europa.eu.int/inforegio.

8.27 billion are contributed by Structural Funds and another € 4.18 billion from the Cohesion Fund. This was an estimated 1,8% of Polish GDP for that period (see: EU Press Releases, 2006, IP/06/833). As Budkowski et al. state,

> *"one of the most visible benefits [for Poland, the author] of joining the Community was help from structural and cohesion funds. Previously underestimated and overlooked, they turned out to be major factors in social, infrastructural [sic!] and civic development"* (Polak, 2007, 1).

Compared to other countries, Poland chose to implement only a small number of Operational Programmes that were expected to guarantee easier handling and greater transparency for all bodies involved, especially in the initial period. Therefore, single OPs for each of the 16 Voivodships[179] were not created for the first funding period. Whereas the EU does not force Member States to implement EU Structural Funds regulations equally, it does strongly support an individual approach respecting national culture(s), history and grown structures. Further, there is no 'guidance' on the 'right' ways to impose new administrative bodies for Structural Funds. Thus, only practice and exchange between actors and feedback from institutions involved, as well as scientific studies such as this one, will help to evaluate and develop further structures and approaches that are successful for the respective region.

Responsibilities for implementation are shared between different ministries and local authorities depending on the funding line and the steps of the process (from negotiating the frame agreement with the EU to the approval of funding, controls of budgets and implementations). There is no 'one stop shop'.[180]

6.1.2 Cultural Politics in Poland

> *"'Culture is a basis from which all the most important elements of contemporary success emerge: high qualifications, creativity and innovativeness'[181]. The investments in culture and its industries, equalization of access to culture, shaping the needs to participate in culture and the skills to receive it consciously should therefore become one of the most important directions of the activities undertaken"* (Smolen, 2005, 1).

The development of Polish cultural policy has been strongly influenced by the political changes and the radical break with socialism in 1989. That year marked the shift from a clearly state controlled system with limited sovereignty, a one-party system and a planned

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[179] Voivodships are administrative units of Polish regions.
[180] For a more detailed explanation on the administrative side of Structural Funds in Poland see Polak (Polak, 2007 5-6).
[181] Szomburg, 2001 .

economy towards a liberal democracy and market economy. In cultural policy, both systems were reflected strongly. During the communist regime, cultural activities were organised like all other activities by the political regime with clear centralistic and strongly institutionalised instruments and strategies. Not only was political censorship omnipresent, but culture was also instrumentalised for political aims. Formally, the Ministry of Culture and Arts and the Cultural Division of the Central Committee of the PZPR (Polish Communist Party) were the leading bodies in forming the Polish cultural policies during this time period. However, Polish poster-art, small theatres and other niches existed and, for instance Polish poster art was/is world famous. Remarkably, the "growth rate of public cultural expenditure was higher than the growth rate of the Gross Domestic Product (GDP), which gave the state legitimacy to act in this field" (Europe/Ericarts, 2006). In 1982, the Polish state established e. g. a 'Fund of Development for Culture', which also contributed to a rise of state expenditures for culture from 1.25% of the total Polish state budget in 1982 to 1.81% in 1998. This high political awareness in Polish politics for culture, and the high expenditures that came with it, made a certain kind of 'approved' culture available to everybody, which ensured a great level of security for artists and arts organisations that 'fit in' politically.

In 1989, Poland regained its independence and underwent dramatic changes in all areas; cultural politics were no exception. The new state guaranteed in article 73 of its Constitution of the Republic of Poland "the right of freedom of creation, to conduct scientific research and announce their results, freedom of education and use of cultural assets" (Europe/Ericarts, 2006). This was amplified later by the document on 'The Principles of State Cultural Policy' (1993) wherein principles for organising and financing cultural activities were formulated. These include – among others – support for artists and institutions to find their way into the market economy, the protection of cultural heritage and the most important cultural assets of the country, the support of democracy and civil society by the arts and the promise of supportive legal changes for new forms of cultural activities. From that basis, these goals for the Polish cultural policy were formulated:

- "decentralisation – shift the competencies from the central administration to the regional level, and from the regional to the local level;
- public financial support for selected cultural institutions and crucial cultural events; and
- support for the development of non-public cultural institutions and funding mechanisms which could supplement the public funding of culture" (Europe/Ericarts, 2006).

Nevertheless, with changing priorities and the changing role of culture, funding for culture and the arts shrank during the first years following 1989, and along with political changes the landscape of cultural institutions changed as well. Today, the legislative and administrative responsibilities for culture in Poland are shared between four levels: the national (state), the voivodships (region), the province and the municipalities (see organigram). In 2004, the local authorities allocated about 78% of public funds for culture. In detail, the state spending covered 20.25% of the total funding for culture in Poland, the voivodships 19.8%, the provinces 31.01% and the local administrations (municipalities) 28.94%. This is understandable, as decentralisation was one of the major tasks for the polish governments after 1989 and is also regarded as important in light of EU-accession. Therefore, as in most EU-Member States, the state is creating a framework for cultural funding (including taxes and copyright) and supports national institutions (such as national museums or archives) but leaves the bulk to the regional and local authorities.

Whereas in the EU, the partnership principle is regarded as imperative, the third sector (associations and foundations), especially regarding the cultural field, are, following Dorota Ilczuk "still not regarded as real partners of local authorities or the state" (Ilczuk, 2007, 13) in Poland. This is a delicate situation as from an official EU point of view, the civil society is regarded as one of the pillars of the EU and was given a voice within the partnership principle. If local authorities do not take associations and foundations as qualified organs of their members and as a source of information and competency, lobbying in the positive term of the word and thus influencing political processes in the interest of the cultural sector in Poland is rather difficult to achieve through associations and foundations. This might explain the absence of strong polish umbrella organisations in the field.
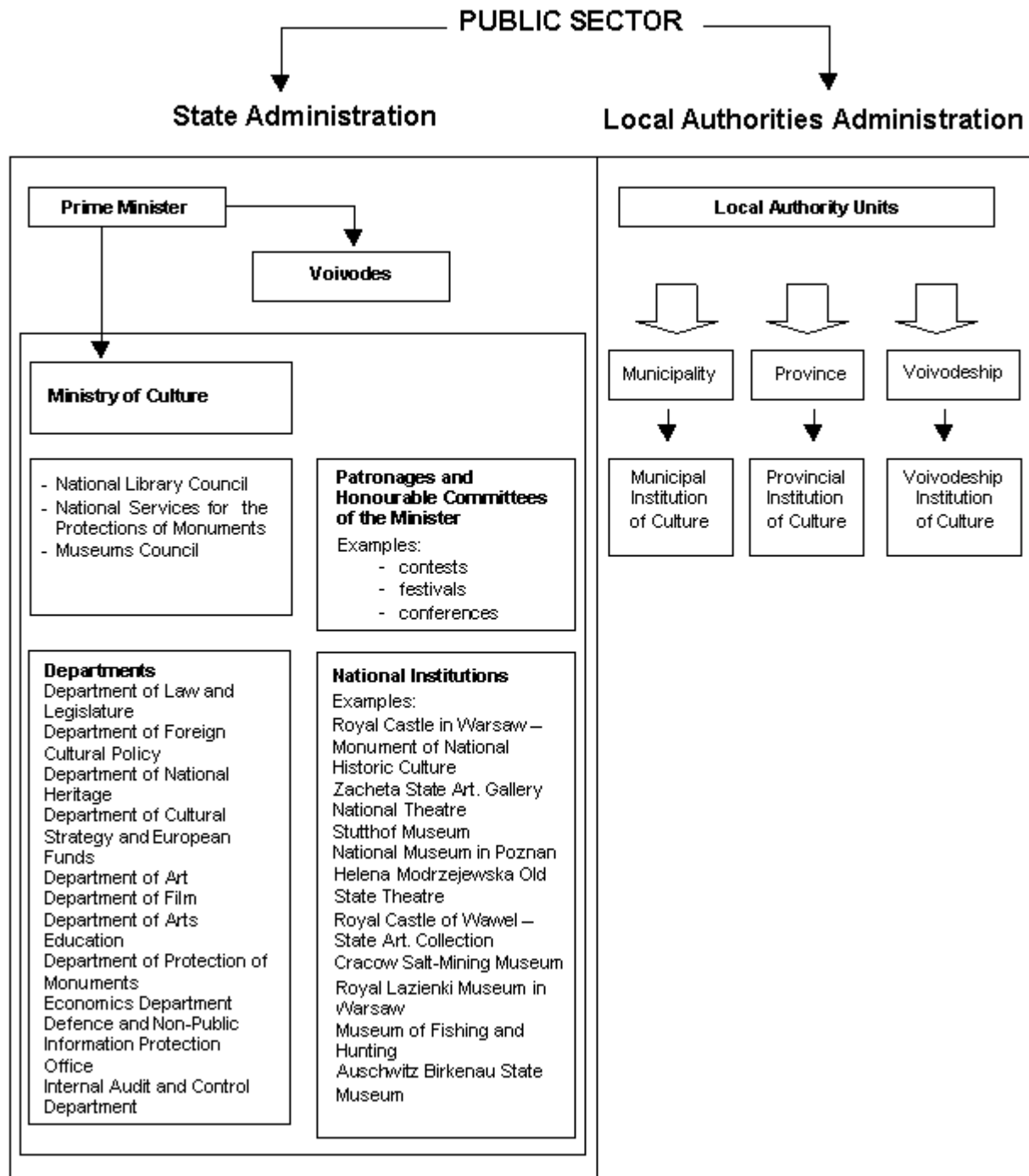
182

Figure 5: Organisational structure of the public sector in Poland

The perspective of a possible accession of Poland into the EU was an important trigger and support, especially for artists and arts organisations searching for international exchange and a further opening of their country. This was already acknowledged by the EU years before the actual accession when they offered Poland the possibility to participate in the cultural programme of the EU, Culture 2000, from 2000 forward. Since May 1st 2004, Poland, as a

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182 Ilczuk, 2007 3.

full member of the EU, also has access to other EU funds such as the Structural Funds. Despite different political interests and strong lobby groups such as the farmers, the Polish Ministry for Culture and Education realised early that the arts and creative industry can play a vital role in regional and national development, and therefore published a 'National Strategy for the Development of Culture in 2004-2013". It points out the need to create a

> *"new understanding of culture, treated as a long-term economic investment, bringing about profit and jobs. For many years, a traditional understanding of culture as an unprofitable area has dominated, absorbing the resources of the state and self-government budget. Expedience of the development of these areas was only considered in artistic and social terms"* (ibid: 4).

Culture as a fundamental factor for both social and economic development is listed in detail in this strategy. Therefore, possibilities for cultural financing in Structural Funds should, according to the conclusion of the authors of the study[183], be of central interest to Poland (ibid: 3). The strategy also includes a detailed analysis of the state of affairs concerning cultural and educational institutions as well as infrastructure and their development over the past years. The estimated percentage of the arts and creative industry in Poland of the GNP is about 4.5% in 2002. It thus constitutes a gross added value of 5.2% for 2002, and as a result, is an important part of the Polish economy as much as social and political life.

Aligned with the strategy, different instruments were proposed and established by the Polish government to counter socio-economic problems:

On the one hand, the Minister of Culture put forward legislative initiatives concerning copyright, subsidies and tax reductions, and supported joint actions with other ministries and regional bodies. On the other hand, several national Programmes for culture (2004-2013) have been established in five different cultural fields:

> (4) Reading and book sector,
>
> (5) Heritage,
>
> (6) Development of artistic institutions,
>
> (7) Contemporary art ('Signs of the time'), and
>
> (8) Artistic education ('Maestria').

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[183] The National Strategy for the development of Culture in 2004-2013 and the five National Programmes for Culture were developed upon request of the Minister of Culture. They were supervised by Prof. Dr. Hab. Ryszard Borowiecki and supported by different academic and cultural groups such as the Academy of economics in Cracow, Maloposka School of Public Administration in Cracow, Jagiellonian University, Scientific Society for Organisation and Management in Warsaw, 'Arts Institute' Society in Cracow and other Ministries.

Those Programmes were to be financed significantly by European Structural Funds money. They also reflect the different functions of 'culture' as defined by the Polish Ministry for Culture: (1) Culture as a value in itself, (2) Culture as a foundation for the establishment of a knowledge society, supporting a dynamical development of different economic sectors, (3) Culture as a value which conditions identity and preservation of cultural heritage. Here, some parallels can be drawn to Frey's definition (see chapter 2).

Therefore, the total spending for culture allocated within Poland in all five areas during 2004-2006 and to be spend until 2008[184] will amount to 1,839.31 Million Polish Zlotys which was planned to be financed as followed: Ministry of Culture: 334.97/EU: 938.46[185]/ Others: 565.88[186].

6.1.3 The Minister of Culture's Promise Programme

In the context of cultural funding in Structural Funds it is remarkable that the Polish Ministry for Culture established a national funding programme in order to support cultural projects, among others, cultural projects in Structural Funds. This grant, the so called: 'Minister of Culture's and National Heritage Promise' (or short: 'Promesa') selected 155 projects for the time period of 2004 – 2006 of which 128 realised their project for the total amount of almost 23 million Euro. The money granted was there to partly secure the obligatory co-financing for cultural projects and is supposed to facilitate investment in cultural infrastructure and other cultural activities, mainly in the domain of national heritage. Projects with a cultural focus can also apply for Structural Funds money and support under the Cultural Promise Programme, and might get the co-financing for their project through this national grant. A committee of state secretaries involved in cultural, educational and regional development matters conducts the selection of projects, and the ministry of culture itself takes the final decision. As it is the Polish Ministry of Culture granting 'Polish' and not EU-money, data on projects are not accessible for researchers.

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[184] Because of multi-annual projects, the spending phase is different from the budget period.

[185] Out of the EU funds, the Integrated Operating Programme of Regional Development, and other Operational Programmes, the Financial Mechanism of the European Economic Area, Interreg and Culture 2000 are planned to be involved.

[186] For example the National Centre for Culture has organised the 'Polish Regions in the European Cultural Space Programme' since 2003. It is a support programme facilitated by the Minister of Culture of the Republic of Poland. It aims to support the evolution of the Polish cultural sector, promote modern standards in cultural management, protect the national heritage and tries to involve culture in social and economic activities mainly through training courses, postgraduate studies, conferences, publications and expertise for cultural operators. More information can be found on the website: www.regiony.nck.pl/?lang=en.

"*In total most of the approved promises concern activity:*

- *Village renewal as well as maintenance and protection of cultural heritage in the framework of the Sector Operational Programme – Reorganisation and modernisation of the food sector and rural development (69 promises)*

- *Development of tourism and culture in the framework of the IROP (28 promises)*" (Tylus, 2005).

EU money, however, is not accessible to every cultural institution. As Professor Dorota Ilczuk points out in her paper on the non-governmental cultural sector in Poland, only around 12 per cent of all cultural organisations tried to apply for EU funding between 2001-2004. At the same time, 75% articulated their wish to benefit from European funds (Ilczuk, 2006, 2) [187].

6.2 Culture in Structural Funds in Poland

> *"…culture is one of those sectors that are best prepared for absorption of structural funds"* (Smolen, 2006).

During the programming period 2000-2006, cultural components were already included in the central Structural Fund documents in Poland. In the National Development Plan (NDP), culture, and especially cultural heritage, are mentioned several times[188]. It is part of the 'Poland 2025 Long-Term strategy on stable and balance development' (adopted by the Council of Ministers on July 26, 2000), and social and cultural factors are highlighted equally in the context of urban growth (p.66 of the NDP). Formally, creativity, culture and the arts (following Frey's approach) could be expected to be included in the following OPs and sub measures:

Single Operational Programme (SOP) – Human Resources Development

Measure 1.2 'Perspectives for youth',

Measure 2.1 'Increasing access to education – promoting lifelong learning'.

SOP – Improvement of the Competitiveness of Enterprises

Measure 2.2 'Support to product and technological competitiveness of enterprises';

Measure 2.3 'Improvement of competitiveness of SMEs through investments'.

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[187] For a good introduction and overview of the cultural sector in Poland see: The non-governmental cultural sector in Poland: evolution of functions and aims (Ilczuk, 2007).
[188] See page 84, 85 and 106.

Selected projects within Integrated Regional Operational Programme (IROP)

Priority 1: investment in tourism and culture; investment in Information Society infrastructure with the framework of the 'e-Polska' strategy';

Priority 3: tourism and cultural heritage projects[189].

Out of those possibilities, especially the last priority with an obvious cultural focus (even though a 'narrow' focus on cultural heritage) is worth mentioning, as it was negotiated with the EU authorities and only included thanks to the present acting cultural minister who insisted on its inclusion. The EU authorities did not agree on its vision of culture as part of regional development, and granted the approval of the Programme only in combination with tourism, which is something that changed for the new funding period (starting 2007)[190].

In general, it can be said that Poland is one of the most important recipients of Structural Funds and has included culture in its first Structural Funds funding period (until 2006). This inclusion was supported by other framework documents such as the national strategy on culture or specific funding periods, and therefore provides a formally very positive starting point for cultural operators interested in applying for Structural Funds.

In the next chapter, the methodology of this paper will be presented before entering into the analysis of the situation of cultural operators in Poland.

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[189] http://ec.europa.eu/regional_policy/country/prordn/details.cfm?gv_PAY=PL&gv_reg.
[190] This was explained to the author by one of the former advisers of the Minister of Culture who was involved in the project.

7. Implementation of methodology

7.1 Interviewing Polish cultural operators

For the research project at hand, semi-standardised qualitative **interviews** were conducted; "qualitative interviews are a tool of research, an intentional way of learning about people's feelings, thoughts, and experiences […] and guided by the researcher, who intentionally introduces a limited number of questions and requests the interviewee to explore theses questions in depth" (Rubin, 1995, 2).

The choice for a semi-standardised approach was due to the fact that a minimum of comparability of interviews should be guaranteed while at the same time allowing the interviewee to 'tell their story', and give insights into drivers, obstacles, and especially informal norms and their influence on application strategies. To gain a better understanding of the broader picture, several interviews with different actors (all involved in one way or another with applications for EU-funding of cultural institutions) were conducted face-to-face through a one-on-one approach[191]. Because general lists of projects in Poland were not available or accessible to the researcher despite several attempts of obtaining such information (face-to-face and written requests to the EU institutions such as DG REGIO and others as well as the Ministry of Culture and National Heritage and other administrative bodies in Poland), snowball sampling supported by intensive Internet research was used to select the interview partners. The author is aware of the fact that snowball sampling is the subject of many criticisms, among the strongest, that it is biased and does not allow a balanced and objective selection of interview partners. This being said, it is a very helpful technique often used for 'hidden' groups or populations that are not easily accessible. Even though cultural operators are not 'hidden', their use of Structural Funds, especially if planned only in the future, is not easily accessible. Thus triggering the choice of snowball sampling. Still, as the author is aware of the limits of this technique, additional recruitment of interview partners through other means (mainly Internet research) was applied. The Internet research provided very limited success, which again reinforced the choice of snowball sampling. However, it helped to broaden the set of people contacted and the regional spread. It is important to note that through using snowball sampling, an interconnected network of people and/or organisation is likely to be analysed that might later on have an influence on the analysis of the results.

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[191] There was one exception where questions had to be sent via email, and answers were provided several months later in a written form (in Polish). This interview was the only exception and thus on a methodological base was hard to integrate; it was left aside and not taken into account.

7.2 Interview guide

On the base of a pre-developed interview guide that was, as described in the research processes linked to Grounded Theory, adapted and changed with every interview conducted, the interviews were carried out in a period of a little over 2 months (summer 2007) by the author. To test the interview guide, one preliminary interview with a German cultural operator was conducted. He was involved in a cross-border Structural Fund project with Polish partners. This preliminary interview provided valid and useful first hand knowledge on how the structure and questions could be improved, and allowed the adaptation of the interview guide for the interviews in Poland. For the analysis of the situation in Poland, the preliminary test interview was not included because of the different settings[192] that could distort the results. This slightly changed interview guide helped to thoroughly prepare the interviews, and 'guide' the interviewer and the interviewee during the interview, preventing a digression and providing a basis for comparability of the conducted interviews in the phase of analysis. It provides more questions than were asked to each interviewee, and was adapted slightly to the circumstances and interviewee for each interview. Rubin describes this adaptation as an essential part of qualitative interview techniques. He states that, "the content of the interview, as well as the flow and choice of topics, changes to match what the individual interviewee knows and feels" (Rubin, 1995, 6-7). Later he insists that researchers "listen to each answer and determine the next question based on what was said: Interviewers don't work out three or four questions in advance and ask them regardless of the answers to earlier questions. The interview, like an ordinary conversation, is invented anew each time it occurs" (Rubin, 1995, 6-7). This is also aligned with Grounded Theory. Originally, the structure of the interview guide was divided into seven sections based upon key assumptions and the hypothesis of the research:

I. The pre-phase: In a first step, general information about the organisation and the project the expert was/is involved with was gathered. During the process of preparing the interview, attempts were made to collect this information. This preliminary information served as a precondition for the selection of interview partners and a thorough preparation of the interviews. Only in the event of unsuccessful efforts to acquire this preliminary information, related questions were asked in a selective manner during the interview. Answers aimed at allowing a minimum of comparative statistical data on the analysed projects.

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[192] The test interviewee was a German and not a Polish project partner and participated in a cross national project financed by the community initiatives and not in an ERDF or ESF financed project exclusively on Polish territory.

The interview phase:

II. Genesis: Whereas the focus of the conducted research lies with formal and informal aspects supporting or hindering cultural projects in Structural Funds (Structural Funds), the 'genesis' of the respective project is the beginning of a project and thus of vital importance. Therefore, the development of the project idea becomes the centre of attention, including the motivation behind it. One of the areas of interest in this regard is to find out how the interviewee or his/her organisation learned about possibilities of cultural funding in Structural Funds. These questions intend to paint a picture of the flows of information supporting the expert and the initiation of projects. It should also generate feedback on the experiences of the expert with European projects and the content related to the everyday focus of the organisation.

III. Culture and Structural Funds: Making a distinction between the expert coming from a cultural organisation and an individual from a local, regional, or national administration, the expert is asked about her/his choices and considerations. Why did the project organisers not apply for national funds or other European funds (such as 'Culture 2000') and what changed in the conception of the project when making this decision? All these questions might point towards the experts' consideration of the added value both for culture and for Structural Funds.

IV. Application process: Following this, a forth section inquires about and discusses the actual application process, focussing on obstacles and supportive structures. At this juncture, the expert was asked to assess the formal and informal frameworks. In this regard, information on finances aree of special interest. These are expected to generate information about financial contributions and dependencies in the sector. Additionally, formal aspects such as requirements for project applications will foster further knowledge of the situation. Taking into account the strong role of personal relations and the 'informal rules of the game' influenced by individuals, institutions, groups and networks, an additional question is dedicated to personal relations and informal, non-material support.

V. Strategy: As actors' strategies lie at the heart of the research, this section directly inquires about the kinds of strategies that were used. It equally evokes questions around possible problems linked to an application strategy and their nature. It was hoped to gain more insights in actors' self-awareness and the 'tips and tricks' they might be willing to share.

VI. Support/Environment: The idea of an institutional environment and formal/informal support is elaborated further in the next section. Therein, specific structures and institutions are the focus of attention, again drawing from the previous involvement and experience of the expert. Answers are expected to reveal information about the importance of long-term affiliations with specific networks: Does the successful organisation of a project rely on previously established informal structures, or can a newcomer or 'outsider' gain access to grant structures and/or create new networks in case appropriate ones are missing?

Examples of best practice are referred to frequently when aiming at the improvement of existing situations. Awareness of similar projects and their surrounding conditions are required in order to compare systems, and therefore they will be given attention during the interview. Additionally, this part of the interview hopes to give the interviewer the opportunity to gain new contacts or information concerning other regions and countries. Here, an overlap of other sections inquiring about contacts, information sources and support structures cannot be avoided.

VII. Future: The concluding section invites the expert to express some personal ideas about the future, about wishes, hopes and changes concerning cultural policies and Structural Funds. In order to specify (but not limit) the question, this shall happen by focussing on the expert's project and organisation.

Information such as the intention to repeatedly apply for project funding or to search for other EU funding (and thereby keep or intensify a European perspective) provides important feedback on the satisfaction of the process and outcome. The same is true if the expert states her/his resignation or refusal to go on with European funding or the declared wish to rely more strongly on solely/exclusively regional and national funding in the future. By explaining his/her reasons for the decision, again, proposals for changes in the existing system are expected from the expert. Still, as this paper focusses on actors' strategies and not on the evaluation of success of a project or the proposition of changes within the formal framework of Structural Funds, this section of questions should be understood as a different way of validating formally stated considerations and believes.

Interview guide
I.   General information of the project
                    i.   What kind of organisation ? (NGO/Governmental)
                    ii. Main goals/cultural field of the organisation
                    iii. Place
                    iv. What kind of Fund (Structural Funds, others)
                    v.   Budget
                    vi. Source of Co-financing
II.   Genesis
        a.   How was the idea for the project developed?
                    i.   Have you done something similar before?
                    ii. Is it related to other activities in which you are involved?
                    iii. What was the need behind the project?
III.   Culture and Structural Funds
        a.   How did you learn about the possibilities of cultural funding through Structural
             Funds?
                    i.   government (local/regional/national)/personal contacts/networks/EU
                         platforms
                    ii. other/previous experience with EU application or projects
        b.   Why did you use structural funds and no other funds to finance your project?
        c.   You used Structural Funds for your project. How did this influence the objectives and
             the conception of the project?
        d.   Are there advantages to do cultural projects within Structural Funds?/
             Where is the added value for both cultural projects and the aims of the Structural
             Funds?
IV.   Application process
        a) Who completed the application ?
        (team, single person, Age/nationality/educational background)
        b) Where did you get support?
                    i.   Financially (co-financing, funding for project preparation)
                    ii. Practically/Technically (how to fill out forms, how to write an application,
                         tips and tricks)
V.   Strategy
        a.   How did you approach the project? What was your strategy?
        b.   What/who hindered you? Which problems did you encounter?
                    i.   Are they specific to cultural projects/operators?
                    ii. Do you fit easily within the structure?
        c.   What would you give as advice to somebody who is planning to do an application?
             (e.g. if you outsourced the application process – was it a good decision?)
VI.   Network /Support/Environment
        a.   Could you use old structures, networks, connections you had before the project?
        b.   How are you/your project perceived by other (non-cultural and cultural) actors?
        c.   Do you have any knowledge about the use of Structural Funds (for culture) in other
             regions in Poland or in other countries?
VII.   Future
        a.   How does/has the application for a Structural Fund project affect(ed)/change(ed) your
             organisation?
        b.   What possibilities do you see for your organisation (or yourself) in the future
             concerning Structural Funds?
        c.   Did you get a new perspective on what culture can do for regional development?
        d.   Is there any need to change the Structural Funds to support culture better than it does
             now?

7.3 Atlas.ti codes

The following 25 codes were developed (alphabetic order) and build the basis of the analysis:

• adaptation for application	• support/help	• politics
• application	• idea	• problem
• background of applicants	• information/ informing	• Promesa
• choice of programme	• knowledge of others/network	• regional development/socio-economic changes
• competition	• mistrust	
• culture specific	• NGO in SF	• structure of organisation
• delicate issues	• outsourcing	• suggestions and advise
• EU perception	• planning	• timing
• financing		
• former experiences		

Text passages or fragments were selected manually by the author through Atlas.ti, and attributed to one or several of the listed codes. This electronic 'highlighting' via virtual text markers allows a much easier and transparent sorting and search of interview citations by codes and therefore (research) subject. Furthermore, the computer programme can provide quantitative data (how many citations, how many words etc., see chapter 5.5). These functions were much used for the upcoming analysis chapter. In a second step, codes can be displayed in network views and therefore visualise possible interlinks between codes. The conceptual network analysis is part of chapter 10.

Some but not all codes are self-explanatory. To avoid misinterpretations, the selected content of each code is shortly described. As explained earlier, they were created in a back and forth process (Grounded Theory). Only final codes are mentioned. They are sorted by interview guide section:

I.   General information about the project

No specific codes were used for this section.

II.   Genesis

The code '**idea**' gathered all text passages where interviewees described the idea and especially the development of a project idea.

The '**former experience**' of an organisation or of the interviewee was assumed to provide hints on learning processes and pre-existing know-how within an organisation on how to apply for funds and organise projects.

III.   Culture and Structural Funds

The code '**choice of programme**' draws attention to different aspects of the choice for a funding possibility such as Structural Funds. A related question is, for instance, 'why did you decide to apply to Structural Funds?'.

The code '**information/informing**' allows the gathering of citations on how interviewees acquire information, and sometimes even spread information themselves. Citations linked to questions such as 'how did interviewees knew about the funding possibilities' (equally important for section IV) or answers regarding support structures within the application process were grouped under this code.

'**Culture specific**' highlights all text passages where interviewees discussed possible differences or specific challenges for a cultural project and its application. As this paper focusses on cultural projects, one of the questions that naturally arise is whether or not interviewees perceive their situation as different from other sectors (e.g. health care, environmental issues etc.), and if so, what kinds of differences are underlined.

In combination with a quantitative search for different words linked to regional development and the EU in general, the codes '**EU perception**' and '**regional development/socio-economic change**' helped to filter citations on how the EU and the goals of Structural Funds (regional development) were perceived and described.

IV.   Application process

General text passages that touched the application process were coded with '**application**'. They sometimes not only touch aspects of the application but also the strategy behind it and therefore are equally part of point 'V. Strategy'.

The '**background of applicants**' is targeted towards applicants' education and/or participation in seminars and workshops linked to grant writing. Information obtained not only gives a clearer picture of the actors involved, but also allows the drawing of conclusions regarding the (personal) environment of the applicant, his/her networks and possible support structures. Therefore, this code is equally important for part VI. of the interview guide.

The '**structure of organisation**' refers to the position of the applicant and, if applicable, the size of a specific team for grant writing and the attitude of a director. Comments regarding the staff and structure within an organisation were all included under this code.

'**Financing**' gathered all financial aspects of a project application such as the sources of funding for the preparation phase, for the co-financing, financial challenges within the application or for the (future) project etc.

Within the code '**planning**', all aspects related to the preparation phase of a project were grouped. This code is closely linked to '**timing**', a code including all citations that referred to deadlines and external time constrains as much as a 'right' moment in time for an organisation to submit their project application.

'**Promesa**', the Polish co-financing tool, was coded separately whenever mentioned in order to allow a better understanding of its role within the application process.

V.   Strategy

'**Adaptation for application**' is coding text fragments where interview partners described changes or refused the notion of necessary changes for an application.

'**Outsourcing**' as one possible strategy was discussed. This tool can equally be understood as a support measure within the application process. Respective passages were therefore coded separately under the code 'outsourcing'.

During interviews, the situation of NGOs within the cultural sector, and especially, their attitude towards a possible application to Structural Funds were touched upon whenever possible. Answers and explanations towards the situation and possible challenges of (cultural) NGOs in Poland were gathered under the code '**NGOs in Structural Funds**'.

Challenges regardless of their nature were coded under the code '**problem**'.

'**Suggestions and advice**' helped to gather the constructive side of challenges and grouped comments on improvements as well as tips and tricks for applications.

VI.   Support

'**Support/help**' is a code that gathered information both on symbolic and practical support. Here, internal and external support was coded within the same code. A possible distinction was only done in the interview analysis.

Within the code '**knowledge of others**', citations describing the interconnectedness of interviewees and their institutions were gathered. Here, knowledge of others is the awareness of the existence of other projects within or outside the respective region. Networks in forms of connections to others outside the particular institutions, acquaintances linked to support possibilities or information gathering or even other institutions that were considered for

possible co-operations were marked as well. The included citations helped compile possible contacts to additional interview partners for the interviewer (snowball sampling).

'**Competition**' touches an important element of an application within an interlinked sector. Whenever interviewees referred to other institutions as competitors or described higher or lower chances for an application because of other participants in the call, they were coded with the code 'competition'.

VII.   Future

No specific codes were developed for this section, as most information (such as advice and support) was included in other codes, mainly linked to the interviewees' application strategy.

Others

Some codes cannot be attributed to one section but were developed to help the overall analysis. The code '**delicate issues**' gathers all remarks on hinted irregularities, intercultural issues etc. that came up during an interview but could not be attached to the code 'problem' alone or to one of the other codes. It also helped the author in highlighting text passages that were perceived as irritating or very important, and therefore, even though they might not 'fit' in another code, should not be overlooked.

'**Politics**' explicitly codes remarks on the political situation, including the possibility of influence of politics on the project and the sector in general and vice versa.

The above-explained codes are part of the interview analysis that is presented in the following chapter.

8. Sampling. Formal and quantitative aspects of interviews and projects analysed

In the past chapters, Structural Funds and possibilities of cultural funding have been described, followed by a theoretical embedding of the research and a description of the chosen methodology. The specific situation in Poland was shortly portrayed, and finally, interview methodology was presented to prepare the ground setting of the primary data collected for this research. Now, the analysis of the interviews will be presented. All interviews with project partners were transcribed verbatim and analysed using Atlas.ti (see earlier in this paper). For privacy reasons, no names of people or institutions will be used; a full version of the interviews is not included in the annex and is not displayed to the public.

In total, 27 interviews[193] were conducted in Poland with polish interviewees. Most interviews lasted about one hour. Out of those 27 interviews, four involved translation/interpreters from Polish into English, one was conducted mostly in French (and translated by the author into English during the process of transcription), the other interviews were all conducted in English. The author is aware of the fact that conducting interviews in a foreign language (for both interviewee and interviewer) and at the same time crossing intercultural barriers (Polish/German) must be reflected in the analysis, as it can influence the role of the interviewer and the answers given. Not every word can be taken into account, especially if there might be linguistic problems (not finding the 'right' words to express). But there can also be the chance that given both individuals use a foreign language, some things are explained in a clearer way because both know that the other person is not communicating in his/her mother tongue. This holds equally for cultural and national differences. Some information might not be given to a foreigner, especially a young interview partner not belonging neither to the 'club' nor to ones own culture but to a country that has invaded Poland during the second world war and left a totally destroyed capital and countless horrors and resentments behind. On the other hand, a young researcher as the 'outsider' might receive much more information than an 'insider' who could 'misuse' the information and compete in the same field with the organisation interviewed. Furthermore, a foreigner, being too young to be involved in the second world war, by showing interest in the situation of Poland can trigger positive reactions and, as interviews showed, meet a high level of openness with the actors that accepted to meet for interviews. Still, the possibility of misreading some of the

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[193] There was one exploratory interview conducted with a German Structural Fund project applicant prior to the conducted interviews in Poland to test the interview guide. This interview, although including very interesting information, will not be included in this research. See chapter 7.2 on the development of the interview guide earlier in this paper.

information remains, as interviewer and interviewee have different cultural backgrounds. However, as with the use of a foreign language, there is the chance of a much comprehensive explanation of points of views or circumstances to make sure that the message is clear and an understanding achieved.

Within the 27 interviews, two groups of interview partners can be distinguished. The first group includes actors involved in preparing applications for cultural institutions or preparing/running cultural EU-projects. They can be referred to as *expert interviews* according to Bogner/Menz and Meuser/Nagel[194] and represented a broad range of actors of the cultural sector mirroring the spectrum available. As they were part of the field of research, they can be regarded as internal and not external experts (compare Meuser, 2005).

This group of interviewees consists of 14 interviews and/or cases. Each interview is between 31 and 96 minutes long with a total of ca. 863 minutes or over 14 hours of transcribed interviews. In other words, each interview lasted in average of a little over one hour. As for the transcribed texts, the 14 interviews had a total of 81.599 words or 5839 words per interview transcription. Of the transcriptions, the shortest one had 2718 words and the longest 8879 words.

The second group of interviewees were actors involved in the administrative part of the application, namely employees of the Ministry of Culture and National Heritage or city or regional administrations, or they were working for umbrella organisations linked to regional development or to the work of NGOs in Poland; therefore being rather external than internal experts when referring to cultural actors application strategies.

The first group of interviews was used as the primary database for this research, and therefore were transcribed verbatim to be coded and analysed in-depth by using Atlas.ti, whereas the second group of interviews was used to help understand the environment and frame conditions. Therefore citations and information gained from that second group of interviews were included in the analysis where appropriate without a full transcription of the entire interview.

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[194] Bogner and Menz equally give a definition of the 'expert' within an interview in their book on interview techniques. Compare Bogner, 2005a 46.

8.1 Regional representation

Efforts were made to provide regional diversity as Structural Funds are administrated on a **regional** level, but communication with the EU was mostly organised through bodies in the capital (like the Ministry of Culture and National Heritage). Therefore different first-hand knowledge from actors further away from Warsaw was intended to be included in the research. As a result, interviews were conducted in Warsaw (16), Krakow and suburbs (5), Gdansk (3), Sopot (2) and Koszalin (1). The capital, Warsaw, is more strongly represented than the other regions. This can be explained by the importance of a capital, especially in a very centrally organised country such as Poland, but might also partly be due to the snowball system. Another reason might be a positive correlation between a regional closeness to important national administrations (such as the Ministry for Culture), therefore creating easier and faster access to information and thus more projects. This assumption still needs to be proved but has been e.g. further developed and proved to some extent in the research on network clusters in Portugal done by O. Conceição, M. Fontes and T. Calapez (Conceição, 2008). It is also confirmed for Austria, as described by Zembylas who states that the relationship between the cultural offer in Vienna as a capital and the rest of the Austria is 4:1 (Zembylas, 2000). The geographical representation and the interconnection between interview partners is displayed in a sociogram further on in this paper. It helps to visualise actors bonds, and trace back some effects of the snowball sampling. Only interviewed institutions are included; therefore the links between Warsaw, the starting point of the research, and the north of Poland or Krakow are very few. However, this does not mean that other institutions were not contacted or mentioned by the interviewees.

8.2 Challenges: language and social desirability

As previously mentioned, most interviews were conducted in English, one in French and some even included an interpreter. The use of a second language on both ends (interviewer and interviewee) is very delicate and can lead to different outcomes. Some interview partners mastered the interview language very well and did feel comfortable expressing themselves. Others struggled with language issues, which resulted in very open and clear answers that were intended to make sure that the message 'got through'. Still, others projected the impression that they would have told much more in greater detail if it had been in their mother tongue. Answers and citations were transcribed verbatim, and some interview partners had to 'search for words', while for others it was the simple process of 'talking' instead of

writing, which from time to time created strange sentence structures. The author took the liberty to transform some of their sentences when cited in this paper into a 'fluid' English without changing the context of the citation. This is also a gesture of cordiality and respect towards interview partners. Still, answers are perceived as overall highly valid insights into interviewees view on the application process.

Another point that needs to be addressed is the social desirability within interview answers, and the specific situation of the interviewee as a foreigner towards the interviewees in Poland. Interviewers can enter an interview-interviewee-relationship in different positions as explained by Bogner and Menz (Bogner, 2005a); the interviewer can be a 'co-experts', a 'complies', a 'laymen' etc. This results in different relationships, and thus in different levels of depth of information and different extents of social desirability. Here again, a broad variety of cases and situations was found, but openness was clearly dominant over mistrust and social desirability.

8.3 Interview partners and their projects

On the following page, the conducted interviews out of the first group are listed according to the kind of institution (museum, castle, church etc.), their content (restoration, construction etc.), the body behind the project (state/public compared to an independent body) and their thematic focus. As with most projects, a clear black and white picture is rare, especially when it comes to the field of action. The building of a theatre can be linked to a theatre school (education), and if it is included in a complex of old buildings that are conserved or restored at the same time, cultural heritage plays an important part, too. This is visualised by the amount of 'x's in the respective column (the higher the number of 'x' is, the stronger the element is represented within the project).

When deciding if the project was a 'cultural' project, the intention was to base the definition on Frey, and loop it back to the EU and Polish definitions. Regarding the contacts and choices and thus the outcome, and due to the destitution of data, (snowball principle, difficult access to data) the 'kind of cultural projects' interviewed for this research were all part of a narrow, rather traditional understanding of culture, as they involved mainly museums, theatres, cultural heritage and churches. Therefore, the results are rather detached from those definitions and the absence of a broader set of 'cultural projects' has to be discussed in the concluding chapters. For a more detailed discussion on kinds of culture, please see chapter 2.

In terms of bodies as organisations that are applying for Structural Funds, the following differentiations were made: Public organisations, administrative bodies, independent organisations and churches.

Public organisations are financed and administrated mainly by state organisations (regional, national authorities) such as national museums, national monuments etc. Even though they might present themselves as independent, they do not depend on private funding or public grants that are given to them through a competitive approach for a limited period of time.

Independent organisations are smaller, privately run organisations. Even if they receive public funding, they have to re-negotiated their support on a regular basis and have a very limited amount of resources.

It can be observed, that independent bodies (2), churches (2) and direct public administration projects (2) were less represented; public organisations (8) were the rule. As with regional representation, the author made huge efforts to balance the set of interviewees and tried especially to include independent bodies. Neither the snowball system nor contacts within the Ministry of Culture and National Heritage or contact with umbrella organisations and research through the Internet led to a broader set of active NGOs. Most interview partners could not even name one independent body that tried to apply for Structural Funds. Why independent bodies that applied for Structural Funds are so difficult to find will be discussed as part of the following interview analysis[195]. Furthermore, most projects were flagship projects with a symbolic character (e.g. a prestigious building of a new museum or the restoration of an historically important monument).

The financing went into the construction of infrastructure, of 'hardware' (tangible infrastructure), mainly in (re-) constructing buildings. Dynamisation of infrastructure or 'software' was sometimes a small part of the projects or financed through other sources (mostly it was planned to be done at a later point; financing for those second phases was in most cases not secured at the moment of the interview).

> *"The money is for preparing the building and the construction. For the project, there was an initial step and then a second. The first one was to prepare some part of it and the tunnel and the second one is right now ongoing. To create everything inside, like exhibitions and equipment and everything else, they don't have money for that. They will have to submit another application"* N1: 3:26 (207:212).

Only one project focussed on intangible, digital 'infrastructure' and did not involve any construction work of a new or in an existing building (see table 2).

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[195] Some reasons might be linked to the specific situation in Poland, see chapter 6.

The interview partners for the first group of interviews consisted of 14 interviews and/or cases were mostly male (12 male, 5 female interview partners (including the interpreters that were in two cases also 'interpreters' of the content)) and had mixed backgrounds (law, financing, artistic background, politician etc.); a tendency towards one field or another cannot be observed. Still, it is important to point out the fact that nearly all applicants or their organisations had completed higher education and had some former experience with grant writing. Some even mentioned that they had participated in specific seminars (5 applicants) for grant applications.

Table 2: Overview of interview partners and their type of project (first group)

Organisation	Project	PNr.	Body	Heritage	Museum	Theatre/Opera	Information Society	Sport/ Event	Funding	Place
Historical monument	Restoration of a historical palace	N1	Public	Xxx	X				SF before 2007	Warsaw
Museum for a specific topic	Restoration of a historical place to create space for a museum	N2	Public	Xxx	Xxx				SF before 2007	Warsaw
Education institution	Restoration of historical buildings	N3	Public	Xxx					SF before 2007	Warsaw
Historical monument	Restoration of historical building and creation of modern infrastructure for the museum	N4	Public	Xxx	Xx				SF before 2007 and after 2007	Warsaw
Museum contemporary art	Building of a new museum	N5	Public		Xxx		X		SF after 2007	Warsaw
Opera	Restoration of building, cooperation etc.	N6	Public			Xxx			Interreg and EEA grants	Warsaw
Library[196]	Creation of an online management tool to improve accessibility	N7	Public				Xxx		SF before 2007	Warsaw
Science Museum	Restoration and building of a museum in a historical place	N8	Public	Xxx	Xxx		Xx		SF before 2007	Gdansk
Theatre	Building of a new theatre	N9	Independent	Xx		Xxx			SF before 2007	Warsaw
Stadium and Theatre	Building of a stadium for sport and cultural events	N10 a	Adminis-tration					Xxx	SF before 2007	Sopot
	Renovating of an open air theatre	N10 b		Xxx		Xxx		X	SF after 2007	Sopot
Theatre	Infrastructure for the theatre	N11	Independent			Xxx			EEA grants	Krakow
Churches	Historical path along different churches, restoration of the respective churches, some new media information tools	N12	Church	Xxx			X		EEA and SF after 2007	Koszalin
Church	Restoration of part of a church	N13	Church	Xxx					EEA grants	Gdansk

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[196] For this project, two interviews were conducted.

8.4 Second group of interviews

Within the second group of interviews, a variety of people and institutions were involved. In addition to employees of the Ministry of Culture and National Heritage and city and regional administrations, one consulting company, two NGO umbrella organisations and one specific cultural institute were interviewed. Most were in Warsaw (see below). Not all interview partners were involved in Structural Funds, but worked e.g. in the field of rural development projects, and helped to understand better the situation of NGOs or provided inside information of the situation of the cultural sector in Poland. Out of the interview partners of this second group, most interviewees were female (9 female interviewees out of 13 interviews).

Table 3: Overview of interview partners and their type of project (second group)[197]

Organisation	Competences	Interview number	Body	Cultural field	Place
Private consultant company	Consultant for EU-applications	I1	Private	Not specific for culture	Warsaw
NGO Umbrella Organisatoin	Consultation and lobbying for NGOs in rural areas	I2	NGO umbrella organisation, focus on rural areas	Not specially for culture, but focus on rural areas	Warsaw
NGO Umbrella Organisation	Consultation and lobbying for NGOs in general	I3	NGO umbrella organisation for all polish NGOs	No special focus at all	Warsaw
Polish Film Institute	Interview partner is former vice ministry for culture	I4	Public	Film/Media	Warsaw
NGO	Cultural projects, studies etc. in Poland	I5	Private/non for profit organisation	Culture and the arts in general	Warsaw
Voivodship Office Warsaw	Administration for Structural Funds	I6	Public Administration	Non	Warsaw
Cultural Contact Point Warsaw	Consultation and support for EU-applications	I7	Public Administration	For all cultural EU-projects	Warsaw

[197] To protect their privacy and honour the open answers and trust given to the author, the names of the interview partners and umbrella organisations are not given.

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Marshall Office Krakow	Administrating Structural Funds	I8	Public Administration	Not culture specific	Krakow
Marshall Office Krakow	Culture policy unit	I9	Public Administration	Responsible for cultural projects in and around Krakow	Krakow
International Cultural Center Krakow	Research, consultation on general policies, further education for cultural operators etc.	I10	Public	For all cultural operators	Krakow
City Administration	Consultation and support for EU-projects in the city of Krakow	I11	Public Administration	No special focus	Krakow
Voivodship Office Gdansk	Administration for Structural Funds	I12	Public Administration	Non	Gdansk
City Administration Sopot	Study on the situation of churches in Poland	I13	Public Administration	Churches	Sopot

On the next page, a Sociogram[198] is visualising geographical allocation of interview partners and their interconnected web of linkages. Within the Sociogram, only interviewed organisations were included, thus excluding all other actors in the field that interviewees referred to. Flashes show that during an interview, the interviewee was able to recommend somebody within the mentioned organisation. Normal links without flash display a situation in which the interviewee mentioned that they know the organisation but no further reference was made. Linkages without flashes display. It is obvious that interviewees in Warsaw were well connected between each other. However, direct connections between the three geographical areas were scarce. The Sociogram also shows that the effects of the Snowball Sampling system, namely analysing a closed group, are ver limited in this research. The interview numbers within the Sociogram can be found back in table 2 and table 3.

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[198] A **Sociogram** is often used in Snowball Sampling as explained by Neumann (Neuman, 2007 144).

Figure 6: Sociogram representing the interconnected web of linkages between the interview partners

Recommendations
Mentioned that they know each other
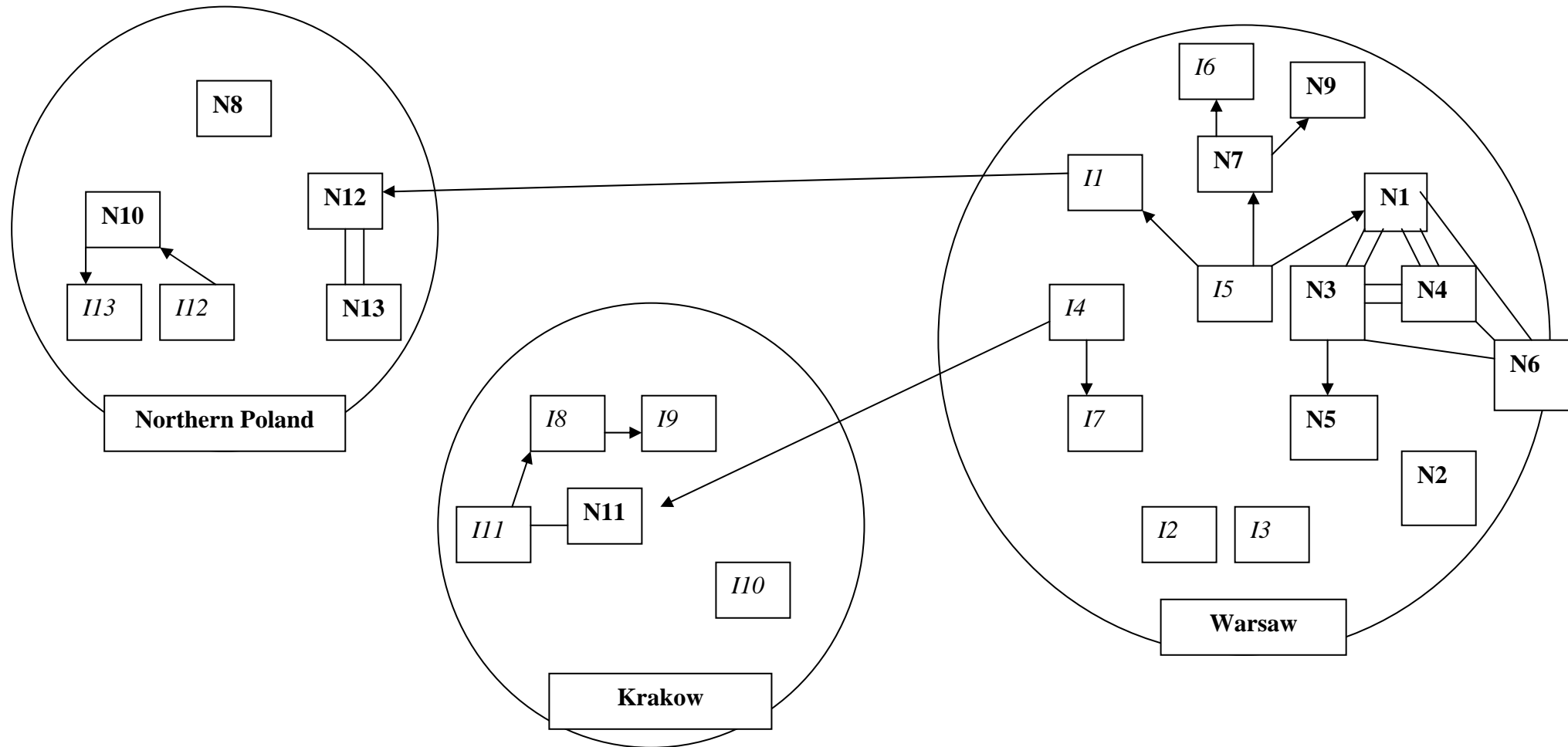
8.5 Quantitative aspects of the interview analysis (based on Atlas.ti)

As a reminder, the following 25 codes were used to analyse the transcribed interviews through Atlas.ti (in alphabetical order). They were developed according to the interview guide and the hypotheses developed earlier in this paper. The occurrence of each code within the interview analysis of the transcribed interviews is listed next to the code. Double coding (one sentence or text fragment coded with two or more different codes) is possible.

• adaptation for application 11	• support/help 39	• politics 31
• application 49	• idea 24	• problem 71
• background of applicants 20	• information/ informing 11	• Promesa 7
• choice of programme 34	• knowledge of others/Network 50	• regional development/ socio-economic changes 18
• competition 9	• mistrust 5	• structure of organisation 28
• culture specific 34	• NGO in SF 8	• suggestions and advice 19
• delicate issues 52	• outsourcing 6	• timing 23
• EU perception 24	• planning 23	
• financing 52		
• former experiences 16		

In total, 14 transcribed interviews were analysed through Atlas.ti. Another 13 interviews helped to gain a better understanding of the environment of cultural operators projects in Poland.

On a quantitative level, this represents the amounts of times some of the key words were mentioned by the interview partners:

Culture*/art*/creative* was used 447 in total, regardless of whom and in what context it was used. Still, there can be drawn little inferences from those figures. Conversely, heritage was used 31 times and tourism (including 'visitors') 41 times. One of the assumptions of chapter 3.5.2 and 4.7 was that culture and tourism are closely linked. Furthermore, within the formal framework of Structural Funds in Poland, the main funding line for cultural operators was for 'culture and tourism'. Regarding the number of times both (heritage and tourism) were cited, it could be read as another confirmation of the mentioned assumption: namely that cultural heritage and tourism are important focusses within cultural Structural Fund projects as hypothesised in QIII/H1 (p.82).

EU/European/Brussels was used by the interviewees 182 times, nearly always in combination with financial aspects (EU funds, EU money, European money etc.). This aspect will be discussed later in the upcoming interview analysis.

Concepts of **(regional or socio-economic) development or regional growth potentials linked to culture** were only used 10 times when excluding the matches that were part of the interviewers questions.

Key concepts that were introduced while discussing the theoretical background of this paper such as '**creative industries**' or '**creative class**' with some of the related names (e.g. Richard Florida), as expression or words were not used once in an answer of an interviewee. This might be a sign for a parallelism of theoretical schools and concepts on the one hand, and on the other, the everyday life of cultural operators that lack strong ties.

Those figures will be included in the analysis in a later step as they might give additional hints regarding informal aspects of the research at stake.

Part III: The project process – descriptive results of interview analysis

9. Descriptive results of interview analysis

Regarding the emerging process of Structural Funds projects, different 'phases' can be detected. In a logical order, a project can only be initiated if there is an idea and people who are willing to look for ways of implementing this idea, including funding. Following this order, the 'Genesis' of a project will be described to better understand mechanisms, barriers and drivers in this process. The following sections divide the application process and other related subjects to ease understanding. By using quotes out of the conducted interviews, a picture of important elements within the application process is drawn. In the course of the descriptive analysis of the interviews, key citations were chosen to illustrate crucial points. Therefore, not all 14 interviews are cited in each section but rather a selection based on general lines or the exception has been undertaken and is part of the analysis. A principle guideline is the main research question of this paper, namely: **What kind of strategies did cultural operators develop to access Structural Funds?**

9.1 Genesis of a project: analysis of the 'birth' of a project application
9.1.1 Initiatives/project ideas and funds- how do they find each other?

At first, somebody has to have an idea, and thus the following questions are asked: Where do ideas come from? Are they there long before a grant application is written, or does a call for applications come first and then some projects are developed that fit the application? As such, is it a 'chicken and egg' discussion? And is it important to adapt the project to the application? Furthermore, is socio-economic development of a region or the country in general an important factor within the respective projects?

To understand the motivation or need behind a project, it is essential for this section to identify drivers of cultural operators that apply for Structural Funds. This will help to recognise a possible connection between the idea or a project and the objectives of Structural Funds. Additionally, the influence of the funds on the shaping of a project's content and the informal goals behind a project shall be discussed further. This section equally provides the first steps for the analysis of the following hypotheses developed earlier in this paper:

- QIII/H2: The application process includes formal obligations that oblige cultural operators to create projects in a specific way/ to adapt their projects.

- QIII/H3: Cultural operators apply for funding in order to finance the implementation of an already developed (and therefore pre-existing) idea.

- QIII/H4: Cultural operators are willing to adapt their project ideas to fit into the funding scheme.

- QIII/H5a: Cultural operators are influenced in their development of projects by the 'big is beautiful' norms (high minimum budget within Structural Funds and promotion of flagship projects). Thus, it can be assumed that:

- QIII/H5b: Within Structural Funds, cultural operators developed big projects that do not focus only on a micro (regional) level (flagship projects).

9.1.2 The idea as a dream – personal and political visions

For some interview partners, the idea is strongly linked to a personal or political vision of one person or a small group of people. This vision helps to overcome all kinds of administrative or financial obstacles, and was clearly there before any financial source such as Structural Funds were chosen. Therefore, it does not matter if the project is believed to contribute to socio-economic development; the implementation of the vision regardless of formal criteria is essential. This does not mean that they do not support in one way or another the socio-economic development, but it means that the idea was first and the funds fitted well for an existing project idea or the project applications were adapted to fit the formal criteria. In other words, formal criteria for the application were secondary, and drivers were linked to personal visions and ambitions.

One interpreter for a project born out of a personal vision stated:

> *"He [the founder and applicant, the author] was the father of the idea. He always wanted to find a place for a theatre. He thought about a place like this one, but it was not easy"* N9: 2:1 (60:64) [199].

For others, a wish from a general director was at the basis of a project application:

> *"IP: It is the general director's idea. He wanted to have an additional hall for performances. We have a main hall, we have a chamber hall and then we could have this planned hall, one specialised for old music concerts, baroque music and so on, which was not so big: seating only 420 persons"* N13 : 13:29 (169:169).

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[199] Citations are organized as follows: First, the number of the project and interview are mentioned (Nx). They can be found back in Table 2. This is followed by the Atlas.ti reference of the respective text passage.

At least three interview partners mentioned political visions linked to ambitious projects as the starting point for their project. One of the interview partners for example explained his project by his personal and political history:

> *"IP: Well this idea came to be like this: I was born in the countryside and I still hope to go back there one day. So I was thinking, what can I do as a director of this institution, what could I do for those that were born in the countryside and still live there? I am also from a popular party, and throughout my entire life I was faithful to the idea that there are great differences between the city and the countryside, and that they should be demolished. This was the main motive. I thought, what we can do here is, create a system of information that will demolish the distance barrier between books and secondly barriers towards having a book. This was the most important idea, and the first one for the project"* N14: 14:1 (13:13).

Within another project, national interests were mentioned which were strongly supported by the most powerful organisations in this sector:

> *"The president of Poland, the ministry of culture and the city of Warsaw had an idea to construct a kind of museum that we don't have in Warsaw, and even in Poland. We don't have a big centre […], we don't have any such kind of places for and of art. So the idea was to construct something very big, like a cultural centre"* N5: 5:3 (1:1).

Still, the interviewee for this same project believes that the impulse came from the art world itself and answered a real need. The political ambitions and the flagship character of the project helped in this case to give birth to an otherwise unrealised project:

> *"AR: Who had the idea? Who is the driving force behind it?*
>
> *IP: It was normally and legally the president. There was a very special and very interesting need for the art world in Poland because Polish artists are really sought after all over Europe and all over the world in fact. They are like very, very famous, and we have a large number of very great artists, which I think is the most interesting thing; the idea came from the art world. It wasn't politically motivated or something such as that. Politicians just remarked that it is a great moment in fact"*
>
> N5: 5:6 (10:12).

Therefore, the belief in a need for a new theatre, the wish to have an additional concert hall or to show and share exponents with a broader audience, the necessity to increase reading and educational offers in rural areas, or in Poland in general, and many more aspects can shape projects, and function as drivers for fund applications.

9.1.3 Project ideas – threads as drivers

Existential necessities linked to a possible destruction or closure of an institution can also be the basis of a project. Those threads can be a missing fire protection that could prevent the destruction of unique wooden churches or new regulations that require certain changes in a building (e.g. for safety reasons) that, if not implemented, will lead to the closure of an organisation. In this specific case, the historical buildings will not be protected and might be destroyed completely if no immediate actions are taken. As regional or national funding was not available for those projects, EU funding was considered.

> *"IP: I will tell you something about the project and how it works. The project started in 2004 and just started from nothing. It was just an idea of a simple list of 11 buildings that should be renovated. Nothing more. Just a technical list."*
> N3: 10:1 (1:1).

9.1.4 Funding creates opportunity

Ideas or needs are not always at the beginning of a project application. Some interview partners answered very openly, displaying a low level of social desirability towards the interviewer. For some projects, funding possibilities and structures were placed at the beginning of a project development.

> *"IP: The idea for the project was about money from the EU. Everybody knew about it and thought: "We will soon be a European member, so we will obtain money." This is why they knew about it, which made them think: "ok, there is a big amount of money, and we can get funds from the EU." Preceding this, they had already developed a project thanks to the ministry of culture, and then after the accession to the EU took place"* N4: 3:1 (5:5)

Others describe that they looked first at finding possibilities, and then developed projects according to possibilities and requirements.

> *"AR: Then you choose to apply for the grant or you knew the grant was there and then you developed...*
> *IP: Maybe the second way.*
> *AR: First you knew that the fund existed and then..*
> *IP: We developed the project to fit the project to their needs and regulations. I know that the first way is the proper way.*
> *AR: In the end, if you want to do something and you need the money...*

IP: Yes, but you know, sometimes it's dangerous if your project is not exactly what you want, and you do it only for the criteria of the fund. This is a danger. Now maybe when we will have our funds, structural funds - big ones, small ones - we will make a list of projects, and we can assign any project to the specific fund. Until now, we have been doing it the other way around. We have been looking at the funds and looking through which fund we can do what, and then we are writing the project"
N13: 13:30 (175:185).

For others, funding decided which project would be given a chance and implemented, as there were many ideas.

"if there is a possibility to obtain some funds, we have hundreds of projects somewhere in our mind [from which to exploit this opportunity]" N2: 8:26 (117:117).

In the end, as most projects depend(ed) on Structural Funds, somehow the funding possibilities were important for all aspects of project development. A clear answer to whether or not the idea or the fund was first is very difficult for most projects, and reminds one of the chicken and egg discussion, especially once the application was submitted.

9.1.5 Long term goals – socio-economic development

Considering projects from a long-term perspective, it is hard to judge if they will contribute to a better socio-economic situation. It is not the aim of this paper to evaluate the 'usefulness' or 'compliance' of project ideas with programme objectives or their 'sustainability'. As further reading, a study done by Volker Kirchberg offers an extensive analysis of different (social) functions of museums in general. Kirchberg develops a complex vision of different tasks, functions and perceptions of what a museum is and can do, and how different actors can use it. By doing so, he gives important insights to the plurality of factors linked to such an institution. This underlines how the same institution can be perceived, used etc. in different situations by different actors, and thus makes a clear answer on the correlation between one activity and the motivations or expected outcome very challenging (Kirchberg, 2005).

Examining the interviews conducted for this research, a few examples shall be mentioned to demonstrate the rather complex situation from the interviewees' point of view in Poland. Taking the example of a very big new museum that will be built in an already culturally rich area during the next years with huge political support and international visibility, one could argue that this is an ambitious, not very useful project, flattering a small group of politicians and artists. But, as the interviewee pointed out, the immense library that will be part of the

museum, will prevent future brain drains in Poland, and provide desperately needed educational infrastructure.

> *"We don't have a big centre where you can go and consult texts and books. It is greatly needed and a central reason for migration. People leave the country because there aren't any resources. I, myself, left Poland because there were no books, no resources, you had to look for them through the Internet and there was nothing. There is still a lot missing. Now it is a big idea to guarantee all this, and there are a lot of extensions and possibilities. People finally realised that we really need this kind of place"* N5: 5:27 (161:161).

Another example could be the restoring of an old church in a village where the roof is leaking and bricks are damaged. Churches in rural Poland very often still represent an important community place for locals, as one of the interview partner pointed out. If the church is damaged by age and weather, and risks being a danger for its users, it will be closed down and people lose the 'heart of their village'. Thus an important factor for (regional) identity will be lost. Conversely, if the church is well restored and has at least some touristic value, long-term strategies for historical streets, rural tourism etc. could be, and very often are, already developed.

> *"IP: They are also interested in their region in which they live, because a lot of churches are in small villages, which are far away from the city centre. They want to do something, but the most important is that the roof is leaking. This is their first priority, while the second one is the cultural aspect or how to help their people.*
> *[…] I was in 21 perishes, 21 churches, I met with 21 priests, and every priest is different. There are priest who only think of money, but there are plenty of priest who care about their church. Sometimes the churches are the only place where people can meet, and sometimes it's the symbol of the village. Usually, the church is at the centre of the village, and the churches are very, very poor. Inside these churches, you can always see flowers; it is clean because the people care about the church, but they don't have money"* N12: 4:10 (173:174).

Still, it is important to note that most projects did not emphasize socio-economic development, although it could have been expected regarding social desirability and formal obligations linked to socio-economic development within a Structural Fund project. For quite a lot of interview partners, it was difficult to communicate the question of how their project was linked to regional development. Some interviewees did not even understand the concept

behind it as in this case where the question was asked several times but the answer remained very vague.

> *"AR: Did he at some point mention that the construction has something to do with regional development? Or rather was he talking about the building as "an important historical site"?*
>
> *IP: Of course it is connected to the regional level. It is important for the regional and the national level. […] I don't remember right now but the regional authorities, the voivodship, decides on the project, so it means that something is important on an international level and then it must also be important on a national level.*
>
> *A: Did they mention themselves apart from this historical and national importance of the castle?; that they also believe that their project is also attracting more tourists?; that this is helping to create more work places?; and all the other arguments always mentioned when you talk about those projects?*
>
> *IP: Yes, they were saying that they are creating something special for kids, maybe more people will come, more exhibitions, and maybe more events, they really aren't making much money from tourists right now. But they want more. Also they want to create something in addition for kids and elderly people. A lady already has given them 500 carpets for exhibitions"* N1: 3:25 (181:189).

This will again be addressed when considering the different declarations and communications around culture and socio-economic development that had to be taken into account for grant writing and learning processes.

Turning back to the initial question of formal and informal drivers, which will be discussed in more details later, it can be stated at this point that there is a divergence between formally declared goals of a project (the support of socio-economic development) and the informal goals of a project application.

9.1.6 The fathers and mothers of projects

For the first group of projects (dreams and visions), it is remarkable to observe that single persons who have fought, or are still fighting, for the idea mostly drive them. Others can be involved and support the project to make it a successful one, but the driving force for those projects is linked to one individual. Regarding their position, this individual very often is hierarchically in a position of power (a director, a president, a politician) or is the (future) founder of an institution. The vision has to be strong, but in most cases it is their position within an existing institution that allows the idea to be transferred into an application.

The drivers for the other projects are not that directly linked to one person. The justification in the form of an obvious need, or the inversed process of looking at a fund and then choosing a project idea, changes motivations and drivers, and therefore the way a project will grow. If a director of an organisation is replaced, the need to meet new safety regulations is still there and fulfilling them is as crucial as before. Therefore, the project has a good chance to survive the structural changes within the organisation, as it is not linked to one person, and therefore, the new director does not have to replace it by another personal project to demonstrate his arrival.

On the other hand, if there is a pool of ideas and without central vision, a group of people can explore possibilities and decide on the most promising project (in terms of application success and therefore funding possibilities). Their joined vision and perception of the projects, their embedding within the organisation and possible funding sources will lead to a project application and, if successful, to an implementation. Here, a change of director can be the death of a project, as projects are not linked to a clear need, and changes in the team or the team leader can change priorities and perceptions on what a promising project can be.

> *"IP: In the beginning the chief has to agree. So we write a letter for him: what we are going to do, how much it will costs, what rules, what do we thing we need for the co-financing and what kind of money we think we can get back. And then he accepted. Then with these expectations we are preparing the project. And then the chief[.] just changes. So we are calling the new one, saying that we are preparing a project for almost a month. The new chief asks "what it this for?". So you have to gain the acceptance of the new one, although you have the acceptance letter from the old one. […]*
>
> *AR: So it is a situation of concurrence. He probably didn't like his predecessor anyway I guess.*
>
> *IP: The old one is not here any more. So what can you do? You can go and find a new project. It's like that. This is politics. And that's the biggest problem"*
>
> *N4 16:1 (412:417).*

Also, as there is no one who desperately wanted exactly THIS project but a group of people who worked on different projects, the replacement of this project idea by another will be frustrating but not question a personal vision or endanger the existence of an organisation.

It has been hypothesised that informal norms on an individual or project-level shape the genesis of an application. This can be confirmed by the above-introduced citations. As

interviews used for this section were mostly statements from project applicants and less from representatives of administrations and NGOs, their vision on how project ideas and decisions on where to apply is described. Here, a lot of personal, informal drivers had given birth to an application such as political or personal ambitions of a founder or director of an organisation or the wish to maintain and improve a historical site. In the context of Structural Funds, formal norms as drivers that have to be linked to socio-economic development were infrequently expressed and did not play a major role in how interviewees described ideas and project aims. As stated earlier, this is not forcibly contradicting the improvement of socio-economic development. However, those concepts did not come first for most interviewees. It would be interesting to see if it can be assumed that those concepts and terms are part of the learning process within EU applications (learning the 'right' vocabulary, being exposed to studies and different discourses), and thus it will be a question of time until when they will be mentioned in interviews and applications. Yet, using terms and truly trusting in the concepts and ideas are two different things, and therefore this situation would have to be analysed in future studies.

Another assumption was that cultural operators apply for funding in order to finance the implementation of an already developed (and therefore pre-existing) idea (QIII/H3). This cannot be validated. Rather, a very vague picture of ideas 'in the air' and new possibilities through EU-funding together with practical necessities and personal ambitions can be sketched.

After having described the birth of a project idea, the application process will be examined on the following pages.

9.2 Adaptation of the project – how to chose a fund and what to do to get funding?

"IP: If we had a project that fit into the Structural Funds? First there was only the idea, so the project was prepared just for the Structural Funds. The idea was to establish a museum [...]. Then the details were just adapted for the Structural Funds because it was the main source of financing. Asked the question of whether the project would be the same if it was financed by another source, she says "no". Because every source of financing has its own rules, so it would be different for another fund" N2: 8:9 (39:39).

As described, most project ideas are 'born' and have to find funding. Every grant is different and requires first of all that formal aspects are matched. Taking an idea and melting it into a project application that meets all requirements of the chosen fund is not always obvious or easy. Therefore, selecting the best fitting fund is important. This chapter discusses the way funds are chosen and the different needs to adapt a project idea to 'fit in'. Here, the following hypothesis shall be validated:

QIII/H4: Cultural operators are willing to adapt their project ideas to fit into the funding scheme.

QVII/H3: Applications are not limited explicitly to cultural funding lines as culture can be seen as integral part of different political fields.

9.2.1 How to decide where to apply? The choice of a fund

"I think we have a wise director here, and he understands that we can't obtain all the projects. I know people that just say that these EU funds are a stupid thing, and you can apply and apply and end up getting nothing. But if you win one big project from EU funds, […] you have stable funding for the things you want to do. It's a very comfortable situation. So this is the game for the big money. You fail many, many times, but if you hit, you see the 'big boat'" N6: 13:54 (385:385).

Different aspects have to be taken into account when the decision for a project application for a fund is taken. Some aspects are obvious such as the required minimum or maximum budget or co-financing, regional restrictions, legal restrictions (for some funds, some organisations could not apply, e.g. the police), but also content related aspects, as projects will only be accepted if they are aligned with the goals of the respective fund.

There is a broad choice of different funds and funding lines always depending on the region, the size of a project, the organisation and especially the thematic field of support. First, the content related choice shall be discussed shortly, as one of the hypothesis of this paper is that cultural operators are 'creative' and will not stick to the purely cultural (cultural heritage and tourism in this case) funding lines but also apply within other funding lines especially as culture is understood as integral part of many fields (QVII/H3).

Naturally, one can only select a fund if one knows it exists. The aspect of gathering information will be discussed later in this chapter[200].

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[200] Information gathering and thus the knowledge on alternatives, environmental conditions and interlinkages between those elements is described as crucial in the process of choosing and taking decisions, see e.g. Kahle, 2001 .

9.2.2 Content related choices – cultural funding lines/EU or national funding

In general it can be observed that most operators did apply for funds that were explicitly for cultural heritage and tourism. For instance, in Poland, there is one line for culture and heritage within the IROP (1.3), and a few very specific calls within the EEA grants for cultural heritage and tourism (see chapter 6.2). Those are the funding lines and calls operators consider when applying for Structural Funds. None of the interview partners mentioned that they tried to access funding lines for e.g. rural development when planning cultural projects. In other words, the hypothesis of culture as a field of action included in other areas cannot be seen proven through the selected sample. During the interviews, interview partners were asked if they knew cultural projects in other fields (e.g. social or educational) that were seeking European funding, but none of the nearly 27 interview partners could name a project. One of the NGOs responsible for regional development explained the absence of socio-cultural projects within the existing EU Structural Fund funding scheme by the fact that social projects very often need only a smaller budget and therefore do not consider Structural Funds as a source of funding.

At the same time, there is no 'ideology' behind the choice of a fund; pragmatic choices are dominating the picture. Most operators described the process of choosing a fund they apply to as follows:

> *"We are creating new documents […], just trying to find a way of fitting the operational programme, we try, and there is no restriction to which source of money we will apply next"* N2: 8:33 (174:176).

> *"We are looking right now for new European funding. Otherwise we will try to find something from the Ministry of Culture. We are first preparing the documentation and then we will see"* N8: 7:29 (150:166).

As Structural Funds are locally allocated, there is no EU-perspective needed for most projects. Interviewees also did not see any conflict in accepting EU money even for the most symbolic Polish cultural heritage.

> *"AR: Is it a problem that it is a national project and European money? Do you think that it is an important point or that it has no importance? Because it [this project, the author] has so much national symbolism.*

> *IP: Well yes, I think so. Just have a look. The project received funding among the first projects. Therefore I think that the attention for the national institutions is big because this project is really in a special place for Poland. They just had to do it. Also since the government didn't have so much money, [using EU-money] was a solution. Still, the decision stems from our local authorities"* N1: 3:21 (144:146).

In other words, apart from formal obligations (displaying information about the fact that the EU gave a grant to the specific institution), a strong European dimension or ideology when choosing funds cannot be found among the interviewed projects. Therefore, the process of choosing can be described as an open search, and EU funds are considered according to the estimated chance of success within an application process, just like any other regional, national or international funds.

> *"IP: Yes, we got the idea and then we were looking for funding; we were looking for different sources of funding. It didn't matter where the money came from. It didn't matter if it was the local government, EU or anything else, we wanted the money"*
> N2: 8:6 (29:29).

This means that accessibility and formal advantages (mostly the size of the possible co – financing or the timing (see later in this chapter)) are decisive within the selection process.

Once a promising call for proposal is located, the project idea has to be matched with the formal criteria of the call. Experiments towards other sectors and funding possibilities that are not formally attributed to cultural projects are rarely thought of. Here, a divergence between political declarations (culture, the arts and creativity as essential part of e.g. economic development in the light of the Lisbon agenda) and the way interviewees describe their approaches is obvious. Thus, the question about the adaptation of project ideas regarding formal criteria arises. The next paragraphs deal with the challenges of adaptation that can act as barriers or facilitators within the application process of institutions.

9.2.3 Timing, scheduling and deadlines

Timing seems to be crucial for most applicants. Timing in this sense has two meanings. For some, timing is rather linked to the 'good moment' in history, and therefore e.g the accession to the EU or the change of a politician, which created new opportunities. A project idea was 'ready' and fitted into the political or institutional environment at that specific moment in time. This vision of the right time for a project was mentioned e.g. by this interview partner who simply stated that when applying for the project funding,

"actually it was the best moment for such an investment" N8: 7:17 (85:85).

"The idea was there before we joined the EU, so there wasn't even a question of European funds. We knew that it would be possible to get some later on. I guess the project was just waiting for its time. We analysed the programme of regional development. We read about all the projects and decided which one was the right one. And out of all 3, there was one that was for culture" N2: 8:6 (29:29).

For most other interview partners, timing is linked to the preparation process of applications and their own preparation within their organisation[201]. Most applications can only be handed in until very specific deadlines, and the calls for project applications very often change from date to date, which obliges applicants to plan in advance and appropriately time their applications. A missed date can mean that another fund or funding line has to be chosen, and the application be rewritten or projects have to wait until the right fund is available. As formal requirements are very complex, preparation time is crucial.

"to develop a good project […] is very difficult. It takes one and a half, 2 or even 3 months, especially if the project has to include all aspects like buying the instrument, constructing the building, buying the furniture, and buying the very specialised lighting system for the theatre. When you have to gather the information from different departments in such a house, it takes you time. It takes time to prepare a very sophisticated financial analyses and forecasts, […]" N6: 13:21 (131:131).

Therefore, as all interview partners agreed: the earlier a project is prepared, the better a project application can be written. One of the project applicants describes the situation and requirements regarding time planning as follows:

"You have to think about the project at an early stage: you can't prepare the project two months before the application run. There were a lot of projects which were not prepared enough for the applications because people were surprised by the opportunities. There was a lot of information about this, but some institutions were unprepared. As we knew about the opportunities something like a year and a half ago, we started the preparation for the project about a year and a half ago despite knowing about the structural funds much earlier. Many people, many institutions weren't prepared for the application. Probably the project was rejected at the level of the formal judgement. Thus, you have to think about the project much earlier then we think about the project application because you have to discuss the project with your authorities." N3: 10:37 (323:323)

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[201] 'Timing' and 'planning' are the two codes used in the Atlas.ti analysis. 'Timing' focusses more on external aspects of the process, 'planning' focusses on the internal preparation process of an arts organisation.

Being able to meet deadlines and hand in applications is also, as this interview partner described, linked to the needed resources and competences within an organisation. Applications are very complex. As one of the other interview partners explained, for an earlier call for proposals within Structural Funds, the organisation had not been ready, and the internal team for grant applications was too small and only recently hired. Thus, a very complex application therefore was not an option to be followed at that point in time.

> *"AR: Have you tried during the last years, like in 2005 for example?*
>
> *IP: No, we didn't try, there was no team, nobody who could take care of it."*
>
> N6: 13:9 (42:44)

9.2.4 Budget and co-financing

Budget is a decisive factor in the choice of funds. For some projects, the required minimum sum asked by the Polish authorities in the chosen funding line is simply too big. For others, the needed funding for a project exceeds the offered funds, and therefore other sources have to be considered. This is a delicate discussion as most Structural Fund projects provide large sums compared e.g. to 'Culture 2007', and not only a 50% but up to 85% of EU financing. Therefore, more money for one project can be granted, but it requires at the same time bigger co-financing from ones own resources or from other funds that close the gap of at least 15% of the project sum.

> *"this is another question: the project can be too big. For instance, it can be too big for regional structural fund,[...]. Everybody wants to get money from regional funds. So if you have a project which is very expensive and takes a large part of the money, [the regional bodies will not like it, the author]. The project shouldn't be too big, which is another important question or important key for the future.*
>
> *If you have a project that is estimated at 50 or 100 million, it probably has no chance for support for co-financing from Structural Funds because it will take too much money from the funds that are dedicated to culture.*
>
> *For instance, if there was a general maximum of 75% of ERDF support for your project, 25% you would have to have from your own or national finances. Sometimes it is better to make a donation, and put your money at the level of 50% or 40% or 60%, and take the 40%. This is one of the important points in the panel of experts' process of judging the project. When you give much more money than is necessary for the project - if you declare that you want to put 50% -, it is good to give 50% rather than 25% because the experts or the committee doesn't have to give it. In a way, it is*

an important part in an application: the decision of financing; how much money you put into the project" N3: 10:44 (348:350).

As budgets are rather big, applying is also a financial challenge. It can be observed that especially the financial aspects make it easier for big or state-owned and funded organisations to apply for Structural Funds than for independent and/or small organisations. This is easily illustrated by the annual budget of Polish cultural NGOs that is estimated to be 2.190 Euro in average (Ilczuk 2006, p.2). If a project budget easily goes above a few hundred thousand Euros, co-financing is a real challenge.

Also, soft project or social projects are rarely considered, as the project sum needed is often less. One of the interview partners described social projects (in this case financed through regional Polish grants) as small projects to 'learn' grant writing, and made it clear that big projects such as renovation works and new buildings were the really interesting and prestigious projects.

> *"IP: There are small projects which are social. Probably we will do something of the sort. Our main company is here in X but we also have an office in Y and then in Z where we will do a project. We will establish an Internet café in the house for elderly people. Therefore we also do these kinds of projects, small projects, but important ones through which you can also learn how to write applications and how to use the terminology"* N12: 4:6 (110:110).

To summarise, a project idea will need a call for a proposal to fit within the goals and a set of formal requirements that can be met such as an adequate budget. Even more so, the organisation has to be ready to prepare an application in terms of internal resources and a set time frame. If those criteria and conditions are not met, the success of an application will be much lower. Therefore, budget, time constrains and internal resources can be seen as possible barriers within an application process.

9.2.5 Strategic choices

Some interview partners mentioned strategic parameters that were decisive for the choice of funds. Here, informal factors, 'tips and tricks' passed on or developed in order to increase success are dominant. They include mainly aspects such as the amount of projects one tries to get financed through one fund, insisting on the impression that too many projects in one fund will lead to a refusal of a possible fitting additional project.

"if you prepared for too many projects for the educational programme, it will be rejected because you already have one or two. You have to think where to put the other project. The opportunity in our case is for instance culture" N3: 0:42 (342:342).

Others describe choices around the size of the financial budget and possible strategies related to co-financing like the aforementioned interview partner. Here, a lot of 'guessing', rumours and experience (informal factors) decide on next strategic steps.

9.3 Applying – formal and financial challenges

" If farmers can apply, I can apply too!" N9: 2:5 (70:70).

Once a decision for a fund is taken, the application has to be prepared. This involves different aspects such as the actual writing of the application, the securing of funding for the application and the later needed co-financing but also the preparation of the organisation and its members for the project. In the next pages, the financial and formal aspects of the application process shall be described. Underlying are the following, formerly developed hypothesis:

- QIV/H1: Financial challenges linked to a Structural Funds project are a major problem for cultural operators.

- QIV/H1a: Within Structural Funds projects, a certain percentage of the project sum has to be provided by the organisation itself (through their own budget or other sources than Structural Funds). This co-financing can be a major challenge, especially for financially less well-positioned organisations.

- QIV/H1b: Structural Fund regulation demands from project organisers to pre-finance part of the costs and provide documentation for reimbursement. This pre-financing is increasing financial challenges for project organisers.

- QIV/H1c: A very detailed procedure of administrating costs (budget plans, reimbursement procedures etc.) demands from project organisers to be very well organised on the formal-administrative side of the project, as they risk losing financing if this is not followed. This administration of funds can be a barrier, especially for inexperienced project organisers.

- QIV/H2: External funds such as the 'Promesa' programme help cultural operators to face financial challenges linked to a Structural Fund application.

9.3.1 Co-financing and financial resources for preparing an application

To apply for financial support, a minimum budget within the organisation is needed. Even if it sounds paradoxical, it is not the idea that receives funding; it is an organisation that is well prepared and can guarantee some proper organisational and financial resources in order to bridge financial delays and problems, and secure co-financing for the planned project that receives a grant. This is important to the funding bodies, as the implementation and sustainability of the project needs to be secured in order to justify any funding e.g. from the EU level.

For different projects, local or regional state bodies provided financial support through a partnership or extra funding made available for the project. Within the interviewed cases, one of the involved cities promised to contribute to the co-financing. In another case, the respective city guaranteed for the future budget of the applying organisation or provided a building as a possible place for the foundation of an organisation.

> *"IP: We convinced the city authorities, and it was the first example of a project co-financed by the city for an institution that is not in the structure of the institutions owned by the city. So external institutions were giving money. It was the largest donation in the last 10 years"* N13: 15:10 (37:37)

> *"AR: Where did the co-financing for the project come from?*
> *IP: From the regional self-government.*
> *AR: Which part of it? Was the co-financing given by culture, education or regional development?*
> *IP: It was culture"* N7 b: 6:11 (84:90).

In particular, state organisations were able to provide financial means for the preparation of a project and the later needed co-financing within their own budgets.

Some organisations solve financial challenges within a project application and implementation partly by combining funds. Of course, financial bottlenecks cannot be exclusively solved by applying to other funds and by receiving more grants. Still, some aspects within the preparation and implementation process can be addressed. For instance, within the preparation of an application, the organisation itself has to provide the resources for all needed documents. Those documents include feasibility studies that are very often done by third parties. Also expert reports or the own research and preparation time or consultation time are resource intense and have to be made available. In some cases, there is

even an external agency preparing the complete application, which forces the organisation to provide extra funding outside of their normal budget. If there are no margins to allow for such additional costs, an organisation has a very difficult starting position.

For the preparation of an application, there are some grants organisations can apply to and receive financial support to prepare a Structural Fund or EEA grant application. Those were used by some of the (bigger) interviewed organisations and are, as can be seen in the second citation, not always obvious.

> *"IP: For example, for this we receive a specific fund, it is a fund which monitored EEA grants. It is called the "seek money fund", and it provides the money to prepare an application. For instance, regarding the EEA grant we received 20.000 Euro I think, and with that we prepared the application"* N6: 13:24 (143:143).

> *"AR: For the EU funds, if you apply for Structural Funds, you won't have this support?*
> *IP: I don't know because it is not clearly programmed yet.*
> *I know that for instance in the ministry of culture's Operational Programme there are some kind of components or some kind of a 'topic' where we can apply with a project just to have money to prepare our feasibility study and so on.*
> *AR: It hasn't been like that in the last period?*
> *IP: I think it has been there all the time, but it is very difficult to get this money from that because they have a very small amount and many are applying. It's not like, for example, with the EEA "seek money" fund. With EEA it was very easy. If you write a good project, you can be sure to be successful"* N6: 13:25 (146:153).

9.3.2 Promesa

As described in chapter 6.1.3, the Ministry of Culture's Promise Programme 'Promesa' as a specific cultural fund for co-financing appears to be a promising possibility, especially for cultural operators. The programme was discussed earlier, and almost all interview partners explicitly asked if they knew the fund and if they had applied for it. As much as most interview partners were concerned, the programme 'Promesa' was not very useful for the preparation of an application or contribution to the needed co-financing.

> *"IP: Yes, I think, moreover the art gallery is similar to the other project. We get the money for the technical analysis, which was the first step we made. I think the second will be the promise programme and the third is ERDF. I think that it is a good*

programme, and in particular I think it is a good programme for small villages or small cities because they haven't got the 50 or 25% co-financing. I think that it is one of the Ministry of Culture's strategies. I have two applications from this place, which is quite a rich city and from a small city from other voivodships. If I don't give this money to the small village, they won't do this project. Yet, if I don't give the money to the rich city, they have money and they will manage" N10: 11:29 (159:160).

The limited use of 'Promesa' was linked to its relatively small budget and the strict focus on primarily cultural projects. Furthermore, it was not purely providing co-financing to Structural Fund projects, therefore the focus was much broader and more applicants were competing for the little funds available within this grant scheme. Therefore, the restoration of old buildings belonging to an educational institution was not eligible for funding. This was explained by the fact that the project was perceive as an educational project even though they received Structural Fund support for the protection and restoration of cultural heritage.

In other words, only a very limited part of financial bottlenecks can be addressed by additional funds. Internal budgets of an organisation or additional state funds (support from cities, regions or national organisations) were the most mentioned solutions. Private financial sponsors were not mentioned once, and financial contributions through ticket sales played only a symbolic role in financing any of the analysed projects.

9.3.3 Pre-financing, reimbursement procedures and their impact on financial planning

Even if it is not part of the actual application process, a financial challenge linked to a possible successful application to Structural Funds shall be mentioned at this point. The grants that are allocated to a specific project are not transferred directly to the organisation. They are paid as a reimbursement and only on the basis of invoices and receipts, which obliges the organisation to prove every cent they spent, but, more importantly, to bridge the gap between the actual payment and the reimbursement of the project costs through Structural Funds. Most interview partners mentioned that they were taking a bank loan to do so, and that banks were willingly providing credit. Finding the budget within the organisation to pay the interests was what was really causing serious problems.

9.3.4 How to create indicators for an application – socio-economic development through culture, is it pure 'science fiction'?

Within the application process, institutions have to prove certain aspects, especially that their project will have a positive impact and/or evoke a change. Therefore, different indicators have to be named, and a difference between ex ante and ex post project implementation has to be achieved. Providing evidence, especially when it comes to soft factors such as culture or education, is not always palpable.

One of the questions of this paper is weather or not cultural operators are aware of the possibilities of their projects within socio-economic development of their region or country (QVII/H1). This aspect of socio-economic development, regional growth and an awareness of concepts like 'creative industries' or 'cultural class' were reflected on the EU level and in the strategic documents within Poland dealing with cultural politics (chapter 3). Through this a specific funding line for culture (and tourism) within the Polish Operational Programmes during the first funding period were created. Is this official or 'formal' norm part of the perception of cultural operators? If yes, feasibility studies and other 'argumentative' parts of the application process will provide evidence of cultural operators approach and arguments regarding the mentioned concepts. The role of frame documents on the importance of culture for socio-economic development will be discussed later in this chapter.

In general, feasibility studies were mostly outsourced and done together with external agencies. Never the less, the input had to come from the organisation itself. The requirements of a feasibility study to explain the economic impact, especially the expected revenues were a source of much concern to some cultural operators. In the following case the interviewer was involved in the funds application for the restoring of historical sites to create a museum. For them, the first feasibility study was rejected, a second study had to be done.

> *"IP: We had a problem with the feasibility study because we couldn't find the profits of this project.*
>
> *AR: You couldn't find the profits?*
>
> *IP: The feasibility study came up with a minus. We couldn't make...*
>
> *AR: Profit related to money?*
>
> *IP: Yes, in the sense of money. All similar projects in Europe are losing money because they have problems with children with exhibits and so on.*
>
> *We did two feasibility studies. We thought a lot about it, and in the last version we found profit.*
>
> *AR: Ok, so what are the profits?*

IP: The view points, tickets to all exhibitions, also at the historical parts because we will have chip, chip tickets to all this small buildings which you see.

AR: Ok, you have a kind of electronic card.

IP: Yes. There are also tickets and also lessons for the people who come […}, so this will also be a profit, and we could organise conferences which will also be a profit. Probably.

AR: What about all those indirect profits of visitors coming? Sometimes they say that if they come, they stay here; they will pay a night in the hotel, etc. Was it important?

IP: Yes, I think it was important. […] We were thinking about all these things like you said. It will provide a good profit also for the city because there will be people in the hotels like you said. Also for tourists, there will be an information centre and so on. As a result, all these things were connected with this one feasibility study, tickets, view points, conference, lessons, gastronomy, infrastructure are all connected with this one feasibility study, and it was enough.

AR: It is amazing that you couldn't find it in the first feasibility study.

IP: I don't know. I didn't work there. I came here in 2003. So I was working with the second feasibility study […]" N8: 7:32 (197:203).

For others, 'science fiction' matched best what they thought was the process of document writing that provided evidence of the influence of their project on socio-economic development.

"IP: The analysis of the influence of this project for the regional development was kind of science fiction: a very complicated model. They tried to create a model, including specific numbers of how it could influence the education of people in the region and the employment or unemployment. But it was […] very complicated, and it is hard to say right now if it is true - if it does come true. Nevertheless, it got many points for regional development in the application.

AR: At the same time it was science fiction?!

IP: They tried to build a model that checks the influence of culture for development, but it is kind of hard and was a big problem. Thus, you can create a thesis, but then proving it through economic models is very hard and nearly impossible"
N7b: 6:14 (113:120).

In a much softer way, this project also refers to the problem of proving diffuse elements of the project and related changes. When asked about the purely cultural part of a project, the interview partner explained that they had different events within the respective buildings that

were supposed to be renovated. Those events were open to the public, and as part of the proposed Structural Fund project, they were supposed to be better promoted and improved in terms of accessibility. For the application, those events were gathered

> *"[…], and once we had a list [of things we did in the buildings] we were able to create result indicators for the project- because the product indicator are square meters of the renovated building or something similar. In terms of results, it was more complicated, because there was no established procedure to collect such data about such events. Therefore we had to collect such events to make a starting point"*
> N3: 10:4 (13:14).

Here, the challenge was to not overestimate the existing figures so as to be able to measure a change later on. As the interview partner explained, expectations were formulated that because of a rather positive guess from the starting point (as there was not any data available for the created indicators) will most probably not be met or exceeded. The interview partner expressed his hope that they can increase the partly measured and mostly estimated starting figures. For him, a slight increase would already make a big change and be a great success.

As a consequence, one could state that the formal obligation (and thus a formal norm of the institution) of a feasibility study is difficult to meet by the majority of cultural operators. As with most cultural or educational projects, the problem of evaluating success in terms of hard facts remains. For some, it is an effort to play with statistics and figures that cannot be proven or verified easily, and keep expectations in a realistic setting. For others, it is a learning process that involves reflection of economic factors linked to their projects. Here, tentative learning processes on how to meet the formal requirements, e.g. towards earlier introduced concepts of creative industries could be seen. Also, the lack of support structures for cultural operators is hindering a smoother development.

9.4 Applying as an adaptation process

Even when the project fits thematically, somehow the project **idea** has to become a project **application**. This section tackles aspects linked especially to hypothesis QIII/H2 and QIII/H4.

9.4.1 Needed adaptations for an application

As argued earlier, adaptations of a project idea or concept are needed to different extents when it comes to the application. Additionally, formal requirements shape at least parts of the project application and therefore also influence the project implementation. Here, the initial hypothesis can be confirmed.

> "IP: Probably if it was in some kind of other programme, it [the project, the author] would be similar but it might be organised differently. Due to the formal requirements of the project it had to contain some of the priorities that simply had to be there. In any other circumstances or other programmes, it would have been pretty similar" N7b: 6:6 (55:55).

> "IP: This was one of the questions in the application form "What would you do when the money was not applicable or accessible?" The answer was: we did some tasks from this project but not in this dimension like this one. We would have built some of the administrative buildings because these are the director's buildings. We would be reconstructing them without this money as well, but others probably not" N3: 10:27 (176:177).

Those formal requirements can be e.g. time constrains for the implementation of a project, ways of preparing and administrating budgets, including or excluding specific aspects of a project etc.. If the project idea had a strong overlap with the specific aims and requirements of the selected fund, those formal constraints demand specific attention and can complicate a project. Yet, they will not change significantly the project in itself.

9.4.2 Selling the project

Very often more is needed than just the adjustment of some formal aspects. The way a project is described has to correlate with the central concepts and aims mentioned in the Programme. This requires the use of specific vocabulary, or, as described by Polak, the learning and re-interpreting of EU semantics such as partnership, subsidiarity, coordination, concentration, additionality, monitoring etc. (Polak, 2007, 2).

This learning process is mentioned by the following interview partner who suggests practicing the right use of 'the words' within small projects (as described earlier).

> *"Small but important projects, and you can also learn how to write, how to use the words"* N12: 4:6 (110:110).

It goes without saying that other concepts such as e.g. gender mainstreaming or sustainability are expected to be part of an EU application. This process could be described as a marketing effort to adapt and sell a project. It does not forcibly mean that the project itself does not fit or has to change dramatically, but it enforces a certain way of describing a project that can create distance between the originally intended project and the project as it is described in an project application.

In this specific case, the restoration of the buildings was badly needed, but alone it was not enough to get supported within this funding line.

> *"IP: The explanation [why the project should be finance]?: we will create a tourist route. It will be called "historic monument of X" or something similar. We are planning to install an info-box in every church where you can connect to the Internet. You can find out about the history of the church or other churches that are on the road; you will know about the history of the region; find out where you are or if you want to find a place to stay for the night. That is our plan, and they said it was a good idea. Thanks to that, we will try to explain that. Also thanks to restoring this buildings, this road will be beautiful and will be priceless"* N12: 4:2 (35:39).

The same holds true for this project, which is also linked to buildings in bad conditions that needed restoring.

> *"IP: Yes, we wanted to renovate buildings because they were in poor condition. We took the list and were thinking about what to do to get this money because we couldn't apply such a project for structural funds. It could be a project for the cultural part of the regional programme. Therefore we had to think about culture, touristic opportunities for this area and to think about cultural events that are in this place. We thought that it was a good idea to mix these technical needs with cultural events, which are still organised here"* N3: 10:2 (5:5).

> *"IP: Yes, I mean you saw the place. If they had money before, they would have done it. But they didn't have the money. And when the EU membership approached, they decided to apply"* N1: 3:2 (9:9).

The next interviewee knew about another organisation that was very similar to theirs. This other organisation had applied for a similar project that focussed exclusively on the renovation of a historical building wherein the project of the interviewee was mainly the renovation of a building, but the aim was to create space for a museum. Therefore, according to the interviewee, his project was accepted and the project of the partner organisation was rejected. The way the same action (restoring and rebuilding of an old building) is presented therefore, as this example shows, makes the difference.

> *"It is quite difficult, but that's what we did: In our document, the regional development programme it was stated that there is the possibility for financing the reconstruction of heritage buildings. Then the possibility was shortened because it said that it couldn't only be for the renovation of a building. It could be a part of a project for creating some additional places. When we do the project, we can also have some money for reconstruction, but only in the part that is for the project. What they tried to do in X was only to renovate the building. It was quite similar in their documents. We want to make the project, and then we can renovate part of the building. Therefore it really helped"* N2: 8:30 (148:148).

It is worth remembering that this process of adaptation and labelling one's activities can have a very positive side. Requirements and expectations can be a chance for inspiration to include e.g. more artistic activities in a project that primarily intended to restore a building. This might trigger a different awareness of the role of cultural activities within the long-term perspective of the organisation and its environment. Here one could think of another element based on the resource-dependence approach by Pfeffer and Salancik (see chapter 4.2): the need to increase effectiveness in its communication with the environment. The positioning of a festival in a cultural landscape of a region (e.g. making it well-known and convincing local structures to grant public and private (financial) support) is the effectiveness of an organisation. Only when the city accepts the festival as an essential element of its cultural landscape, financing or the licence for the festival to be operated on a (maybe even public) ground can be guaranteed. Without well-developed effectiveness, organisations struggle much more to convince local authorities and experts to receive funding, as their 'trustworthiness' is questions. Efficiency, the other important concept of Pfeffer and Salancik, is linked to internal questions of increasing visitors, improving the management of resources etc. This will not be explored further but can be seen as a way of interpreting a situation that very often is seen as something socially less accepted.

9.4.3 Including key concepts and political documents

It has been hypothesised that being obliged to argue according to concepts of culture as a positive factor for socio-economic development increases awareness within the cultural sector for those schools and approaches (QVI/H2). This understanding is not fully supported by the findings of the interview analysis. Several interview partners felt that this 'needed translation effort' led to an emptiness of the mentioned concepts. When asked about the strategic political documents within the sector, such as the National Development Plan (Ministry of Economic Affairs & Labour Poland, 14.01.2003) or the National Strategy for Cultural Development (Polish Government, 2004) by the Ministry of Culture and National Heritage, its emptiness was described.

> *"AR: Ok. It is amazing because in the paper from the Ministry of Culture and National Heritage it is stated exactly like this.*
>
> *IP: Documents always look perfect, but it is just a document. This document generally is stating," that we should do something". They are not talking about "how we should do something." […] But truly, in Poland, we know what we want to do. We need documents that say exactly how. For the officers it is easier to prepare a document about what we want to do; what we plan to do than how to do this; what is known; what exists; what we need. We are on a good path. Maybe in 10 or 20 years from now everything will be ok. I hope that at the end of this European budget period Poland will truly be absolutely at a higher level than it is now"* N4: 9:38 (185:188).

To increase the chances of success of an application, all documents and key concepts have to be included. In the eyes of this interviewee, the plurality of documents leads to a situation in which they make themselves redundant:

> *"AR: Does it help in Poland to have this national strategy on culture and regional development? Or not?*
>
> *IP: They help in such a way that all the priorities come from the strategies. But there are so many strategies that, for example, in this project you had to take into consideration that you had to read a couple hundred pages of documents and quote it somehow in your application to make sure that it fits into their priorities. Does it help? Not really because you had do read the national strategy, national strategy for cultural development, national strategy for informatisation, the regional strategy for development. There are at least 10-12, or 13 working documents that you have to read, have to know and to identify. The first thing was the idea of how to change the institution to be more modern and up to date, and the documents were just used*

afterwards. The idea was just set according to the documents, but the idea came first and the strategy did not really help" N7b: 6:12 (92:96).

Here, another interview partner agreed and described those documents as pure ideology.

"IP: Ideology! I think that those papers are just ideology. You have to read what they put into those strategic documents, and you have to think about your project and transfer it to your project application form and your documentation. In my opinion this is ideology" N3: 10:46 (364:365).

This is contrary to the hypothesis formulated earlier in this paper: namely that frame documents regarding the importance of culture for socio-economic development do have a positive impact on the cultural sector and applications of cultural operators in Poland. If a shift in perception of the role of culture will be positively or negatively influenced by the forced inclusion of those central concepts, this is a question that cannot be answered in this research. Here, the role of plans and framework documents within the communist regime might have to be taken into consideration when interpreting interviewees' reaction towards such documents. The role of major framework documents and declarations as well as schools and approaches around culture and socio-economic development will be addressed once again in the analysis.

Still, the role of culture, the situation of cultural operators within socio-economic development and - specifically - within the application processes have been discussed during interviews. The perception of cultural operators interviewed in the course of this research shall be presented next.

9.5 Cultural specific challenges and how to link culture and socio-economic development

"I think that the arts are kind of the best place of exchange nowadays. It is very, very political. Some kind of a very interesting platform for discussions" N5: 5:14 (46:46).

The role of culture within the application process was one of the aspects raised during the interviews. This is linked to one of the initial research questions: mainly the question whether or not cultural operators are different from other sectors and encounter 'cultural specific' challenges, and if so, which ones. Therefore, the need to understand if cultural operators and cultural projects have specific challenges and encounter different kinds of problems that they link to their field of action lead to related questions to interview partners who were asked to describe if their situation differs from other sectors (Interview Guide, question V.b.i). As the

presented research had no room for a comparative study, own data could not serve as a reference point to validate interviewees' comments.

The main question and hypothesis for this paragraph are:

Questions VII: How do cultural operators see the possibilities of their projects within socio-economic development of their region or country? Has the discourse around culture/creativity as regional development factor e.g. in political documents an impact on applicants?

- QVII/H1: Cultural operators are aware of the broader role of culture and its possibility to influence socio-economic development.

- QVII/H2: Being forced to argue according to concepts of culture as socio-economic development factor increases awareness within the cultural sector for the mentioned schools and approaches.

- QVII/H3: Applications are not limited explicitly to cultural funding lines as culture can be seen as integral part of different political fields.

A first and major aspect was the perception of the 'outside world' in the form of politicians and administration that view the cultural sector as 'messy' and not able to absorb and allocate such funds. This prejudice was disproved already in the first funding period where even the health sector 'gave' some funds originally dedicated to health projects to cultural projects, as all funds had been allocated within the cultural budget but the health sector did not manage to allocated their funds completely as explained to the author by one of the former advisers of the Minister of Culture and Heritage. Still, this change in the perception of the cultural sector in Poland was not detected within the research project.

Regarding practical aspects and resources, interviewees' assessment tended to be split into two groups; one group believed that the cultural sector is not that different from other sectors, and another group of interviewees stating that there were differences.

For the second group, differences were obvious and especially linked to the shortage of money of cultural organisations and the political awareness of decision-makers of the nature and possibilities linked to cultural projects. Also, some practical aspects were mentioned. The following section focusses on the mentioned differences, leaving out the opinions that did not see anything specific in a cultural project application to Structural Funds. Still, it is important to remember that those points of views exist.

On a practical level, several elements were mentioned. Next to problems regarding co-financing (that have been addressed earlier in this chapter), some interviewees stressed the notion that cultural restoration sometimes needs specialists and specific materials for which an organisation has to argue, as those aspects are not foreseen in the standard structures and rules of EU funds. If specific needs arise, such as a more complex restoration procedure to maintain a wall according to the safeguard of cultural heritage, room for flexible implementation is rather limited from the interviewees point of view. In combination with an administration that is not forcibly part of the cultural sector and therefore not always open for changes and exceptions within cultural projects, a struggle for feasible solutions is inevitable.

> *"AR: Is this specific for culture or is it everywhere the same?*
>
> *IP: No, this is specific. It is difficult to understand for the people who work in the ministry or in other governmental institutions. […] For the officers, renovation and modernisation, and to build something is very, very close. And from time to time, they can't see a difference between those concepts. For example, this is a wall and I want to renovate this wall. So I must use some paint for it; I must use a brick. Ok, this is everything that we can say. This is modernisation. But no, this is an old wall. I couldn't take a company, in general any company, which is building new buildings and say: Ok, renovate this. No, I must use a renovation specialist. A special renovation company […]"* N4: 9:28 (106:114).

Another aspect is the unforeseen events that can happen when working, not in general with cultural projects, but more precisely on cultural heritage monuments. As it mostly consists of preserving and restoring historical sides and monuments, the discovery of unexpected parts of a building, the need to adapt to an unforeseen but given part of the object can delay a project significantly, as such things cannot be ignored. In other words, a cultural heritage project, according to this interview partners, is never following standard procedures and timetables, as they have to be adapted to an existing object. These kind of delays and sometimes unpredictable costs have to be taken into consideration when planning a project to a much larger extent than e.g. for a road project even though they are not limited exclusively to cultural projects.

> *"When you create an underground installation, you just build it. It is very simple. But in this kind of project [cultural projects], you can't predict what can happen. For example, when you build something and you discover an old wall behind it, you can't destroy it. […]"* N1: 3:19 (129:134).

An important challenge in the field of EU applications for culture and tourism was stressed by one of the interview partners. The need to come up with something new, innovative and different from other (European) projects confronted the organisation and their acquaintances with a problem, as the primary need for a lot of projects had nothing to do with 'innovation' and 'creativity'. They were rather focussing on the need to preserve, restore or create infrastructure on a basic level. This problem was even worse in smaller or remote places as the capital and major cities had an advantage in terms of basic infrastructure compared to remote areas.

> *"Generally now if you want to prepare something for tourists you must invent*
> *something absolutely new. But we say: we don't have the infrastructure for this. Every*
> *year around 400 000 tourists come here. As you can see, in front of the place, they are*
> *preparing a new church, new restored church, like a basilica. An estimated 5 million*
> *tourists a year will come to this church. This new church is only 1 kilometre away*
> *from here. If out of this 5 million people only 2 million will come, where will they go if*
> *we have already 400 000 tourists and we have a situation in which we can't fit one*
> *more person? We absolutely must prepare new infrastructure for tourists.*
> *AR: Yes, with one single counter where you can buy tickets you have no chance. I*
> *mean, there is one lady selling tickets.*
> *IP: Exactly, and the place is horrible.*
> *AR: It's ok, but it is just one person.*
> *IP: Yes, first of all we must solve this problem. Not this other problem: agenda,*
> *beautiful idea. In Poland, and we in this organisaton, have very simple problems now.*
> *Of course, we try to refer to the agenda. We have to because it is no problem to finish*
> *something and forget about the future. We will try to do something for now and*
> *remember the future. This is why we want to do the infrastructure first, and we need a*
> *lot of money for this. These are the Polish problems: first of all we must prepare and*
> *secure this infrastructure for the future and the next step is to go to the future"*
> N4: 9:40 (196:205).

Creating basic infrastructure first before inventing something 'new' was stressed, not only by this interview partner, but also by others. The statement that "We will try to do something for now and remember the future" in the above cited interview passage is essential in the discourse around innovative projects for several interview partners.

Others raised a different point, which was more linked to strategic experiences and stated:

> *"IP: A strategy? I would look at the recommendation list, see what kind of a the*
> *projects are having a lot of points and would try to do something similar. I don't think*
> *that there is a space to be an innovative genius in such a project."*
> N6: 13:45 (321:321)

Thus, too much creativity was perceived as a risk, an element that will be taken up in the concluding chapter.

Concerning the situation of cultural projects within Structural Funds, a learning curve and change processes regarding the general political environment and specifically the support for cultural projects was evident to some interview partners. They described it e.g. as followed:

> *"It is a very interesting thing because Poland became a member of the EU in 2004. At*
> *the beginning it was just a question of economics, like doing things for agriculture,*
> *etc, and culture came in the second phase in fact"* N5: 5:2 (1:1).

> *"It was also a question of using and profiting from European Union. All this money*
> *that was for culture in Poland wasn't really used because at the beginning we were*
> *just very concentrated on agriculture making us very late regarding everything."*
> N5: 5:18 (78:79)

For them, it is therefore a question of time until there will be more cultural projects, and hence there should be more cultural projects already for the funding period starting in 2007. This however is difficult to prove, as the funding period 2004-2006 is much shorter than the following one, and preparation time and former experience create a different starting point etc. One also needs to consider that already in the first funding period, funding available for the cultural sector within Structural Funds was completely allocated[202], which was something that is not true for all sectors and a big achievement, especially when remembering that one of the 'clichés' is that that cultural operators are badly organised and too 'chaotic' to meet requirements of such a complex application process as Structural Funds.

> *"…each year we see that funds, government funds in general, and other funds for*
> *culture and tourism are growing too. But this money is increasing very, very slowly.*
> *Some people say that it is good because cultural institutions are not prepared to spend*
> *a lot of money. My opinion is that it is absolutely not true. In Poland, the cultural*
> *priority in this ERDF 2004-2006 was the best prepared priority out of all the priorities*
> *in Poland. Cultural institutions prepared themselves, prepared people, prepared*

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[202] This was equally confirmed during a meeting in the Ministry for Culture and Heritage in Warsaw.

projects, prepared infrastructure, themselves, and everyone says, 'that it is right, we were well prepared'. However, we can't give you more money because you are not prepared very well. I say, ok, but who is prepared very well? Nobody! So why, if we did well in absorbing the funds, why do you think that providing more money in the future will make things worse [for the cultural sector] and if so, why should it be worse than in any other kind of Polish infrastructure or sector" N4: 9:37 (176:183).

Still, the openly expressed hope and expectation of some cultural operators towards a learning environment where cultural projects and cultural operators gain a higher recognition of what they do can be regarded as an indicator of slight changes and shifts within their environment. Never the less, justification problems towards local politicians were mentioned in this context, as culture was not a first priority compared to other political areas. Here, a perspective towards improving conditions for cultural operators was not always visible. A link to the formerly described concepts of culture as a socio-economic development factor as 'empty' or 'redundant' were not created.

"IP: Roads will be the most important for the government; Roads are infrastructure" N4: 9:36 (172:172).

"It was a very unusual situation in which the city established a cultural institution because it needs other [higher] amounts of money; it is not the kind of investment - like roads, buildings, and hospitals. It's culture, which is for some people, especially politicians, something seen as unnecessary" N11: 16:3 (3:3).

"within the economy in most countries, culture is a small thing. Culture, education, constructing buildings, housing, other things, everything comes ahead of culture. We are happy that we managed to get some money for culture" N2: 8:35 (182:183).

In other words, the political environment for cultural projects and activities and the willingness to spend money in this sector is perceived as rather difficult by some cultural operators; as a struggle for recognition and acceptance and a move away from a 'nice to have' to a 'need to have'. This contradicts the official papers. In this conflict, the position and influence of cultural organisations is described as limited. There are no umbrella organisations in Poland that lobby precisely for this purpose in the name of Polish cultural operators and resources limited (see page 89)

"IP: Yes, but this is a specific type of tourist infrastructure. It is a problem because if the hospital wants to strike, No problem, they will strike. If the post officers want to

strike, they go on strike. If the museum employee will be on strike, who cares? No problem! Who cares? Nobody, and the problem is that we don't have strong arguments. The EU and the commissioner say that tourism is a very important industry in Europe. It grows and people should invest in tourism and culture because they are closely connected. However, for our Polish politicians it is easy to build 100 kilometres of a road and cut a ribbon, meet the press, pose for pictures, speak on TV. Because why? A museum is just a museum.

AR: You could also cut a ribbon in front of a new room.

IP: Yes, that's right. But I don't understand why they don't see this. I don't know why. […]for them hospitals and roads are important. I can say only bad things about this because every year we see that funds, government funds in general, and other funds for culture and tourism, are growing too. But this money grows very, very slowly. […]" N4: 9:37 (176:183).

In this situation of limited power and low awareness of the possibilities of culture within a society, concepts of 'creative industries' and other closely related notions come into play. This is one of the very few interview partners who had a notion of those concepts, even though not stating them explicitly.

"I say, 'a Museum is only a point'. Around it there are new hotels, restaurants, new pubs, new business, print stuff, things as such. A museum is only a point, but around this point there is quite a big economy. I say, ok, the road is for economy, too, but the road is for the tourists, for the people. People are going somewhere, but where are they going? To the museum, to the cultural institutions, to the regions that are interesting. They say: " hm hm hm". Whatever. […]

This is a modern point of view for cultural institutions and for tourism. I think in Poland it must be a process" N4: 9:37 (176:183).

Still, only very few touched on the subject of culture as a socio-economic factor. For the following interview partner, it is an important concept but, as already for the previous interviewee, a rather new aspect that still did not make the move from a 'Sunday talk' subject to a generally accepted understanding of the role of culture. Moreover, it focuses on tourism, leaving out other elements such as e.g. the impact on living standards for citizens.

"AR: What's your opinion on this concept of culture as a factor of regional development?

IP: It's true. Our past minister who was a director here said that every Euro put into culture has a whole impact on the whole environment. It affects companies, and I think it's true. It's not: culture is for the people who want to experience something. It's a company. Look at the Wagner festival, and how much money they have in it. It's like a company in which you invest some money. For example, in our institution the ticket income is around 7-10% of the whole budget. But when people are coming from abroad, they have to pay a hotel and they have to eat. Therefore I believe it's true, and I believe that people all the time have more and more free time; they have to do something. Of course they go sailing, they go diving, etc, but they will always go to the theatre, they will always go to the museum and so on. So it's very important to have a very strong cultural offer for them so that they will come, for example, to Warsaw, to see it, to be here if some interesting people will be here performing and so on. Our problem is that Warsaw is near to the border. It is between Berlin or St. Petersburg or Moscow, right? 100 years ago, Paganinni travelled to Moscow, and of course he stopped in Warsaw, and gave his concert. He was not coming only to Warsaw.
I think the situation hasn't changed so much. We can have anyone we would like, but they cost a lot of money and they can be here 2 times a year, the big super stars of the opera.
AR: Are you supported in this opinion? Do other people also believe this?
IP: Yes, I think they do. Officially yes, they created a beautiful strategy for cultural development of the cultural impact on the market of all companies and so on, but they don't do anything that can really help. It looks great on paper but it doesn't work.
AR: That means that they ignore basically what they say on Sunday and ignore it on Monday?
IP: That's my personal feeling. They should do more for that, but maybe it's so complicated that it will take 20 years.
I was in Madrid in the last few months, and I was in the Prado museum where I saw an enormous number of people. It was even not enjoyable to see the paintings when hundreds of thousands of people were standing there walking around all the time. But there it works, when you see the line of 400 people just wanting to pay 15 Euros for something, so it works" N6: 13:37 (264:276).

Explicitly, only one project linked their ideas and goals to a European perspective, focussing on identity and mutual understanding **and** socio-economic development. The interview

partner had lived abroad for years and the project was barely approved. Still, it will be one of the biggest projects within Poland co-financed by Structural Funds.

> *"What I was saying in the beginning, one has the impression that Europe also needs such a place because this could be a way to approach this kind of art that is so far away.*
>
> *Even if we have the idea to construct a united Europe where we work together, at the same time, the division between the east and the west is huge. One can communicate but there is a lack of understanding. So, suddenly we were thinking that a place here in Poland that is focussing only on contemporary eastern European art could serve as a tool for western Europe to get to know this other part"* N5: 5:30 (167:168).

In other words, cultural operators do encounter some specific challenges e.g. linked to a difficult financial situation and a lack of awareness of cultural specific needs within formal funding criteria. However, those challenges could be imagined in other sectors as well e.g. in the health sector or when working with environmental protection, specific needs and the requirements for specialists probably come up. The main difference seems to be that the number of cultural projects is very small and the impact and 'collective' force of actors involved is comparably low. Furthermore, the position of cultural projects within their political environment is described as weak. This is leading to a lack of political representation and power to enforce adaptations. Despite political declarations and a positive first round of applications from cultural operators for Structural Funds, the general perception remains that culture is 'nice to have' but not an important tool for socio-economic development, which leads to a rather difficult situation of cultural operators. This however is challenged by some cultural operators who see a slight shift towards another perception of what could be done, and in some projects is already coming to life.

9.6 Knowledge of others – formal and informal networks

As hypothesised, informal networks and the knowledge of others is a crucial part not only of information gathering and answering questions, but also in terms of lobbying for ones project. This is admitted only by some interview partners. During the interviews, all interview partners were asked if they knew others who applied for funding or had further contacts with other organisations regardless of within or outside their field. Some rejected the notion of external involvement in their project and equally denied that they knew much about others. Most interview partners however openly mentioned at least some other projects, names of persons in charge or at least some acquaintances within official bodies such as the Ministry of

Culture and National Heritage. Still, only very few admitted that it helped them within their application or that there was an informal network helping them and others to gather information and develop answers to questions that especially officials from the local or national administration could not answer.

> *"What is also very important:*
>
> *We generally help ourselves, the cultural institutions in Warsaw because X knows something, Y knows something, we know something, another institution knows something and from people to people, we just help each other. It was very, very nice. In my mind, in commercial institutions normally people say "it's my money". Everybody is trying to keep it safe. In this programme it was different. We just generally help each other and it was very, very important. Generally Z's programme is finished now, but contacts, connections, and everything what is linked to people was build. Things like that remain. And we can take care of ourselves now"*
> N4: 9:10 (38:39).

This interview partner goes even further and was an exception in the way he mentioned how he dealt with others seeking help even though it cannot be estimated if he 'walks the talk':

> *"this is something our director said and is very important:*
>
> *We never refuse to help. When another institution calls us and doesn't understand, they ask questions and they say: "I don't understand why you tell us this because this is your mystery, your mystery about how to win the application." And I say, "it is not a mystery. The problem is to find help, to go for help, our doors are open." They will need help from us, they have problems with some questions, but we can't help them all the time. I can tell you because it is absolutely our business to improve the infrastructure, to improve the life of culture but it is difficult. […]*
>
> *As I told you, they can't find good knowledge, and they have no help from the institutions"* N4: 9:42 (212:214).

Also, especially bigger organisations mentioned that they knew some people in committees, and therefore specific information on their application or the processes of selection were known to them, and emphasised their well-developed network of connections. It helped them to lobby for their projects or to be better informed.

The following interview partner e.g. waited for a final decision on the approval or rejection of their project and had some inside knowledge that allowed a first guess regarding the outcome prior to the publication of the decision.

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"Yes, we are waiting for the decision. I know that there is a big committee and one member of the committee protested against the result of the gathering […], so we don't know if we got it or not" N11: 16:12 (113:113).

It also helped to estimate chances within a fund and application, including possible 'political games' that were mentioned several times by different interview partners:

AR: Did they also support you during this Norwegian Fund application?

IP2: This is much more complicated. There is too much competition for that. I am afraid that there are many more institutions closer to the politicians than we are. We will see. I don't want to say anything, but this is my feeling"

N11: 16:20 (152:155).

Regarding other projects or even co-operation between organisations, some organisations were more strongly connected with each other, even planning projects within a common concept in order to increase their own chances of project approval. One project within the analysed sample of this paper was organised and financed by two bodies. Four other projects (out of which three have been interviewed personally and the fourth one through an intermediate) had been part of a bigger plan. This connection was however denied by one organisations, acknowledged by another one only after being mentioned by the interviewer and only openly mentioned by the remaining one.

One interview partner also mentioned a planned get together to network within the cultural field for the upcoming weeks after the interview.

"IP: Yes, but 3 days ago my friend who you have seen and myself were invited for a meeting.

AR: By whom if I may ask?

IP: By a Polish touristic organisation or something like that. In fact, they are the same people who organised these things from the "strategy for the touristic product for Warsaw". They are the same people in fact. Some of them co-operated with the X in the project that I mentioned.

But some of them are independent and some of them are working for the Polish tourist organisation. They invited us for the meeting, and Z was at the meeting because the next period of the Structural Fund started. People try to interest others and try to create other means to make the project very interesting and competitive"

N3: 10:51 (126:141).

Others insisted that the trouble in co-ordinating and developing a project together was not worthwhile, and therefore without an option to develop further.

Overall, most interview partners saw a learning curve and a growth in knowledge within their organisation. This was also mirrored in the amount of successful applications (EU, national, regional etc.) and the increase in staff responsible for the acquisition of external funds.
As a side effect, competition for funds grew:

> *"Probably at the moment, in this round of applications this project probably wouldn't be competitive with others because people learn how to participate and prepare those projects. People know that there are some parts of the Structural Funds where you should and some parts where you shouldn't apply with such kind of projects"*
> N3: 10:40 (324:325).

In the last paragraphs the role of information and problems regarding the gathering of information have been discussed. In addition to official sources such as ministry Internet pages and direct interaction with regional or national authorities, formal networks were not mentioned. There seems to be a lack of umbrella organisations or official platforms to exchange and meet others. This confirms the earlier mentioned statement by Ilczuk on the difficult role of associations and foundations. The CCP, integrated and part of the ministry apparently is and cannot cover this position in Poland.

On the informal side of informing however, most interview partners were able to mention other projects, acquaintances within other organisations and institutions and more or less openly drew and offered support within this informal network. Training programmes and former experience helped operators to create and provide additional resources through the network they have created during those activities or through the knowledge obtained.

In total, interviewees gave a troubled picture of openness in mentioning co-operation and contacts within personal networks and denying any external links. This opens ground for speculations regarding lobbying or 'wheeling and dealing' to an extent that crosses the border of illegality. It is supported by accounts of interviewees who knew about decisions that were not yet public, or formal decision structures that were in a final stage within the political body that voted on the acceptance of projects, the director of the respective institution was involved and therefore could vote on 'his' project. Others hinted that the financial reward for expert evaluations on applications was very low and the sector so small that bribery or cronyism in

the form of 'exchange of positive experts reports' on each others' projects possible. As the earlier stated interview partner goes on:

> *"IP: A strategy? I would look at the recommendation list and see what kind of projects are having a lot of points and would try to do something similar. I don't think that there is a space to be innovative and ingenious in such kind of a project. The other issue is that I would desperately look for a connection in the steering committee, and so on because this is the path we should follow."* N6: 13:45 (321:321)

These points are touched on again in the next section regarding additional challenges ('Selection Process'). If confirmed, Poland would not be the only country where nonofficial (semi-legal or even illegal) elements have a strong influence on the success of applications[203]. Still, this would be an additional explanation why small or lesser-interconnected organisations struggle more than the bigger, well-established organisations to succeed in an application. Here, reference can equally be made again to the study by Zembylas on the cultural sector in Austria where contacting decision makers to inquire and actively lobby for ones organisation and project application was common (Zembylas, 2005). Furthermore, the open lack of umbrella organisations or official networks and interest groups is striking and supports the initial hypothesis that Structural Fund specific structures have to emerge with time. Strong institutions that are stabilising and guiding processes are not yet established. Some insist that the absence of strong and independent interest groups that openly lobby in the interest of cultural operators or NGOs or others or fight for more transparency is due to the historical background of Poland, and therefore, would need a shift in cultural and political environment.

9.7 Additional challenges

Next to the already mentioned struggles and problems linked to the application process of Structural Funds projects in Poland, some additional aspects have to be highlighted.

9.7.1 Delay

First, the delay in feedback and decision-making processes (after a first draft or the finalised application is handed over to the responsible authorities) is mentioned by several interview partners as a major problem. Here, some changes in the future are seen, but still the uncertainty worries applicants.

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[203] Well described are the problems of trust and changes in eastern Europe e.g. in Franzen, 2005 . One could also explore further literature on corruption and favouritism, both behaviours that can be found in most countries (see e.g. Schwitzgebel, 2006 , Von Alemann, 2005).

"It takes so much time. We submitted the application; this year it was very fast. We submitted the application on April 15th, and yesterday [thus in August 2007, the author] we received a reply the first step of the reply process. Now it goes to the Norwegian side, which says, 'sorry, these projects are not including enough Norwegian-Polish cooperation. We do not accept it', so we have to have their vote too. The whole application process will probably end by the end of this year, in December for example" N6: 13:27 (159:159).

"For my last project, I waited almost one year for an answer. Every document waits for the start. For example, if I want to build something, I have to go to a special institution and take the documents prepared by some people who say "you can do this or that but you have to do it during the next 2 years." If I have to wait one year for an answer, one year is gone and this is a problem" N4: 9:24 (92:92).

It also causes problems within the implementation, as certain deadlines have to be met and projects finalised in a given timetable. Here, some interview partners were hoping that with time and experience the local administration would learn and improve its time management.

9.7.2. Bureaucracy

The bureaucracy or, put differently, the amount of papers and formal obligations to be met were perceived as unnecessary by several applicants.

> *"The complication was at the moment when we sent the application to the institutions. The procedure for checking the project was very complicated. I think that it is complicated by our authorities. That was quite difficult because you have to put stamps or signatures of the rectors on every side of the paper. That was crazy and unnecessary. Therefore, the process is complicated by the authorities or the institutions that prepare and administer on the level of the ministry. I don't know how it is in other countries, like Spain or how it is in East-Germany but I think that it is quite different in Poland"* N3: 10:14 (82:85).

> *"priorities were ok but the formal side of the project was pretty exhausting because there had to be a lot of analyses that had to be made during the project, the application and the next steps of the project. It is over proportional and with documents that are unnecessary - such a pile of documents. The project started 2 years ago for 6 months or so. The first application was done 3 years ago, and there is no visible or tangible result"* N7b: 6:7 (59:59).

To answer to some of the raised points, a changed procedure, a kind of a 'pre-selection procedure' was planned to be implemented. This reinforces the expectation of institutional learning processes and an improvement with gained experiences that also occurred on the administrative side of application.

> *"I can say that we try to make documents easier than they are now because in Poland there are a lot of ideas and a lot of people that know what they want to do. Nevertheless, the main problem is that of the procedures. That is our problem. Procedures are very complicated. I have to read the documents and I'm not supposed to think about what the author wants to say to me. I must know it. If I start to think "ah, he wrote this, but what did he want to say by this sentence?" The problem is that we use a very specific language, for example legal language, like medicinal language. Yet, in my opinion, documents regarding European funds must be written in such a way that even a child could understand because it must be as simple as possible. Further, the procedures should also be easy. I have to, for example, write the project, and if it has been written in a programme that I have to wait for answer for 3 months, I should have a 100% guarantee that in the next few months I will know if my project*

is ok or if I have to change something and put in other application terms. In Poland something like that doesn't exist" N4: 9:23 (91:91).

Still, most interview partners and especially the small organisations would agree with the following statement: they have to fight mistrust on the administration side:

> *"As you take money, you must prove that you are not a thief, and you have to prove it all the time. This is owing to the fact that this is how they see you. Thus, you have to fight for the money. As an NGO you have to know what you want to do, have a clear goal, and just follow through to the end. If you are not sure, you will not manage. If you are not sure, then you will not be able to show that your idea is the best"*
> N9: 2:23 (258:258).

9.8 Information
9.8.1 Information is key

After having touched on the application processes, the question of obtaining information will be elaborated further in the following section. Especially because of the complex preparation work needed for a Structural Fund application, being informed in time and being 'ready' within an organisation (having the right staff or team to prepare such an application, the right knowledge of how to do it, the co-financing that is needed etc.) is crucial.

Before this, it is needless to say that a grant application can only be prepared for a grant somebody knows. Without knowing that the fund or the call and its deadline exist, there will be no application. That said, it could be argued that long before challenges regarding formal requirements and content related expectations have to be fulfilled, the person looking for funding needs to gain knowledge regarding the existence of funding possibilities. As a special challenge, it is worth recalling that Poland only started using Structural Funds in Summer 2004. Therefore, all projects that received grants by 2007 when interviews took place had managed to be successfully prepared for a call in the first or second round of funding. The following research question, earlier developed in this paper, represents the focus around which the questions and citations are placed:

Question V: How was information regarding Structural Fund grants disseminated for and within cultural operators? Which role did formal and informal channels play?

As a hypothesis, the following assumptions were developed earlier:

- QV/H1: Because of the accession of Poland in 2004, ways of **formally** informing about Structural Funds is still fairly new.

- QV/H1a: Therefore, official information channels that are Structural Funds specific are in the process of being established and might be under constant change.
- QV/H1b: This is a destabilising factor for cultural operators when seeking support.
- QV/H2a: As a consequence, **informal** information structures (in form of direct contacts to decision-makers or between cultural operators and experts) based on formerly created ties between actors play a crucial role in the dissemination of information.
- QV/H2b: Thus, having a well-established informal network helps within the application and implementation phase of a project.

Hence, one of the questions asked inquired about how the interview partner or its organisation knew about funding possibilities through Structural Funds. Answers varied from a simple:

"How did we learn about Structural Funds? You've got the Internet? (laughing)"

N2: 8:5 (25:25)

to fairly long explanations on the difficulty of gathering information. In general, most knew about the existence of funds, as it was apparently discussed in length already prior to the accession of Poland in 2004.

"AR: Was it easy to know about the possibilities to get the money for the building?

IP: It was. I think it was well known. We knew about the opportunities about a year and a half before, so we could prepare very well. Not only for this project but two others. We have got a lot of projects. We have 32 projects at the moment"

N3: 10:13 (76:78).

Also, the Ministry of Culture and National Heritage claims to have organised several information sessions and mailings but none of the interview partners referred to any of those meetings. Still, the ministry or local administration were both mentioned several times when it comes to the question of how to obtain information. Also, specific web-based information sites were mentioned by some interview partners.

"Generally, we have to try to meet people from the ministry, from the Voivodship, institutions, etc, and we took the information from them.

AR: Information on what?

IP: About how, where, what we can do and get, everything. Because in 2004 you must remember, information generally didn't exist.

AR: So how did you get it?

IP: It is a big mystery! Just by meeting people, talking, trying to look on the Internet, looking for something in the institutions. It is difficult to say because there is not one way. There are a lot of links which you have to take in hand, and know how to use them" N4: 9:9 (30:38).

In this context, the problem of late information dissemination was raised as earlier information would allow for more time in the preparation phase.

"IP: The main wish is that the strategic documents and programmes should be ready before.[…] I think that different programmes, and all documents which say the feasibility study should have a financial analysis, technical analysis, environmental analysis, what the feasibility study should look like should be ready before 2007. We would have more time to apply, to be ready, to prepare the feasibility study, and the application form. Half of 2007 has passed, and we don't know what the application form looks like. It is a problem that we have lost six months" N10: 11:31 (168:168).

Informal channels were equally mentioned as a crucial part in the information gathering by most interview partners:

"AR: Was this networking supported by somebody or did it just happen by personal initiatives?

IP: Second way" N4: 9:11 (45:47).

"IP: Yes, she showed us the projects which are currently read. Our projects were included. Probably we shouldn't see this but she told us. She didn't show us but she gave us the list" N12: 4:21 (340:340).

In general, it appears to be crucial to follow official channels and at the same time using informal information sources to receive hints regarding new information or further explanations to the officially declared and distributed information. This is aligned with the process described by Zembylas in his study on the cultural administration in Austria (Zembylas, 2005).

9.8.2 Questions and specific information – how to get answers?

In the course of an application or during the course of implementing a project, questions can arise regarding formal aspects and interpretations of rules. Here again, the ministry or officials were mentioned as a point of reference for informing the applicant.

"AR: Especially for those structural funds, whom do you contact if you have doubts or questions?

> *IP: The ministry. We have a special person for this programme. In the ministry we have a person that is responsible for each district. So you call someone from this regional Operational Programme from the district of X and we talk with them"* N12: 4:13(225:227).

Still, this is very often not enough or causing problems, especially for interview partners who mention that doubts about a reliable and consistent source of information for specific questions regarding their application are raised. This is described at length in the following interview section:

> *"If we are looking for some answers, we should ask them [employees of the Ministry of Culture and National Heritage]. And they say: No. If you have a question, you must know the answer yourself and give the answer to me. I will determine if it is a good answer or a bad answer. It is a difficult situation because Warsaw is a specific city, as all the official officers are here. But a small village or small cultural institutions don't have the opportunity to take a car and be at the cultural ministry in 10 minutes. Thus, they call institutions like me, […]call friends and ask. They say, 'you are closer to the ministries, ask them'. I can ask them, but they shouldn't answer me [but answer and help my colleagues]. It is a circle, and up to now nobody knows what to do with this situation. As I say, people come to the ministry, obtain some information, and next year they will go to commercial institutions to make some money for them. Of course new people must gain some knowledge and start to learn. This is a big problem for us because we don't know who can answer our questions"* N4: 9:27 (104:104).

For this interview partner, the reliability of information is a major concern, and the constant changes within the administration is an obstacle that demands a lot of time and resources from the applying institution in order to clarify and even teach local authorities. This can be done only after obtaining some experience within the organisation. This confirms the initial hypothesis that formal support and information structures for Structural Funds are still emerging and not well established yet (QV/H1a, H1b). It represents a risk for applying institution as much as for the administration as this learning process goes beyond the expected need to learn a new system. In Poland, learning processes within the administration apparently have to be initiated over and over while staff is changing (see chapter 9.8.4) and answers still need to be found. These circumstances increase insecurity and the risk of applying for a major project for any applicant. Furthermore, it requires the accumulation of experiences and competences within the applying organisation or a third party (external experts), which is something that cannot be expected from all applicants, especially as

Structural Funds were recently introduced. The aspect of constantly changing staff will be discussed later in chapter 9.8.4.

The above citation equally confirms that Warsaw is a privileged place when it comes to information gathering. Therefore as a consequence, the assumption regarding the special situation of Warsaw and the higher geographical representation within the interview samples can be reinforced (compare chapter 8.1).

9.8.3 External help: outsourcing – when things get complicated

Third parties can be external experts or companies taking over parts of the application or figuring as external advisers for the applicants, especially when the complex application process and the gathering of information cannot be easily dealt with within an organisation (e.g. due to a shortage of staff or a lack of experience) some organisations ask for this external, professional help.

Feasibility studies are among the most mentioned outsourced aspects of applications.

> *"AR: Who actually did the real application, all those feasibility studies and filling out the forms…?*
>
> *IP: It was the director who prepared the application. A private company did the feasibility study for us. So all the documentation was prepared. It was a lot of work. We had a really interesting time 3 years ago"* N8: 7:20 (103:106).

> *"Everything was prepared here in the office except for the feasibility study. The big part was prepared here, but the part of the feasibility study was prepared by an external company which was paid to do it"* N2: 8:19 (79:79).

> *"IP: We did it. X, myself and some other people did the application form. But a private company did the feasibility study, while the application form with all documents we did"* N10: 11:13 (86:86).

This was often explained by the complex economic calculations needed to create a feasibility study. Generally, interviewees agreed that this was a good move. Resources to pay the external companies to do the feasibility study were never mentioned as being a problem for interviewees choosing this options..

> *"AR: Is it easy to find somebody to do good quality work?*
>
> *IP: Yes, when you are in this environment you can find somebody, but of course it costs. For example, if we do one, two or three analysis per year for 3 projects, it is not*

sufficient for us to have a hired financial analyst. It is cheaper to pay somebody one

thousand Euros to prepare it once, and then we have it" N6: 13:23 (137:139).

Some organisations went a step further and asked an external company to prepare and actually write the whole application by offering them a partnership or simply paying them for their expertise. In the following example, the director of the organisation provided the idea, but did not enter into the application process, which he put into the hands of external experts.

"Next, this simple idea was translated into a more complicated resolution which I

don't understand anything about it, but I still hope that the results will correspond to

what was in my head" N7: 14:3 (15:15).

This allowed the initiation and implementation of a big EU project without creating the need for this specific organisation to build up their own team, train them and risk applying themselves without any previous experience. The financial risk of paying the external organisation was therefore preferred, and once the application successful, the external organisation sometimes helped in meeting the formal obligations of the project.

"Then we were searching for partners who would be able to prepare all the files in

order to get the financing. First it was a group of people from one of the universities.

But in a specific moment I understood that they are not capable and then I found

people from organisation Z. It is an interesting organisation because the boss is X,

and many, many years ago she was my employee at the institute of culture. Now she is

the boss of an organisation. [...] She made people work with us and now her

organisation [...] is the architect of the affairs of our project, and it works. It works,

young people, 20 years until 30 old do it. From those activities from Z and mine, a

project on paper was produced for European funding" N7: 14:8 (38:38).

Externalising services for a company include risks that are much described and analysed by the 'principal – agent' theory (see chapter 4.3) and have to be taken into account. They cause a problem, especially regarding the quality of services offered, as applying organisations very often have to trust the external expert without being able to close the gap of information that would allow them to judge better the offered services and prevent a misuse of their trust. Furthermore, the sector is rather young, and choices of support companies appear to be limited.

"IP: Yes, but how to do this [help secure quality form external agencies that help in

applying for EU funds]? I don't know. It is a free market. Everybody can open a

company and sell knowledge and services. Believe me so many people call this place,

so many companies who say: **"I can offer you a great educational service**

focussed on European funds."[204] *I say: "well, ok, what kind of funds?"* "Well, of course all European funds. Generally." *"What priority?"* "What? Generally"
"Another question: how long have you been on the market?" "Two months." *"Ok, and you are a specialist?"* "Yes!" *"With whom did you work?"* "With no one." *"Oh, ok, so nowhere, 2 months of experience and you are a specialist. So tell me, what do you know about the place? What kind of projects did we do for example?"* "I don't know." *"So you call, you don't know, you don't know what we want, what kind of services, but you are absolutely sure that you can be helpful for us?"*
In Warsaw there are a lot of these kinds of companies. I know that my friends from a small city say: "You have a lot of companies, so you can find a good one. What should we say, that there is only one company, they say that they come from Warsaw, and they say they have the best specialists? "We will show you everything! If you give us money, we will write the application for you: we will prepare everything!"" Sometimes the institution agrees and pays for this service, and the application is wrongly prepared in the end. This is an information problem. But like I tell you, it is about specific information because everybody knows how to write an application. Truly, this is unfortunate. Still not enough people know how to write a good application" N4: 9:32 (147:150).

"When you write a project you have to explain. Personally, I didn't know anything about national heritage. It is a very specific kind of work. I had to learn about it because there are no companies which are interested in writing project for churches" N12: 4:16 (246:246).

Other interview partners who are in a position to sell support to others knew about a project in which the outsourced application had no success.

"A: Are there any churches in the region that are trying to do an application on their own?

IP: There was a sanctuary from X. A Company from Y. The company is from Z, a big company, everybody knows, it's a "wow".

A: They did the application for them?

IP: Yes, but something went wrong. I don't know what, but they didn't receive any money" N12: 4:7 (129:135).

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[204] Oblique speech of the person that called the interview partner is marked in Arial to ease reading.

In other words, even though outsourcing is a very helpful option if financial resources are available, it is not without risk.

9.8.4 Learning and training

> *"The problem for Poland was that it was the first time one could apply for Structural Funds. We learned, our local government learned and our ministry learned too"*
> N10: 11:11 (81:81).

Learning through experience or training one's own resources or recruiting staff which is already trained in this domain is another option when the choice of outsourcing is not or only partially eligible. Here, the lack of experience or the way knowledge can be obtained in order to properly prepare a project application and implement the negotiated parameters is a major concern. Learning through experience can be tiresome and requires time and opportunities to practice, which is something that is especially difficult as funds were newly introduced in Poland.

Training ones own resources or recruiting staff that is already trained in this domain is another option. Several interview partners had taken courses (e.g. offered by the Ministry of Culture and National Heritage or local authorities, sometimes also courses offered from independent consultants) or worked in respective departments of ministries involved in Structural Funds, and were now working for the applying organisation in their project funding department.

Investing in ones own resources and making staff grow is not always the perfect choice, as described by the interview partner:

> *"It's very difficult for top management to choose the path to follow because we can use the outsourcing company and just ask them to write a project for us. That's one view. The other view is that the good companies, the big 4 like McKinsey,...*
> *They are very, very expensive, right? There are some other small companies that are not very professional. One of the ideas is to build up the team, and the team should consist of 3-4 even 5 people. But it's difficult.*
> *A lot of companies are on the market now and they are looking for the people who can manage the funds, so they are taking your fresh man [trying to hire the person you just trained]. You have to train him, which takes a few months. It's not like a fresh graduate who comes and in a few weeks he will write an application"*
> N6: 13:11 (49:51).

Here, the private sector has as much trouble as the public administration with a high fluctuation of staff (see chapter 9.8.4). Still, the training opportunities offered and used by some interview partners were helping them a lot in dealing with the application process and the management of projects. In addition, it allowed the respective interview partners to draw from a network of people they got to know through their studies (within public administration or in the private sector). This point shall be elaborated upon a little further.

One interview partner described the following situation: After a successful application and an increase in an external funding unit of an organisation, the director of the organisation decided that all branches should try to apply for external funds, and therefore specific posts should be created. As the interviewee described, the headquarter selected people within the organisation that were not interested or trained to do applications in addition to their normal tasks, and forced them to take over the responsibility for EU-applications, which was an approach that of course failed to be successful.

> *"IP: […]. I talked to another person -an officer-, and he did not understand why he was made to work on Structural Funds as an X officer. He didn't want to because he was forced to. His supervisor just phoned him and said "from now on you are dealing with European Funds. Thank you". He didn't understand anything about it, and he still had his normal job also"* N2: 8:55 (399:399).

Thus, for several members of the administration, the perception of the EU as a chance might not hold true and differs significantly from the situation of interview partners. Most interview partners however had chosen to work in the field of EU-funding and put a great deal of time and energy to develop the needed competences for EU-applications.

9.8.5 Cultural Contact Points

As part of the Programme 'Culture 2007' -an EU-Programme financing cultural projects in Europe-, every participating country was invited to open specific offices: the so called 'Cultural Contact Points' (CCP). They were created to help cultural operators in their application for 'Culture' projects. From there, most CCP extended their competences, and in most countries, act as a source of information on all kinds of European Funding possibilities for the cultural sector. In Poland, this support unit is part of the Ministry of Culture and National Heritage within the building and offices of the ministry. Other countries, such as Germany, created the CCP as mainly independent bodies with offices detached from the state administration.

The author has been in contact with employees of the CCP in Poland and met them twice to inquire about support possibilities and further information on the situation of cultural operators and their use of Structural Funds. The CCP in Poland did not know anything about Structural Funds[205] and referred all further questions to a specific unit within the ministry that dealt with this subject. Responsible officers of this second unit however did not answer during the first weeks, and by the end of the summer, new staff members that had freshly arrived in the office answered kindly that they were totally new and did not yet know where the information was stored. None of the interviewees directly mentioned the CCP in Poland, and other officers within the Ministry of Culture and National Heritage were more important to them. Therefore, the role of the CCP in Poland can be described as rather limited. In other words, the hypothesis QIV/H3a cannot be confirmed[206].

9.8.3. Selection process

Within the selection process for Structural Fund projects, the lack of qualified feedback that would help to learn and improve project applications on a content level has been criticised several times. Here, one of the key concepts is transparency, and in the eyes of most interview partners, a significant lack of it is casing much worries.

> "it is difficult. The rules that are established in the Ministry of Culture signify that you cannot have a review of your project. They only tell you that you are at the 19th place with 17 points. That's all. They won't tell you the weaknesses of the project nor which part didn't score a maximum number of points. For example, if it is the financial analysis or which aspect of the feasibility study [was not good] or something else. Hence it is difficult and I very much like applying for the "seek" fund of the EEA because it is operated by an external company, which in the end won the contest to be the operator of the "seek" money. To further illustrate, it was a private company and there were two guys that were reading and reviewing the project. I received a list and every topic of my project was reviewed and scored by one guy as well as the second guy. When I received it, it was clear to me that we scored 8 out of 10, which was almost the maximum, but if I would have received 6 out of 10 and not succeed to get the money, I could easily rebuild my project and know where the weaknesses of the

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[205] This is not everywhere the case. For instance in Germany, the CCP is covering basic information regarding Structural Funds application and offering reading materials (e.g. see the publications by a member of the CCP Germany (Christine Beckmann 2005, 2006)) and a certain support for applications in this field.
[206] QIV/H3a: The Ministry of Culture and National Heritage and the Cultural Contact Point are facilitators within the application process by informing and supporting cultural operators.

project was. But now, here in the ministry, we are moving like children in the fog. We
don't know which way to go" N6: 13:26 (154:158).

Furthermore, transparency and the plausibility of decisions were questioned as experts barely had time to evaluate projects and were badly paid. As a result, the following interview partner might even have been easily influenced. Moreover, as politicians were involved in the process and had their say, the objectivity and trustworthiness of the selection process was questioned.

"IP: There is a pre-evaluation,[…]. The first evaluation is about the formal
regulation. That is, if we have all the documents […] This is formal of course. Another
part is the judgement of the special concept, which is done by 2 or 3 people who are
the so-called 'experts' and they can probably do it in 2 hours. […] I hope that the
rules for the experts change because it's crazy. If you have maybe one hour for a
project, what can you say about the project? There are a lot of projects - probably 20
or so that must be evaluated in one day or two days. For that reason, it is difficult to
make a good, clear judgement of the project. […Then] they make a list of preferences.
We have a regional committee that is a political structure because there are a lot of
people involved. They make decisions for all regional projects. […]
AR: Are you sending somebody to this committee too?
IP: Yes, in fact there were only two rectors of the X, who were representative at the
council. From the Warsaw X and from Warsaw Y probably. I am not sure, but only
from two, and also from other important institutions.
There was a third step: to make a judgement about the project, and it was something
like voting for the project based on the list from the panel of the experts. For instance,
you are in first place, which is the best project for the Warsaw voivodship. However,
the project from first place doesn't always get the money. This is strange because they
have the right since they know what is important for the region. This is a political
decision. […]
AR: Was your director allowed to vote for the project, as he was part of the
committee?
IP: Yes he was. […]
"IP: [The decision] was probably a compromise between the panel expert list and the
judgement of the regional council. Don't ask me because I wasn't present at the
council, […]and there was some article in the polish press about scandals. Maybe
there wasn't a scandal but it was not good. That was not only typical for this
voivodship, but that was typical for all voivodships in Poland. This I think is typical

for the regional fund programme institutions because there is another part of the money -a bigger one-, which is distributed by central bodies, the ministries and ministry agencies. There are more factual judgements I think" N3: 10:35 (277:310).

An external expert mentioned that for the evaluation of a project, an expert received much less than 500 Euros, and indicated that this was very little to objectively choose between several different projects that each asked for a few hundred thousand Euros.

As one interview partner explained, institutions are not ready to complain openly about a selection process or a decision, as it would endanger their next application and be too high a risk.

9.8.4 Low salary in Polish administrations / the constant learning administration

As has been mentioned several times already, local and national administrations involved in Structural Funds struggled to be well informed and keep highly qualified staff. Most interview partners did mention this point, and agreed upon the fact that without increasing the salary of people working in public administrations, no stability and improvement for EU funds can be achieved in the short and long-term. As long as posts remain as badly paid as it was the case in 2007, people with experience will switch to the private sector therefore leaving public administrations with a high level of fluctuation. This leads to a lot of uncertainties and lack of expertise, especially when facing unusual project needs such as is often the case with cultural projects.

"There is only one way [to improve the level of knowledge and reliability in ministries]: if people make good money in their job, maybe they will protect and help us. It is difficult because as I understood it, they say: X, I like you, no problem. I can say that this document is ok, but my manager is the smartest in the world. I know that he will say to me: no, this is not a good document. However, I know that this is a good document, but not for him. So what can we do? Of course we must change the document. I know that I will change a good document into a wrong document, and I will have it back in maybe the next 4,5-6 months. But I will have 6 months of normal work. Then in the next 5 months the document will be back, and it says: you must change this, this and this. Ok, no problem" N4: 9:35 (160:160)

"IP: Governments problems, procedure problems.
AR: In Poland?
IP: Yes, in Poland. […] The ERDF was managed by the Minister of Economics, and people in this ministry were more or less ok - their qualifications were decent. Now,

> *maybe I shouldn't say this: Everything that is in the EEA is now managed by the Ministry of Culture and National Heritage and people in the Ministry of Culture start to look for knowledge, how to manage this kind of programme, project, and so on*
>
> *AR: They are still practicing?*
>
> *IP: Yes, and they need a lot of documents, which in my opinion are not important or complicating the way to do what you want to do. It is not only my opinion, but it is the general opinion of all the institutions that use Norwegian funds to do projects. We hope that maybe in the next year or in the future years the situation will change. Everybody must start to learn one day, and our ministry will make it. It is not comfortable for me to say that about the ministry because in general I am part of the ministry staff. Generally the problem is coming from the ministry of culture. Not from the beneficiaries"* N4: 9:16 (59:69).

This circumstances leads to a paradox situation when looking at hypothesis QIV/H3b: *Because of the recent accession of Poland to the EU, some support and information structures are still evolving*. The evolving structures and competences are weakened by a constant change in staff and a brain drain that limits any future development and establishment organisational structures. If the Polish administration is not changing significantly the situation of their staff, time might not be in a position to solve those problems.

9.9 Context and 'mood'

The environment of project applicants and the 'mood' in which projects are developed might give further insight into hopes and expectations of interview partners regarding Structural Funds and future developments. Even though not asked explicitly, several interview partners touched on the larger subject of how they see Cohesion Politics in Poland. To sketch this broader picture and provide some insights into the environment of the analysed projects, some aspects will be developed a little further in this paragraph.

For several interview partners, Poland is in a position of weakness and has to 'catch up' or 'run faster' in order to become a prosperous and equal partner of other EU countries. This perception creates great pressure regardless if it is accompanied by a feeling of admiration, jealousy or inferiority towards other EU countries. Poland's situation in the present is of major concern, as catching up requires some fundamental changes and work on basic infrastructure that is not foreseen to the extent needed. For the following interviewee, the

fundamentals towards building on innovative and creative projects in Poland are described as Swiss cheese with many holes. Conditions for projects in general are perceived as unfair as the starting positions, especially when it comes to the goals of the Lisbon Agenda, and are not equal in new and old Member States. This is a major concern that raises even more problems in rural areas.

> *"first, if we are able to close the gap between our economy and the economies of the oldest members of the EU, then we will have less money for our infrastructure. But now Europe is following the Lisbon Agenda. In Poland it is a beautiful idea to do the same. The Lisbon agenda is therefore a point of reference, and you have to explain, you have to have the necessary equipment to pursue the Lisbon Agenda. We know that in Poland we are truly 100 years behind, and the situation is very difficult. If you look at the official documents for the period 2007-2013, you see that it is very important for us to show to the European Union something modern, something new, something that doesn't exist in another country. For Poland this is very difficult because we don't have a good starting point. It is like Swiss cheese- with a lot of holes making it truly difficult for us. For example, they [the EU] demand that if we do a project and we show that we can create something that another country from the EU hasn't done, great idea. But now […] I don't have the infrastructure for tourism because around the museum we don't have a parking lot, we don't have enough restaurants, we don't have enough space for the actual tourists and we must do this before we strive towards the objectives of the Lisbon Agenda. As you know, every sportsman can run, but you must have a point from which to start. The EU says, you are here, but forget about this place. Start from this place, and the final destination is the Lisbon Agenda. It is very, very important to think about it now, but generally we have to do it step by step. Generally, we have to finish this period, and Poland hasn't had this possibility to do so. I don't know if this is a good idea. Another issue is that here in Warsaw, in Krakow, in Gdansk, Posnan, in big cities the infrastructure looks quite developed. However, if you go 60-70 kilometres to a village near Warsaw, you will see how far behind we are if we are talking about infrastructure, if we are talking about mentality of people, if we are talking about, well culture, too. And what is the most important, the EU says: We give money for this but not only according to your point of view but ours as well. And they say: invent something new.*
> *It is impossible to say to the people in a small village: Invent something and I will give you money for a small castle or a monument in the village.*

They say: "Why? First we must prepare and renovate what we have. If you renovate what we have, then we can invent something new around it.

We say: no, no, no. The EU says, 'forget about this approach. If you want to renovate, you must invent something, and this time you will have money to renovate and for the new thing that you invent.' Yet, the mentality of these people is very difficult to understand. Why must I invent something new if what I have now is in absolutely pristine condition? For what? I will invent something new and I will have problems with this new and this old thing. This is the problem. We must remember that, in general, Poland is an agricultural country" N4: 9:39 (188:192).

"[There is a] difference in the mentality between Poland and other parts of the European Union. First, we have a different way of doing business: Old countries want to go to the future. We are thinking about the future too, but generally we like to prepare ourselves for this path. They [the EU] are talking about the future; not talking about the present. Clearly old countries want to move forward. They prepared themselves, they secured everything for themselves and now they can go. Now they have a normal situation, and they are thinking about how to increase knowledge and raise the standards of living. We would like to be in this position, but as I told you, big cities are closer to all those countries than other parts of the country, especially in the eastern part of Poland, which doesn't have adequate infrastructure. Adequate infrastructure gives these people who live there the opportunity to start to think about the future [...]" N4: 9:41 (208:208).

Some of the mentioned aspects were already introduced earlier and can be confirmed by the cited interview passages. In addition to this pressure of succeeding and catching up, some interview partners feared that funding might stop in the near future. Therefore, projects have to be done now in order to take advantage of this unique chance, a one-time chance that they feel will probably not be granted again. Trust in long-term support for Poland was a challenge for more than one interview partner.

"As the structural funds are waiting and we are aware that this is the only chance in the future in the near history, let's say of obtaining so much money for such a project, there is still no information of possible similar groups of grants in the future. This is maybe the last one. Yes, because we are a new member of the EU and after this group of funds we will already be a rich country" N13: 15:13 (47:47).

This increased pressure was a clear concern for some interview partners.

In general, most interview partners were grateful or at least understood the EU funds as a chance in order to achieve their goals. Very few interview partners were convinced that owing to a historical debt towards Poland, the EU had a moral obligation to go on supporting Poland and the renewal of infrastructure. For them, the EU was obliged to do even more, while at the same time granting Poland more autonomy in the way funding was spent. In this regard, one could even talk of a perceived 'victimhood' that made some interviewees turn backwards towards the past.

The following interview partner can be seen as an exception, as she perceived Poland in a unique and very promising position in between the east and the west, and therefore offering an exceptional possibility to translate and mediate between the two worlds.

> *"I think that Poland has this great position because we are really in-between. Here you have this contemporary art, European eastern modern art and the western modern art. This is completely different, and Poland is somewhere in between trying to do something, including all those changes after entering the EU. It is in some ways an interesting way of trying to establish our position in Europe. It is quite horrible sometimes, but on the other hand, we have this other culture, of willingness, of trying to enter… it can be understood in different ways in fact. I think that the place we are going to construct will be a kind of a window to the eastern art for western European people and the arts also. It is a kind of flow of inspirations, and it changes"*
> N5: 5:13 (42:42).

In general it can be said that the great pressure to succeed, twined with the impression of unbalanced starting position of Poland (compared to older EU members) created a mood in which the goals and formal obligations of the framework of Structural Funds are perceived as hard to match with the local constraints and the real needs in Poland. The understanding of an equal partnership between Poland and older EU Member States or enthusiasm towards the EU and funding possibilities was the exception.

9.10 Interview analysis - intermediate summary

The starting point of this paper was the assumption that with the means of the European Union Structural Funds cultural projects can be promoted, which positively affects the coherence and regional development of Member States. Poland served as a case study, allowing individual operators to provide an interior view of the chances and problems of this instrument and thus of their application strategies for the Cohesion Policy instrument.

In the last chapters, how cultural operators struggle to develop project ideas, choose funding and adapt their projects to formal criteria was described. The discrepancy between expectations of official papers and the reality cannot be denied.

At this point, a short summary of the intermediate results structured by the initially developed research questions and their hypotheses shall be given. It is followed by a differentiated analysis of actors' strategies.

What are the drivers for cultural operators to apply for Structural Funds?

Here, next to wishes and dreams of individuals, the need for the preservation or the creation of places and projects can be named in general. For some, the possibility to receive funding was crucial and came before the content of the project. Formal norms were often decisive. Direct wishes for the improvement of socio-economic development within the respective region were seldom expressed. Informal norms surpass the formally set framework (formal norms) of regional development, and therefore, the assertion that was made earlier, namely that informal norms and structures more often than formal norms shape the genesis of an application, can be confirmed. Formal and informal motives differ significantly.

What kind of projects were developed?

In general, rather big projects were developed, which was due to the minimum budget and the approach of Structural Funds and the EU-environment focussing from the beginning on flagship projects. They were mostly organised by big organisations. The hypothesis that cultural heritage and tourism are important focal points within cultural Structural Funds projects was confirmed first by the kind of projects interviewed and secondly by the amount of times different key words were used in the interviews.

There seemed to be an unofficial standard (informal norm) of projects focussing on restoration, renovation or (re-) building of big cultural institutions. The diversity of projects and their 'creativity and innovation potential' could be and was questioned by some interviewees.

What kind of barriers and facilitators did cultural operators encounter?

Different challenges were addressed during the descriptive analysis. Among them were e.g. the timing and financial challenges. Those formal obligations are part of application process and were truly limiting cultural operators in their choice of funding. Therefore, formal norms

are decisive within the selection for a specific fund. External funds, in contrast to what was hypothesised earlier, did not act as strong facilitators; their help was perceived as a random effect. This contradicts the initial hypothesis of the crucial role of 'Promesa' and other financial aid structures that could have acted as a catalyst in this process.

Other barriers were addressed when discussing internal resources within organisations, mainly the ability to develop an idea and co-ordinate the project application. Those barriers (e.g. the lack of support of a director) and facilitators (outsourcing of parts of the application to a trustworthy third party) can be seen as informal elements. Here, information politics and informal networks (thus other organisations and informal norms) were crucial as barriers were linked to the lack or change of reliable information and had to be overcome by nearly all interviewees. Informal networks were, therefore, an important vehicle through which to face information barriers. This is discussed separately further down in this chapter.

In general it can be said that formal obligations and framework conditions such as budget or time constrains but also internal and rather informal parts of institutional resources such as available staff and their experience and networks can act as barriers for project applicants[207].

What kinds of strategies were developed by cultural operators to succeed in their application?

This question will be developed further during the upcoming deconstruction of the interview analysis. Still, some aspects can and have been addressed already:

A diversity of approaches and voices can be found, bringing up elements of strategies, among them the following moves:

- training ones own resources
- outsourcing of application
- direct interaction with decision makers (e.g. talking to the minister or get a feedback from Brussels to convince local authorities or be involved in political committees)
- copying an already accepted project

Those elements were introduced to some extend within last sub-chapters and will be taken up later. Another aspect is one of the associated hypotheses linked to strategies, namely that cultural operators apply for funding in order to finance the implementation of an already

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[207] As a side note one could think of transaction cost approaches pointing to the necessity of ex – ante – and ex – post – transaction costs that have to be taken into account when looking at the 'price' of a service or a commodity. It could be said that for the application and the implementation of a Structural Fund project, high transaction costs ex – ante are needed. If ex-post transaction costs are high can only be guessed as the focus of this research is on the ex-ante process. For further reading see Williamson, 1975 .

developed (and therefore pre-existing) idea. This was only validated for some interview partners. A clear project idea existed long before funding was available. For others, a 'chicken and egg' discussion could be initiated, struggling to prove if the fund or the idea was fist.

The need to adapt a project to meet formal obligations of the application however proved to be true, though to a different extent dependent on the case. Here, the project applicant proved to be free of reservations and adapted their project to fit into the formal funding scheme without abandoning their initial project idea.

How was information regarding Structural Fund grants disseminated for and within cultural operators? Which role did formal and informal channels play?

This question proved to be essential within the application process. Formal information channels were mentioned and used by interviewees, namely Internet pages and contacts within the ministries or the regional authorities. Still, informal information channels and support structures played a major role when it came to ways of information gathering. Furthermore, in a situation of uncertainty, informal information channels were a big asset for interviewees who had developed this kind of network earlier. Training opportunities in this field proved to be a long-term investment, not only in ones own competences, but also in long lasting informal networks of acquaintances within similar positions. As learning processes are mentioned by some interview partners when discussing official bodies (such as the Ministry of Culture and National Heritage), formal information channels such as Internet information systems but also application support structures within the administrating bodies (a pre-reading of applications, meetings, training seminars) are still changing. Due to a high fluctuation of staff members within the public administration, a high level of uncertainty is created on the formal side, leading to an even higher importance of informal structures.

Do cultural operators encounter 'cultural specific' challenges when applying for Structural Funds and if so, which ones?

This question was rather difficult to answer from the beginning from a methodological point of view. Answers would need a comparative approach between actors from the cultural and actors from other fields. The overall research focus however does not lie with a comparison between different applicant groups, and as resources were limited, only a very tentative answer can be given. It is based on interviewees' comments regarding specific challenges. Here some points were raised (such as the lack of understanding for cultural specific needs). An important point related to this subject was that interest groups within the cultural sector in

Poland are very weak, and as such, possibilities of influencing conditions within the application and implementation process of cultural Structural Fund projects very small.

How do cultural operators see the possibilities for their projects within socio-economic development of their region or country? Has the discourse around culture/creativity and the arts as regional development factor e.g. in political documents an impact on applicants?

One of the hypothesis of this paper is that cultural operators are aware of the broader role of culture can support socio-economic development. This can only partially be confirmed, as most interviewees did not raise the point and struggled to understand related questions. Terminology such as 'creative class' were not used which might be a linguistic problem (both, interviewee and interviewer did not communicate in their mother tongue), but might also be linked to an absence of theoretical discourse with and around related schools and topics among the interviewees that were mainly part of the operational side of cultural institutions.

Also, the absence of cultural projects in other funding lines proves that the initial hypothesis (that cultural projects could be in different funding lines as culture is a transversal topic) is wrong. This disproval is due to the fact that cultural operators opt for more obvious or operational ways of approaching funding choices. In other words, if a funding line for culture exists, then it will be the one taken into consideration.

The necessity to include mentioned concepts around culture as socio-economic development factor was controversially discussed. Here, a clear answer did not emerge. Rather, different actors insisted on the emptiness of the used concepts. Only through other methods such as a path-dependency analysis with primary data collection in different moments in time, a clearer answer of whether or not the use of those concepts in application forms is having a significant impact on the perception of the role of culture can be given.

In the next chapter, a co-occurrence analysis will bring the analysis a step further towards an understanding of actors' strategies.

Part IV. RESULTS: the validation of descriptive results through a deductive approach

After the descriptive part of the interview analysis, one further step shall be taken. On the following pages, a co-occurrence analysis closely coupled with a network view of the different codes will help to prepare ground for the development of different types of actors and actors' strategies. This leads to a better understanding of connections between different codes that were described earlier. On a quantitative basis, and by visualising them in form of conceptual network views, it supports the analysis of the related aspects of the research. In other words, in the end, a deepening of understanding of the subject shall be achieved.

First, the concept of co-occurrence and the results provided by Atlas.ti will be presented.

10. Detecting the process- determining factors

10.1 Co-occurrence of codes and conceptual network views

In the coming analysis co-occurrence refers to the situation in which two codes are given to the same text passage or to text passages that follow each other directly. Analysing these co-occurrence helps to define relevant (frequent) codes and their linkages to each other. The frequency of interrelated codes and code combinations proves an interesting aspect within the research presented as it can reveal subjects that are discussed together and therefore might be directly related to each other. Also logical connections (talking about one subject leads always (or never) to another subject) can be revealed. It is an analysis based on all transcribed interviews (first group of interviews). A network view based on Atlas.ti displays the code relations around major topics of the research project on the following pages.

Networks in general are a largely and quite contentiously discussed research area. In this paper, they are used primarily to help visualising relations or bounds between codes. Therefore, they are conceptual networks[208].

As will be demonstrated in the coming pages, connections of differing density will be distinguished. Co-occurrences with figures below 3 were not included in the network analysis, co-occurrences between 3-5 are displayed by a simple arrow, co-occurrences with 6 or more matches displayed as a thick black arrow. They were transferred in a conceptual network view that helps visualising interrelations between codes.

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[208] For social network analysis see e.g. the generic handbook by Scott, 2000 .

It is important to remember that co-occurrence of a code with others and the frequency of one specific code are two different things. The frequency in terms of absolute figures (e.g. if a code is used 15 or 200 times) is not displayed on the following pages as the focus lies on linkages between codes. Therefore only the co-occurrence, the frequency in which a code is mentioned next or at the same time as another code are displayed.

In the following table, the developed codes (see chapter 7) are listed in bold in alphabetic order. Below them, the co-occurring codes are added. The figures next to the co-occurring codes represent amount of time this code is appearing at the same time or next to the code stated in bold.

adaptation for application application [1] delicate issues [1] EU perception [2] financing [3] politics [1] problem [3] structure of organisation [1]	**financing** adaptation for application [3] application [5] choice of programme [7] culture specific [2] delicate issues [4] EU perception [3] former experiences [1] future [1] support/help [5] idea [1] knowledge of others [2] outsourcing [1] planning [6] politics [3] problem [8] Promesa [1] structure of organisation [2] timing [4]	**outsourcing** application [2] delicate issues [2] financing [1] knowledge of others [1] problem [4] **planning** advise [1] application [5] choice of programme [2] culture specific [3] delicate issues [4] EU perception [2] financing [6] help [1] informing [1] knowledge of others [2] network [2] NGO in SF [1] problem [4] regional development [1] suggestion [1] timing [3]
application adaptation for application [1] choice of programme [3] competition [1] culture specific [2] delicate issues [7] financing [5] former experiences [2] help [5] idea [1] knowledge of others [3] NGO in SF [1] outsourcing [2] planning [5] politics [2] problem [11] structure of organisation [5] suggestion [3] timing [7]	**former experiences** application [2] choice of programme [1] delicate issues [2] financing [1] help [1] politics [3] problem [2] suggestion [2]	**politics** application is [2] competition [3] culture specific [2] delicate issues [6] EU perception [3] financing [3] former experiences [3] help [4] idea [2] knowledge of others [3] problem [6] regional development [2]
background of applicants (education) help [3]	**help** advise [2] application [5] background of applicants (education) [3] culture specific [1] delicate issues [5] EU perception [1] financing [5] former experiences [1] idea [1] informing [2] knowledge of others [5] planning [1] politics [4] problem [4]	**problem** adaptation for application [3] application [11] background [1] culture specific [4] delicate issues [11] EU perception [4]
choice of programme application [3] delicate issues [8] EU perception [3] financing [7] former experiences [1] idea [3] knowledge of others [2] planning [2] Promesa [1] suggestion [4] timing [4]		

competition
    application [1]
    delicate issues [3]
    knowledge of others [3]
    mistrust [2]
    politics [3]

culture specific
    application [2]
    delicate issues [3]
    EU perception [7]
    financing [2]
    help [1]
    idea [1]
    planning [3]
    politics [2]
    problem [4]
    regional development [6]

delicate issues
    adaptation for application [1]
    application [7]
    choice of programme [8]
    competition [3]
    culture specific [3]
    EU perception [2]
    financing [4]
    former experiences [2]
    help [5]
    idea [3]
    informing [1]
    knowledge of others [2]
    mistrust [1]
    outsourcing [2]
    planning [4]
    politics [6]
    problem [11]
    Promesa [1]
    regional development [7]
    suggestion [6]
    timing [4]

EU perception
    adaptation for application [2]
    choice of programme [3]
    culture specific [7]
    delicate issues [2]
    financing [3]
    future [1]
    help [1]
    idea [3]
    planning [2]
    politics [3]
    problem [4]
    timing [1]

    regional development [1]
    structure of organisation [6]
    suggestion [4]
    timing [2]

idea
    application [1]
    choice of programme [3]
    content or project [1]
    culture specific [1]
    delicate issues [3]
    EU perception [3]
    financing [1]
    help [1]
    NGO in SF [1]
    politics [2]
    problem [1]
    regional development [5]
    structure of organisation [1]
    timing [2]

knowledge of others [16]
    application [3]
    choice of programme [2]
    competition [3]
    content or project [2]
    delicate issues [2]
    financing [2]
    help [5]
    informing [1]
    mistrust [2]
    outsourcing [1]
    planning [2]
    politics [3]
    problem [5]
    structure of Organisation [4]

mistrust
    competition [2]
    delicate issues [1]
    knowledge of others [2]
    problem [3]

NGO in SF
    application [1]
    idea [1]
    planning [1]
    problem [4]
    timing [2]

informing
    delicate issues [1]
    help [2]
    knowledge of others [1]
    planning [1]
    problem [1]

    financing [8]
    former experiences [2]
    help [4]
    idea [1]
    informing [1]
    knowledge of others [5]
    mistrust [3]
    NGO in SF [4]
    outsourcing [4]
    planning [4]
    politics [6]
    regional development [5]
    structure of organisation [6]
    suggestion [3]
    timing [6]

Promesa
    choice of programme [1]
    delicate issues [1]
    financing [1]
    timing [1]

regional development
    culture specific [6]
    delicate issues [7]
    help [1]
    idea [5]
    planning [1]
    politics [2]
    problem [5]

structure of organisation
    adaptation for application [1]
    application [5]
    financing [2]
    help [6]
    idea [1]
    knowledge of others [4]
    problem [6]

suggestion
    application [3]
    choice of programme [4]
    delicate issues [6]
    former experiences [2]
    help [4]
    planning [1]
    problem [3]
    timing [3]

timing [15]
    application [7]
    choice of programme [4]
    delicate issues [4]
    EU perception [1]
    financing [4]
    help [2]
    idea [2]
    NGO in SF [2]
    planning [3]
    problem [6]
    Promesa [1]
    suggestion [3]

Table 4: List of co-occurrences

The first network view shows all codes of the research analysis. Codes are positioned in order to create an easily legible network view. Separated network views on different subjects can be found on the following pages.

In the overall network, all codes and code combinations are displayed without making a selection according to its relevance. This table can give a good overview of the plurality and linkages of code co-occurrence in total. It can be observed that e.g. some codes remain outside of the network (such as the code 'Promesa'), and some codes have only very few links with others (such as e.g. 'Background of applicants'). The separate appearance of codes detached from other central 'nuts' of linkages is as important as a very interlinked code. For instance, 'Promesa' was expected to have a positive impact on application process. However, not only in the descriptive interview analysis of the last chapter, also in the co-occurrence overview 'Promesa' is a remote option and does not play a central role even though it has been addressed several times by the author. Other linkages and positions within the network are far more complicated to read. For instance, the code 'former experience' (in applying for (EU)funds) is loosely related to the network, mainly through 'politics' and thus through informal support structures (see chapter 9.6.6). Here, a palpable explanation is not obvious, as interview partners pointed out the importance of previous experiences (again see chapter 9.6.6 but also 9.8.4). Thus, the network view demonstrates that they were not discussed simultaneously with most other central codes and cannot be validated easily through the conceptual network view.

In some sub-analyses codes not belonging to that set of meaning are excluded from specific network views in order to help understand direct links (e.g. 'delicate issues' will sometimes be excluded, as it gathers ambiguous subjects throughout all topics and therefore might not always be a helpful indicator for a network view; other codes are excluded because their link is not strong enough). If done this way, it is mentioned explicitly for each network view. The following conceptual networks were created based on the previous analysis. Crucial codes that proved to be important in the process of applying or for the success of applying are separated and presented with their strongest affiliated codes. The different conceptual networks are presented in order of emergence of an application. Thus, the idea as the founding moment of a project is looked at first.
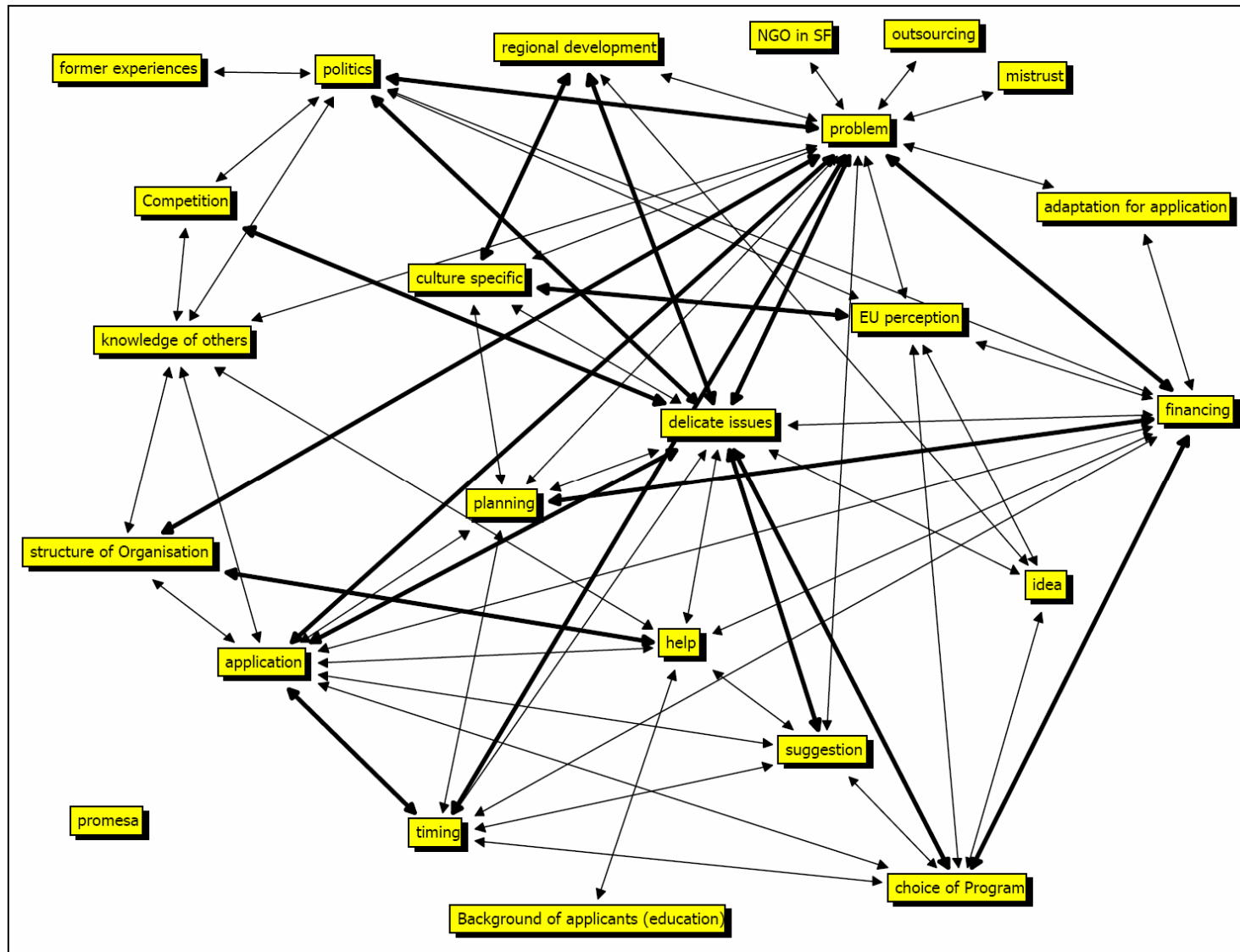
Figure 7: Network view of interview analysis including all codes

10.1.1 The idea as a conceptual network

As can be seen, the idea is weakly interlinked with other codes. Main co-occurrences are 'choice of programme', 'EU-perception', 'regional development' and 'delicate issues'. Taking into account the descriptive analysis from the previous chapters, it can be confirmed that developing the idea and formally including the idea in concepts of regional development can be a difficult step, being displayed as a triangle in the network view. EU-perception and ideas of what could be expected from an EU-project and simultaneously what is expected from an applicant influences the choice of programme, which in the end is strongly linked to possibilities and the idea that is the basis of a project. Thus, parts of the descriptive interview analysis can be confirmed. Here, the content related side of the institutional framework of Structural Funds might have to be questioned, as a direct impact of the formal norms (socio-economic development targets but also 'softer' elements such as papers linked to the role of culture and creativity in fostering development and/or EU- identity) on the kind of projects developed cannot be seen.
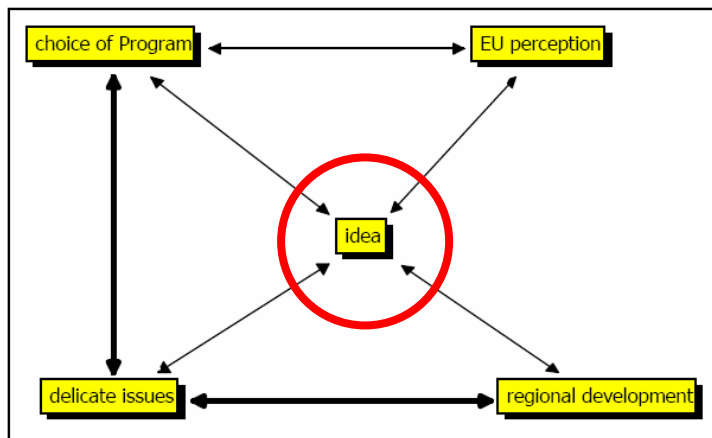
Figure 8: Network view of co-occurrences Idea

10.1.2 The application as a conceptual network

Secondly, the application process is looked at. By isolating codes linked to the application and application process, it can be demonstrated that next to the already mentioned codes with a strong co-occurrence ('timing' and 'problem'), the codes 'help', 'suggestion', 'choice of programme', 'financing', 'planning', 'structure of organisation' and 'knowledge of others' were linked to the application. The code 'adaptation for application' has no link to 'application', as either one or the other was

used to code a specific interview passage. However, they are not congruent, as 'adaptation for application' coded interview passages where an application had to be changed or redesigned for the application. 'Application' in itself coded text passages where the process or other elements of the application were discussed, but is not including an explicit mentioning of adjusting and editing a project idea or application. Thus, I have abstained from merging those two codes within the network views.

'Timing' and 'planning' together with 'financing' are the most operational aspects that influence the application. According to the network view, it could be stated that 'financing' decides together with the 'timing' on the choice of programme. This strong link can be confirmed by the descriptive analysis earlier in this paper.

It can benoted, that the structure of an organisation is linked to the application, but has no connection to the planning. This suggests that crucial resources within the organisation were mentioned more in the context of 'knowledge of others' as well as 'help' and much less as a decisive factor for the application itself. Therefore, the structure of the organisation appears to be much more decisive when it comes to support structures and networking (knowledge of others, help), and through this can support or hinder the application process. It could be, as increase in staff or the lack of inner support within an organisation was rarely discussed, that other aspects of organisational structure were not coded sufficiently next to the application process to appear in this co-occurrence overview.

'Suggestions', which is a code that was used to filter ideas and expectations for changes within the application process or within the organisation of the institution, focusses as much on the application in general as on specific aspects of how to seek 'help', how to 'chose a programme' and how to handle the 'timing'. This could be explained by the fact that only few suggestions were made by the interviewee and mainly tackled when asked directly about what kinds of 'tips' interviewees had for other applicants; an outcome which is not causing any problem for the analysis, as the focus stays on the application process, the central goal is not a new proposition of how to change formal and informal framework conditions. In other words, suggestions and recommendations were made regarding 'timing', the 'application' process in general, on how to seek help and how to choose a programme. Here of course, conditions were mentioned that should be changed in order to avoid problems in the future.
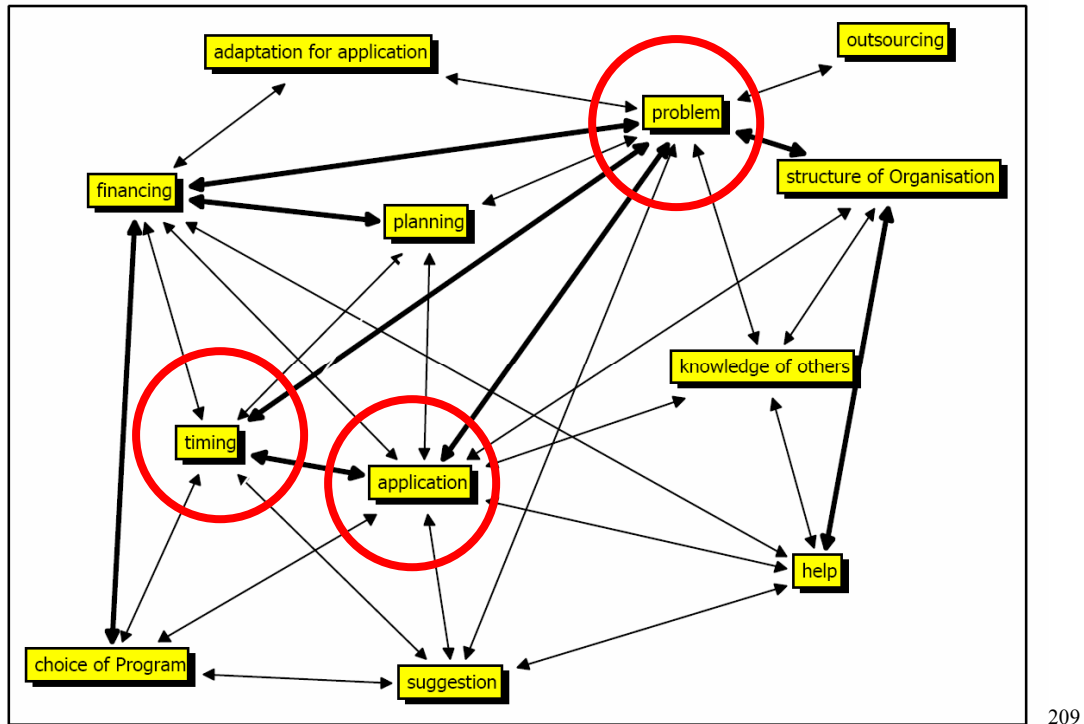
209

Figure 9: Network view of co-occurrences focussing on Application

The adaptation of an application was mainly mentioned together with financial issues and caused problems for the interviewee. This can be confirmed by the descriptive analysis earlier in this paper.

Outsourcing on the other hand, was not part of the co-occurring codes linked to 'application' and can be regarded as a solution to problems of the application. Therefore, the co-occurrence with problems is given and providing an indirect link to the application process.

10.1.3 Informing, networking and help as a conceptual network view

As support structures and networking were discussed in the context of informing oneself or informing others, the next co-occurrence network view focusses on codes linked to the respective subject. 'Information' as a code is not strongly co-occurring, mainly because during the coding process, passages linked to information gathering were tried to be coded as explicit as possible (thus, using e.g. 'help'). 'Help' and 'knowledge of others' are interlinked, and therefore, the hypothesis of a connection

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[209] It is important to note that within this network view, the code 'delicate issues' was excluded to focus on more explicit codes.

between a network of people and receiving or offering help to others can be confirmed. Still, there is only one strong co-occurrence for the selected codes, which is not between 'help' and 'knowledge of others' but connects 'help' and the 'structure of organisation'. 'Mistrust' and 'outsourcing' are outside the network and the 'background of applicants' plays only a subordinate role for the network view and is exclusively connected to 'help' (re-emphasising that additional courses and trainings helped the interviewees in their application writing). Obviously, 'educational background' and 'knowledge of others' was not discussed at the same time, leaving a group of codes ('knowledge of others', 'politics', 'competition' and 'former experiences') on one side and another ('help', 'suggestions', 'background of applicants' and 'choice of programme') on the other.

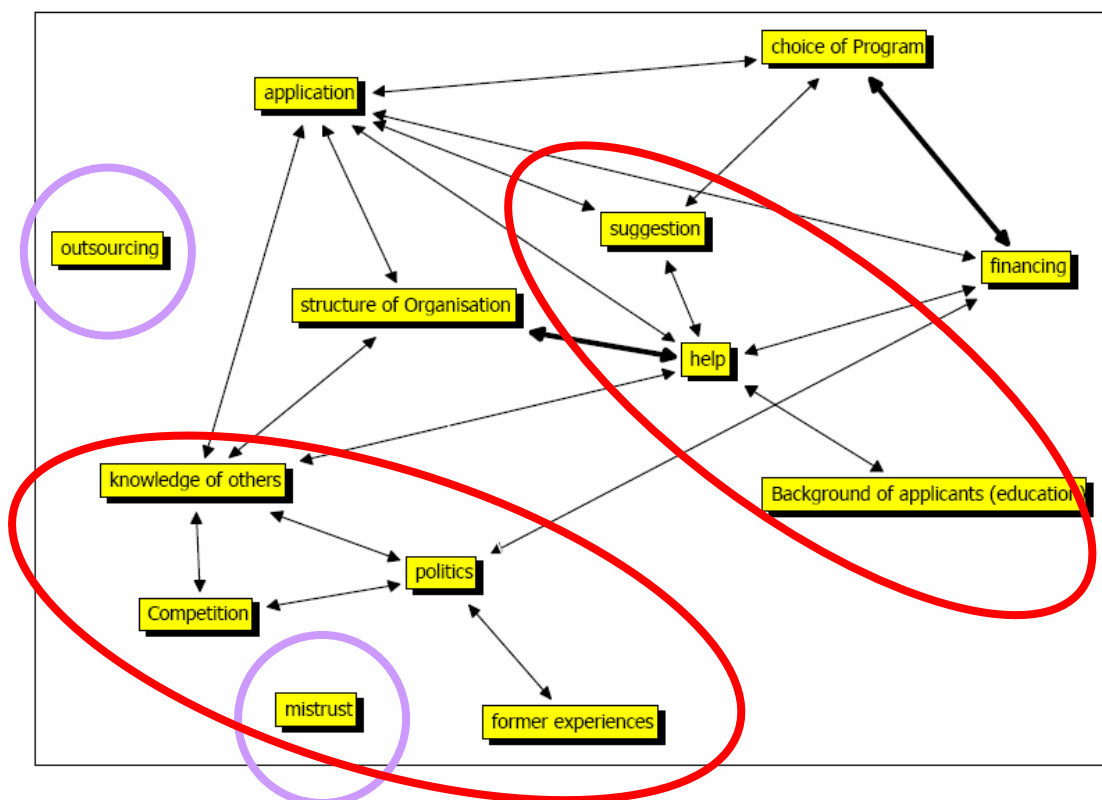*Figure 10: Network view of co-occurrences focussing on Help and Knowledge of others*

This could be associated with the fact that concrete suggestions and help are much more related to practical aspects than the knowledge of others. As a consequence, delicate aspects linked to politics are therefore only connected to the first group of codes, and financing, or the choice of programmes, does not co-occur with the knowledge of others.

10.1.4 The role of culture, regional development and the EU-perception within a conceptual network view

When focussing on the three codes that relate to central concepts of this paper such as EU perception, cultural specific characteristics and aspects linked to regional development, the following network view emerges.
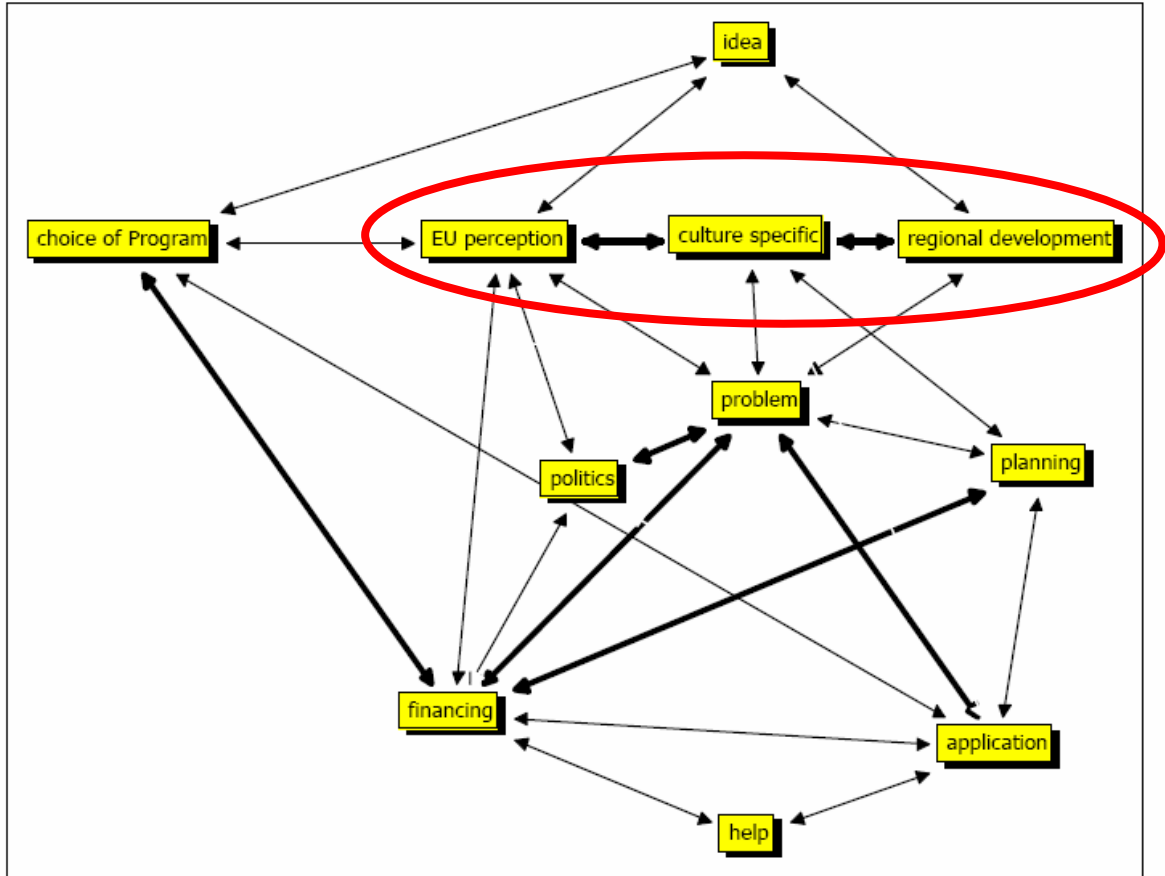
Figure 11: Network view of co-occurrences focussing on Culture Specific, EU and Regional Development

The three mentioned codes are strongly interlinked through the code 'culture specific'. Cultural aspects link regional development or were at least discussed at the same time. The same holds true for EU matters; therefore a strong co-occurrence between all three codes is given. All other co-occurrences are less frequent.

It can be observed that there is no direct link with the application or with codes such as 'help'. However, the 'EU' appears to be closely linked with financial matters - somehow a logical connection when EU-funds were at the centre of the research. Furthermore, the choice of a programme (so the choice of an EU-financed programme) is linked to the two other codes. It is not clear from the co-occurrence

analysis if the EU perception was part of 'political interaction' or if within politics, EU perception played an important role. The latter seems more plausible.

The emergence of ideas for cultural projects was often discussed together with EU matters and possible involvement in regional development. Here, it could be that the research focus and interview guide are reflected in the network view.

10.1.5 Problems visualised in a conceptual network view

As could be seen in the above displayed conceptual network view, the code 'problem' is one of the most interlinked codes. This comes as no surprise, as challenges around the application process were one of the main themes of the deducted interviews.
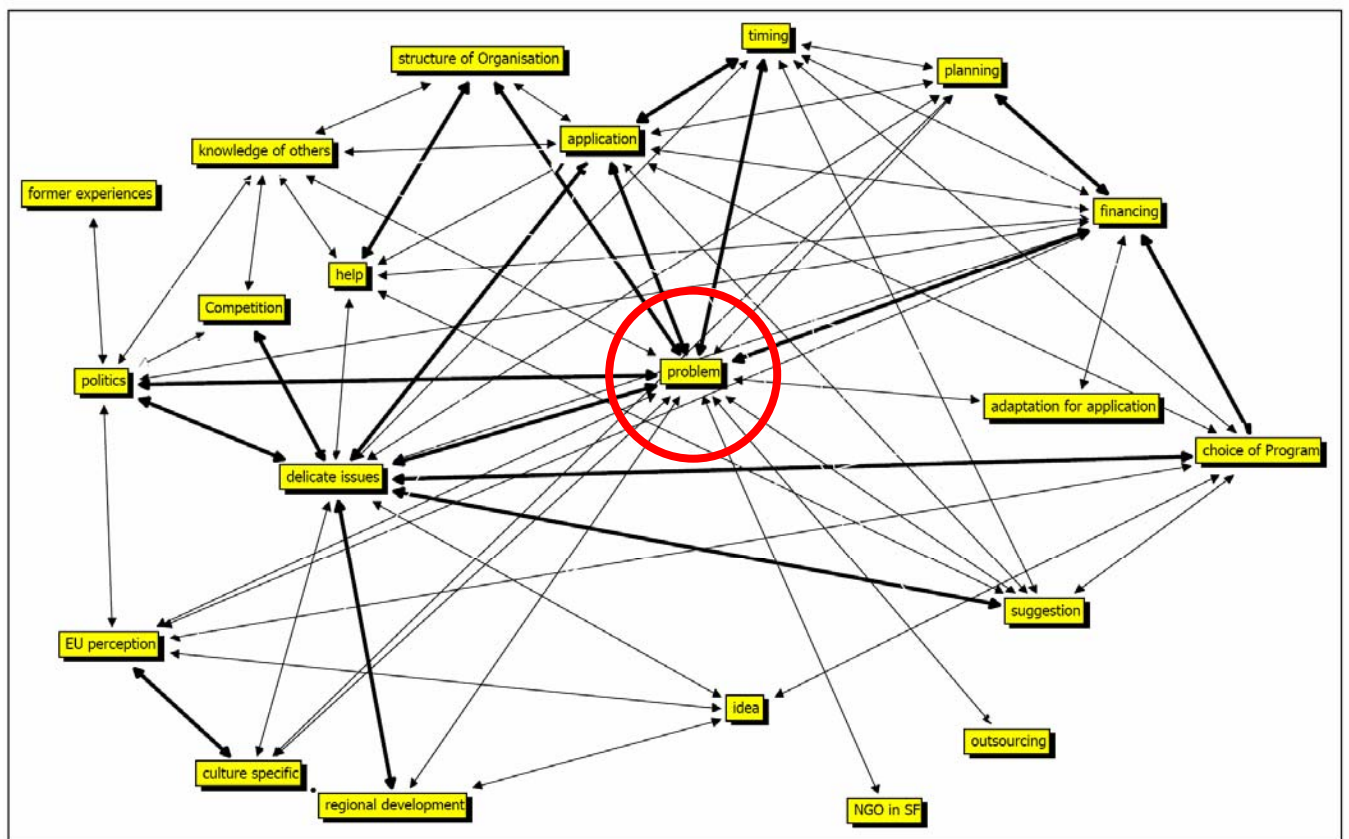

Figure 12: Network view of co-occurrences focussing on Problems

Focussing on the strongest co-occurrences (more than 5 co-occurrences), the following network emerges:
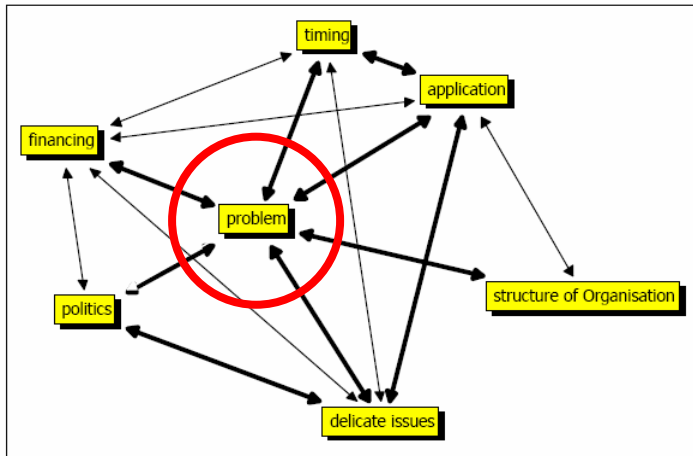
Figure 13: Network view of co-occurrences focussing on strong co-occurrences Problems

The network displays six codes that have strong interlinks with the code 'problem'. As the research focussed on the application process, 'application' as a code was expected to be part of this network view. Also, the involvement of 'politics' as a 'delicate issue' (very often the code 'delicate issue' is coding side remarks on politics, unclear or unfair information or distribution criteria or quarrels and problems within an organisation) is rather logical and can be confirmed through the above-demonstrated graph.

What is important to notice is that the 'structure of the organisation' and the 'timing' of the application together with 'financial aspects' are among the strongest co-occurrences and therefore represent in terms of code distribution the most mentioned problems that are linked to the application. 'Timing' in this sense has a straighter link to the 'application' than 'financing' and 'structure of organisations' that are linked much stronger through the code 'problem' to the application. This might allow the following interpretation:

For applications, timing is a crucial problem (linked to problem) but also a decisive (neither negative nor positive) factor within the application process. Finding financial resources or dealing with financial constrains is among the major problems that can be encountered by an organisation applying for Structural Funds, and politics come into play as a problematic issue ('delicate issues') when discussing finances. The structure of an organisation (available staff, enough resources, supportive director) can help and facilitate an application or cause problems, especially when staff is changing and supervisors refuse to support an application.

10.2 Main factors – an intermediate summary

In previous pages, co-occurrences between codes were displayed via conceptual network views and were commented in the light of previous descriptive interview analysis. It allowed to link back quantitative elements of the analysis, and in this case, co-occurrences of codes to the descriptive analysis, which confirmed some previous findings. Both the descriptive, qualitative analysis and the co-occurrence analysis validate the importance of financial aspects and timing but also of the structure of an organisation for a project application.

Furthermore, overall subjects such as the role of culture and/or cultural specific aspects, regional development and the perception and role of the EU were discussed. Their co-occurrence suggests that when discussing cultural aspects, regional development and EU matters were discussed simultaneously or raised before/after. However, EU-matters and regional development were not directly linked, and EU-perception much more strongly interlinked with other codes than the code 'culture specific'. Therefore, it can be assumed that a direct impact and/or links between concepts of socio-economic development and the role of culture within the EU were not anchored together. This is, as mentioned earlier, backed by the interview findings and contradicts the earlier formulated hypothesis QVII/H1. Also, information gathering was crucial and discussed mainly related to 'help' and 'knowledge of others'.

Findings of the analysis will now be integrated back into the theoretical concepts previously introduced in this paper. It will allow a scientific reflection on the empirical findings with the goal of validation and further development of actors' strategies within the given formal framework.

11. Sociological Neo Institutionalism and research findings

In previous chapters, a theoretical embedding and methodology has been developed for the chosen case study. This was followed by a formal and descriptive interview analysis. As a next step, a co-occurrence analysis supported by network views helped to visualize and deepen the understanding of involved factors, processes and challenges of the application process for Structural Funds for the cultural operators interviewed.

A first validation of the hypotheses was undertaken after the descriptive analysis of interviews. The co-occurrence confirmed those findings and added some elements that further explained links between factors. Now, hypotheses linked to the theoretical concept (Question Ib) of this paper as formulated in chapter 4.7 will be reintroduced and discussed in the context of the sociological Neo Institutionalism as well as the suggested model by N&I. Especially the following question shall be considered again:

Question Ib:'What are the formal and informal norms within the application process for Structural Funds, and in which way do they impact application strategies of cultural operators?'

The aforementioned steps will assist in bringing coherence to the elements of the analysis and, on the basis of the presented tools, help to structure findings to create a consistent picture. As described previously, sociological NI was chosen to guide the research of this paper. It is based on several assumptions that shall be addressed at this point to reflect again on the appropriateness of the chosen theoretical setting and the implications of the analytical findings of the theoretical background. First, general elements shall be taken up and mentioned again to ease reading before a more detailed integration of the findings into the model by N&I will be provided.

As has been explained in chapter 4.5, Structural Funds in the context of the sociological NI and, therefore, within the model developed by N&I can be understood as an institution. Earlier, it was argued that Structural Funds can be recognized as an institution, among other things, because of their **leitmotifs** (cohesion, solidarity) which were found at EU level (macrolevel). It was further claimed that those leitmotifs have to be part of an institution on all levels in order to make the institution

accepted, supported and successful. As explained previously, the leitmotif represents an ideal picture that often shows divergences to what is done and implemented in practice. Transferring this concept to Structural Funds, leitmotifs such as cohesion and solidarity can be named and are generally accepted within official papers at macro and meso, but also within application documents written at micro level (see also chapter 4.5). Regardless of their persuasiveness and the individual beliefs of the actors or the outcome, it can be stated that formally, on all 3 levels (macro, meso and micro), those leitmotifs are recognized. However, this does not imply that all projects, or even Structural Funds in general, have a decisive impact on cohesion, a situation that is aligned with the concept of leitmotif (see chapter 4.5).

Regarding the position of the mentioned leitmotifs in more detail on micro level, it can be stated that the legitimacy of Structural Funds (solidarity, cohesion) are hardly discussed within the conducted interviews. This seems logical, as the focus of the interviews was on application processes. A discussion on solidarity was not initiated by the interviewer and to some extent presupposed as a common base. Indirectly some elements were mentioned such as the notion of EU funds that are there to support Poland in its attempts to catch up with other EU economies. Here, a certain level of the belief 'this is what we are rightly entitled to have and ought to receive' cannot be denied. Formulating this tendency in a slightly exaggerated way, some cultural operators in Poland expected the EU to show solidarity with Poland and see Structural Funds as one justified tool in this process. At the time of the interview, they also believed that it is important to invest now in infrastructure with EU funds to improve the overall situation in Poland (cohesion). One could therefore assume that those basic and fundamental elements were accepted and not questioned by interviewers[210].

Other elements were imperative for institutions such as the comprehension of norms and thus the ability to reduce uncertainty. This ability of an institution to **reduce uncertainty** and make outcomes predictable (see chapter 4.5) is met by Structural Funds through the formal fixed framework documents (formal norms). They provide incentives to create a very specific kind of project and implement this project in a

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[210] To develop this further and prove possible differences in support and acceptance of the leitmotifs, a different kind of research setting would be needed, and thus, this notion is not extended further at this point.

given framework. However, to what extent Structural Funds directly reduce uncertainty and create a predictable outcome in form of a clear type of project and approach aiming at improving socio-economic development cannot be easily confirmed. From my point of view, this is due to the complex interplay of formal and informal norms that shall be discussed in more detail by using the model of N&I on the following pages.

In this context, one of the earlier raised points was that if formal and informal norms exist, chances of contradiction are high. Here, N&I rightly point out that when different sets of formal and informal norms exists, a close coupling is important in order to guarantee high organisational performance (proposition 4, see: Nee, 1998b). They state in their fifth proposition that "when the formal rules are at variance with the preferences and interests of subgroups in an organisation [meso level, the author], a decoupling of the informal norms and the formal rules of the organisation will occur." Here, reference can be made to the paper written by Meyer and Rowan (1977) on decoupling. This leads to the emergence of informal norms that oppose formal rules and "bend the bars of the iron cage" (Proposition 6) (Nee, 1998b). Therefore, it has to be seen which norms can be detected and how they relate to each other.

If, what is assumed, formal and informal norms are partly inconsistent and contradicting or even opposing each other, the outcome will be eclectic. Individuals will have a multitude of possible choices and must decide which norms (formal or informal) they follow and how they 'bend the bars' in their favour. In addition, actors only act partly rational and do not posses perfect information. They will take into account all costs (social and economical) they perceive relevant in the respective situation (social appropriateness). Thus, formal norms might be 'countered' by informal norms. The way informal information channels were developed and used by interviewees and their organisations, but also the kind of projects that were developed and applied show elements that cannot directly be explained by the formal framework. For instance if everyone expects that a particular organisations ought to get funding because of its historical importance and if direct meetings with the Ministry of Culture are, in general, accepted and are the 'normal' way of lobbying for a nearly refused project, informal norms and understandings of social appropriateness as one set of norms can be confirmed. This is also linked to the position of the applying organisation and the power of **legitimacy** of Structural Funds (see chapter

4.5), an additional aspect reflected in sociological NI which sees the creation of legitimacy in society for individuals (projects) an essential element explaining the participation and consequences of involvement in the respective institution. Here, it can be clearly stated that organisations that received Structural Funds (were 'worth' the funding) increased their standing and legitimacy within society, and therefore can act as a strengthening factor for Structural Funds in general if they succeed in their project, or even more importantly, if they are perceived as successful by their environment. If mostly big, socially accepted organisations received funding, a double effect can be created; as Structural Funds acknowledged the importance of well-established cultural institutions, they themselves increase their credibility and at the same time reinforce a 'status quo' that guarantees support from key players within the field. Here, a reference to the second and third propositions of N&I [211] can be made which state that "the more frequent the interactions between members of a group, the more effective the monitoring of its norms"; explaining that e.g. successful applicants will help keep or improve their status and maintain a status quo according to the existing informal norms. Once accepted and part of this group, informal norms will be uphold and reinforced (proposition 3a, see: Nee, 1998b).

One additional point shall be raised regarding findings based on sociological NI related to political processes and the importance of the state (see chapter 4.5) before entering into a more detailed application of the model. As was described earlier (see chapter 4.5), political processes can be understood as primarily focussing on creating meaning and identity, and through this reinforce the legitimacy of an institution. According to research in this area, it results in a divergence between rhetoric papers and actions. Within the conducted research, this notion can be traced back to the complaints by some interviewees, mainly that framework documents regarding the importance of culture and creativity remain on an abstract level and lack concrete action. On the other hand, ideas and concepts of socio-economic development are not strongly interlinked; for instance visualized in the conceptual network view on 'idea'

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[211]"Proposition 2. The more frequent the interactions between members of a group, the more effective the monitoring of its norms.

Proposition 3a. The successful attainment of values by members of a group provides effective reinforcement for the joint production and maintenance of informal norms. The more frequently ergo compliance [noncompliance] to a norm is regarded [met by disapproval] by alter, the more likely ego will uphold the norm"(Nee, 1998b).

where the idea is detached from the 'application', and 'regional development' and the 'EU perception' play a subordinate role.

At this point it can be stated, that some general elements of the sociological NI support the findings of this research. Using the earlier adapted model, I will try to restructure the results emerging from the primary data analysis to improve understanding and develop a clearer picture of actors strategies. As a reminder, the institution of Structural Funds consists of a formal framework that imposes formal constraints (e.g. the rules on how to create Operational Programmes[212], how to control cash flows, or the amount of co-financing given to each region) and informal constraints (such as local preferences). The formal framework is enforced by the European Commission (macro-level, see graph next page) and national and regional administrations (meso level) on the lowest level (the applying cultural organisation).

Structural Funds regulations are on the top level of hierarchy (macro level). They are shaped and created at EU level and include all EU-regulations on Structural Funds but also indirectly all other EU treaties and regulations (such as the subsidiarity principle[213]). As an institutional framework, they define formal norms and create incentives for all other levels (arrows pointing downwards)[214].

On a national or regional level (meso), the different programmes (e.g. OPs) are shaped according to formal criteria (macro), respecting regional preferences. Cultural organisations (micro level) determine the informal environment of individuals. They channel information, support activities and interfere when their interests are not respected sufficiently. The scope of action inherent in the institutional framework is reduced by the Polish administration (meso), and then interpreted and filled by applying cultural organisations and individuals on the bottom level of the hierarchical pyramid. In chapter 4.5 the model of N&I was adapted globally to the case study and parts of the model (in black dotted box) selected as research focus:

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[212] As a short reminder, the Operational Programmes (OPs) are planning documents, at regional but also national level, that define support areas eligible for Structural Funds. They are created by regional and/or national administrations in cooperation with the EU.

[213] The Subsidiarity Principle is one of the most important EU-principles. It basically states that all decisions that can be made on a lower administrative level should be made there. E.g. when regions can handle a problem, the EU should not become active, see chapter 3

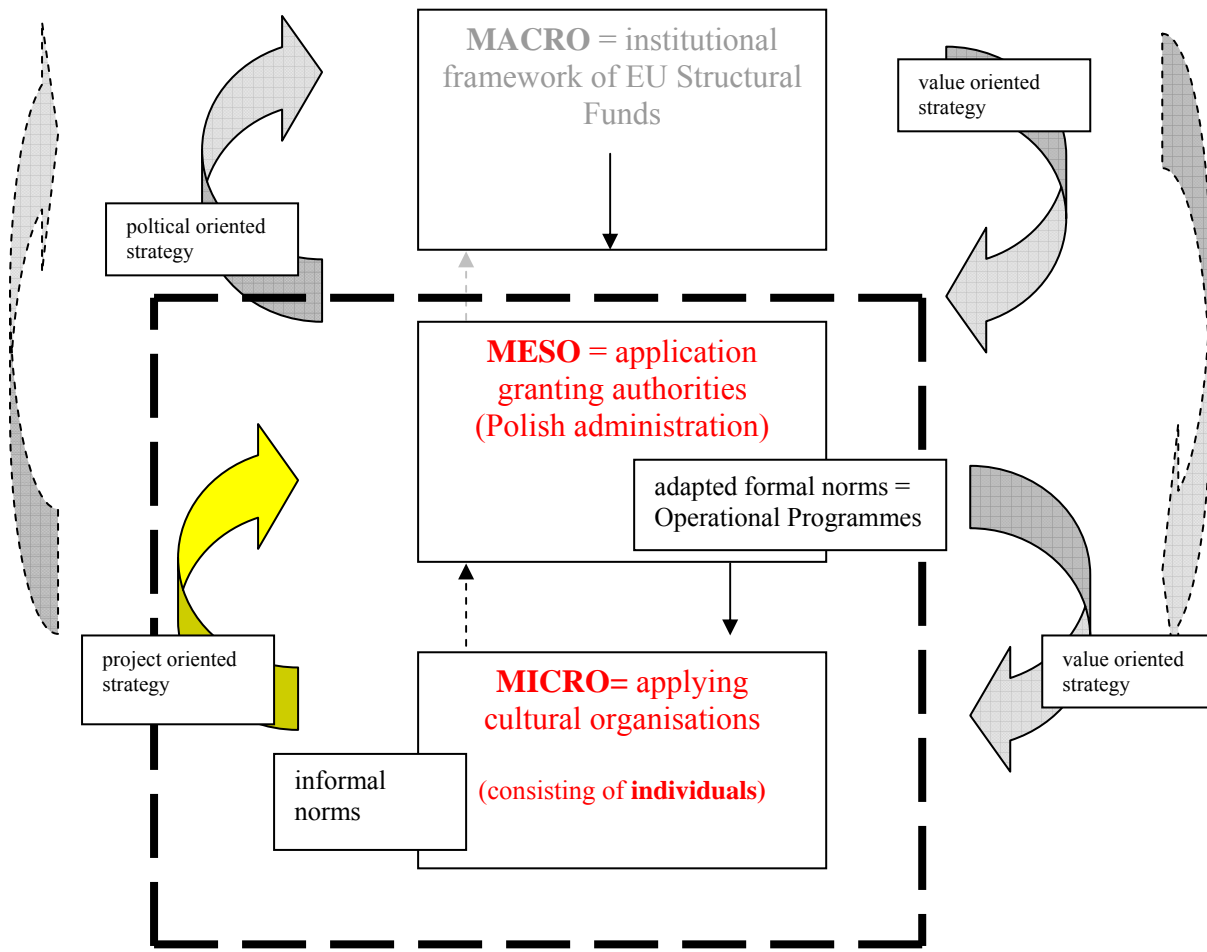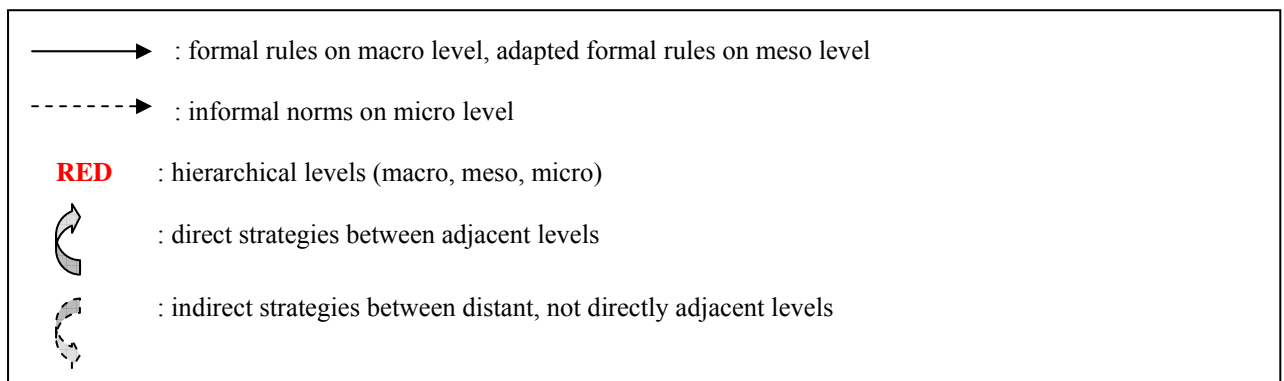[214] For more details see again chapter 4.5.

Figure 14: Adapted model of Nee and Ingram to the research project[215]

The graph enforces again the focus of this research, which includes the adapted formal norms attributed to the meso level (application granting authorities) and all

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[215] This figure is identical with figure 2 and 4 and serves as a reminder for the reader.

elements inherent or coming from the micro level. Here, informal norms and strategies from the micro towards the meso level and the interaction between individuals and their institution are included. Strategies that are coming from the meso level and trying to influence the micro level will not be discussed, as this paper focusses on cultural actors strategies (micro level).

The model will now be applied to the research findings to prepare ground for the closer look at strategies or 'behaviour patterns' of cultural actors in Poland when applying for Structural Funds.

11.1 Content related application of the model – preparing ground for the detection of actors strategies

In short, recalling some elements, on the macro level, the institutional framework of Structural Funds provides a basis for funding within Cohesion Politics. This institutional framework consists of formal norms (black small arrows) that are passed down to the next level (meso). As an example, the overall budget for Poland, or the way funding can be distributed is defined on macro-level and communicated through norms (e.g. 'what is the minimum co-financing that is needed for a project' – informal e.g.: 'what kind of budget does a project need to allow it to have an impact on socio-economic development').

At meso level, the application granting authorities can be found. In this case, Polish administrations, especially the ministries in Warsaw, adapt formal rules they received from the macro level, and create a Polish framework for Structural Funds (see also chapter 3 and 4.5). This is mainly done through the establishment of Operational Programmes. The macro level consists of (several) meso level(s), and informal norms that are part of the meso level influence indirectly the macro level (arrows pointing upwards).

On the micro level, the applying cultural organisations, and within this organisation the interviewed individuals, try to apply for grants. Therefore, they are trying to meet formal criteria from the meso level. In this process, informal norms, so the assumption of this paper goes, play a role and indirectly feedback to the meso level (and potentially even to the macro level).

When observing the possible interaction between levels, different strategic relations are assumed (see chapter 4.5):

The institutional framework on the macro level can be described as a product of different interactions; the meso levels - in form of different nation states - negotiate together a common framework for Structural Funds with the EU-institution. Poland, like all other countries, is pursuing political interests and is trying to position itself as best as possible. As a result, the overall amount of money allocated to Poland might be secured or increase (or be less than expected because other countries having negotiated with more success). Also, particular Polish needs might be included within the Structural Funds framework (within the history of Structural Funds, e.g. fishery nations negotiated a specific fund for fishery regions impacted by structural changes). This bargaining process is described as a 'political oriented strategy' in the model visualised through the thick upcoming arrow between the meso and the macro level.

On the other hand, the macro level (the EU-institutions through the institutional framework of Structural Funds) is trying to give regional development policies on national and regional level a certain direction. The free market, a preference for factor mobility (see socio-economic development approaches in chapter 4.1) within regional development policies (e.g. construction of highways), among other things, could be pointed out. This setting of priorities and giving direction is described as a 'value oriented strategy'; trying to influence the meso level to obtain results within a certain direction of action.

The meso level does something similar towards the micro level. In addition to the adapted formal norms that are imposed on the micro level, the Polish administration (meso) is trying to give direction within the possible scope of action and set content priorities e.g. through Operational Programmes and political declarations. Here again, 'value oriented strategies' take shape, and thus a formal setting tries to impose preferences on actions on the hieratically lower level. Once more, the preference for factor mobility within regional development strategies is a preference that is forced on the next level by the macro level.

The micro level is trying to access funds and therefore is very much project driven. At this stage, questions such as 'how do I meet the formal criteria' or 'what helps me in positioning myself next to other applicants' have to be answered. These strategies are at the centre of my research and contain, especially on the macro and micro level, generally both formal and informal norms.

Last but not least, the indirect strategy arrows between the macro and micro level show e.g. the possibility of a leak through of ideas and concepts from the macro to the micro level (explained as 'incentives' within the model of N&I). This could include e.g. concepts of creative industries and their role within regional development. On the other hand, the micro level sometimes interacts with the macro level, for instance, through umbrella organisations that lobby on EU-level for a better position of cultural operators within Structural Funds. Here, solely informal norms have a say.

On the following pages, I will not tread any of the elements outside the black dotted box in more detail. Instead I will focus on the micro level and the emerging project oriented strategies from the micro towards the meso level. Other elements within this graph (e.g. the negotiation processes between EU countries on EU level or between countries and EU institutions) will thus not be elaborated further, even though a more detailed analysis and substantial justification for the different elements of the strategies would be desirable, but has to be done in future studies.

11.2 Informal and Formal Norms

Different elements of the graph are now combined with the results of the qualitative analysis that has been conducted. The differentiation between the macro, meso and micro levels has been explained (see chapter 4.5). Therefore, at first, formal and informal norms and their interplay between the meso and micro levels shall be discussed.

To gain a better understanding, formal norms and frame conditions emanating from the meso level and informal norms and frame conditions shaping the micro level shall be split into:

   a) formal norms

   b) official but informal norms from the meso level and

   c) informal norms on micro level.

To recall, norms are defined by Nee (1996) as "implicit or explicit rules of expected behaviour that embody the interests and preferences of members of a close-knit group or a community" (see chapter 4.5, page 62). They are the bricks that build institutions. Within the graph, formal norms are rules that have a clear and direct means of enforcement (such as financial obligations that, if not met, will disqualify applicants

for grant receiving). Official (but informal) norms are, in this case, publicly proclaimed norms that are not directly linked to formal enforcement structures. They could also be described as 'softer' formal norms or as the environment for the creation and enforcement of the formal norms, and are definitely part of the informal rules influencing the macro-level. Informal norms on micro level are the norms that are part of the micro level but have no formal means to be considered and taken into account on meso (or even macro) level or by other actors on the micro level.

Based on the primary data analysis (interviews and Structural Fund documents), some formal norms (rules that have a formal means of being enforced) can be identified and are listed below. By using different quotes and impressions from interviewees, some expectations and expressed opinions on why applications were written, why interviewees thought that funding was granted and what Polish grant administrating bodies proclaimed, a first tentative list of informal norms was equally developed. This list is by no means exhaustive or absolute and exists primarily to illustrate the situation.

MESO	
Formal Norms (mostly as requirements)	Informal Norms (official proclaimed norms)
Formal obligations as part of the Structural Funds framework e.g. • Financial obligations • Bureaucratic obligations (paper work) • Deadlines	• Support for regional development is needed – culture can play a part • Guarantee (best) use of EU–funds • Projects have to be 'worth the money' • Culture is important to be funded • Preference for flagship projects

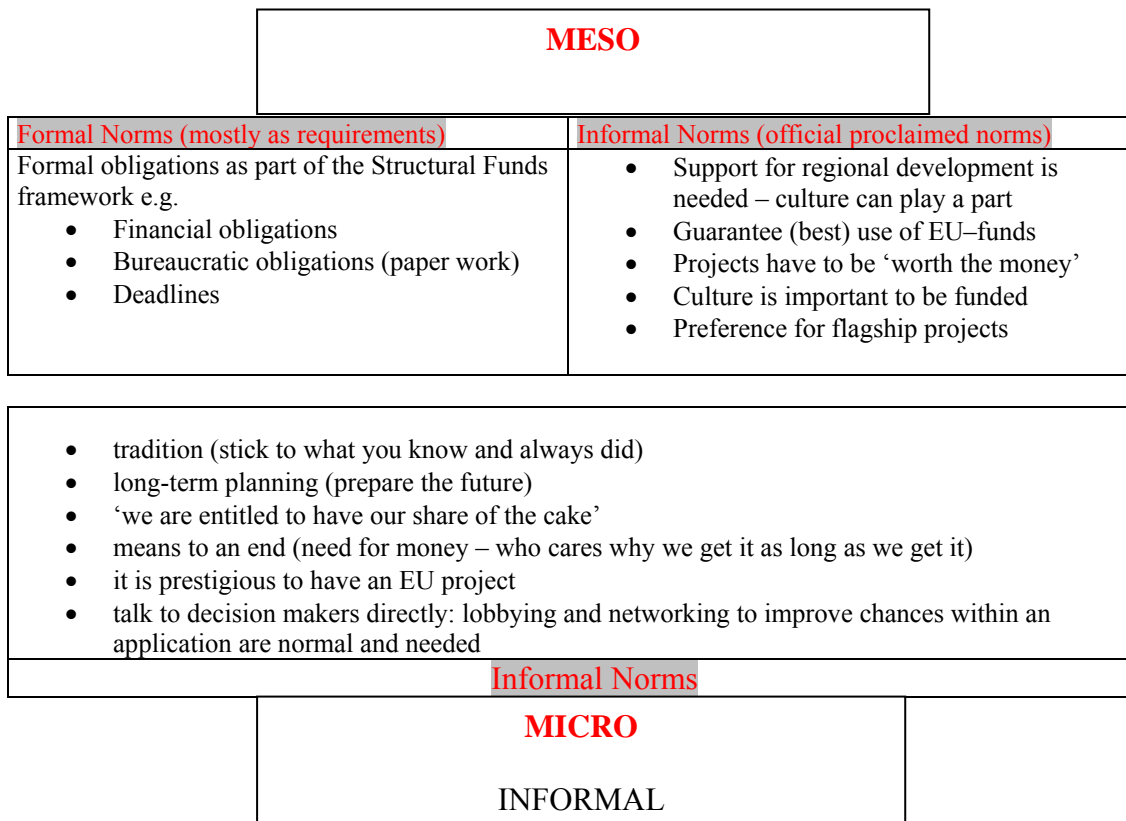| |
|---|
| • tradition (stick to what you know and always did)
• long-term planning (prepare the future)
• 'we are entitled to have our share of the cake'
• means to an end (need for money – who cares why we get it as long as we get it)
• it is prestigious to have an EU project
• talk to decision makers directly: lobbying and networking to improve chances within an application are normal and needed |
| Informal Norms |

MICRO
INFORMAL

Figure15: Different norms on meso and micro level

As described, informal norms are embedding formal norms and are thus important within the understanding of choices and preferences on all levels. Consequently, some of the informal norms on the meso level are used to distinguish between formal norms as 'hard facts' and official preferences. Those official 'preferences' and trusted 'concepts' that can be interpreted as informal norms are important to be met by applicants. Therefore it could be argued that they have stronger means of enforcement than informal norms within the micro level. Still, they are not always directly linked to formal criteria and thus they are not understood as formal norms in the definition of this paper. For instance, one could think of gender mainstreaming and its need to appear in the description of planned projects. In this instance, a clear rule on 'how' it needs to be included and how it can be proven is not given. Formal rules on the other hand, for instance financial regulations (e.g. a co-financing minimum sum) have less room for interpretation, and criteria seem to be 'objective' and clear.

In the following, some of the informal and formal norms as listed in figure 15 will be discussed, especially their role as barriers, facilitators and drivers within application processes is examined. This differentiation prepares ground for the strategy analysis of cultural actors. First, the informal side of the graph will be discussed; formal norms will be addressed in a second step.

On the informal norms side at the meso level, public statements and official documents published e.g. by the Polish state lead to the assumption that support for regional development is a major concern for the Polish administration. Given the desire and need to bolster socio-economic development, the Polish government insists that the cultural sector can make a contribution, and as a result, should be included in regional development strategies and hence in the funding schemes of Structural Funds (see chapter 3). At the same time, the need to guarantee that the EU funds that are allocated to Poland are used, and used well, is one of the tasks and goals of the Polish administration. Returning funds to the EU is politically and economically difficult to justify, which has to be done when funds were not distributed to acceptable projects in a given time frame.

In the conflict between the Ministry of Culture and the EU for a specific cultural funding line in the first round of Structural Fund participation of Poland, different

understandings of culture and cultural projects can equally be seen [216]. Still, projects always have to prove that they are 'worth' receiving funding, which is something that is formally guaranteed through different studies on the respective project and through the judgement of a jury of experts. This also leaves room for informal norms and an interplay between different levels and factors. Within the regulation of Structural Funds, but also the way in which projects have to justify (being of super-regional importance, providing a rather large minimum budget etc.), the preference for 'flagship' projects ('big is beautiful') can also be observed, and is therefore mentioned in the above graph as official (informal) norm.

Those official preferences are met by a set of informal norms linked to cultural operators. Among them, cultural operators expressed the belief that projects that are too 'different' from what the administration and other people know will fail to be accepted. Therefore, following paths that are known within a given tradition are an obvious move (informal norm). Furthermore, the restoring and establishment of basic infrastructures (construction work) are seen as the first priority and basic need. According to some interview partners (see e.g. chapter 9.9) only after that point, something innovative and different might be created. Innovation and creativity in this context is therefore perceived as a risk or as out of place and little promising. Moreover, a certain level of conviction that 'we ought to receive funding from the EU' can be detected in several interviews. Also, some interview partners see their application and the received grant as a means to an end (receiving money), detached

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[216] *"IP: No, I think in Spain and in Portugal they use the ERDF money to restore national heritage monuments. They built a lot of new museums and so on. So they actually started the process. It used to be like that: the Commission was thinking that culture was an issue of the Member State and had nothing to do with Structural Funds. And I think that this mentality remains a little until today because when we were negotiating the Operational Programmes, people from DG Competition or Regio told us that: Oh, we want to support new highways, and maybe some industries but not the cultural sector. So it is like that a little bit. But formally it is very easy to use the money for culture now. Because we also, me and my friend […],changed the decree of the Commission in the Parliament. It used to be like that in the last perspective, that culture was connected with tourism.*
AR: Because you wanted it to be connected or because it had to be connected?
IP: Because it had to be connected. Because in two decrees, in the rural fund and in ESF and the
ERDF it was culture but connected with the growing number of tourists. Everywhere. So in last perspective we had a problem during negotiations because they told us that we had regulations with tourism. Therefore if it is connected with tourism, it can receive state aid. Thus, it needs to be notified by the Commission. And we were quarrelling with them, and we could finally convince the DG competition not to exclude the part of the program connected to culture. In the next perspective, we sent our proposal and they changed it." Interview with a former adviser of the Minister of Culture 17:1 (7:17).

from socio-economic aims. Direct lobbying towards decision-making bodies (administration, ministries, and experts) is seen as normal and even as a requisite for successful application.

The micro level makes use of the officially proclaimed norms in their application and interaction within their environment and tries to meet them, along with the formal norms, formally as best as possible. But on an informal side, other elements are pre-dominant. Here, a highly problematic situation seems to emerge where by the informal norms on the meso level and informal norms on the micro level are detached from each other, and if proven right, this decoupling of norms, as explained by N&I, especially in the introductory paper of Meyer and Rowan (1977) will weaken the institution in itself. Further research over a longer period of time would help to understand this specific element and is highly desirable.

On the other hand, formal norms (the 'hard facts' and written rules) linked to Structural Funds have to be met within an application process. They are part of the Structural Funds framework and include elements such as financial and administrative obligations or elements of timing (deadlines). They are displayed on the left side of the above displayed graph exemplarily and without going into the details, as the exact elements of regulations have not been looked at in detail. However, these formal norms can be describe as hard factors or clear borders for applications and thus very often as (visible) barriers within an application process. Among them, the financial aspects linked to an application, but also deadlines, and thus timing have been identified as crucial (see conceptual network of co-occurrences on 'problems', chapter 10.1.5).

By splitting the mentioned elements as done above, something becomes obvious: Formal norms can easily be identified and clearly separated from other elements. They are there to guarantee the implementation of the institution Structural Funds as the tangible part of EU Cohesion Politics, and do so e.g. through an excessive bureaucracy that aims at guaranteeing that grants are only given to projects that are 'worth' the money[217]. From an applicant point of view, as stated earlier, they can be seen mainly as barriers within the application process as they set the minimum conditions for acceptance of applications.

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[217] This is aligned with the explanations given in chapter 4.5, mainly that formal norms always rely on formal mechanisms to be implemented wherein informal norms do not need formal instruments to be upheld.

However, formal norms are not only 'barriers' for applicants and informal norms cannot be summarized as the 'drivers' of applications. Assuming that barriers, facilitators and drivers are important elements of a strategy, they will be looked at briefly, emphasing on the different levels of interaction as much as the character of the element (formal versus informal):

11.3 Barriers, Facilitators and Drivers

Formal **barriers** are in this set of analysis formal norms (e.g. financial aspects (including co-financing), formal obligations linked to the grant writing). They mainly come from the upper levels (including macro and meso-level) of the institution. Other barriers (such as the lack of information, lack of experience, no standing/credibility as an organisation, 'cannot imagine' applying for a project etc.) however can be both barriers that come from within the applying organisation and from the hierarchically higher levels, mainly from the meso-level. This is, for instance, is the case when both the applicant and the granting authority cannot imagine funding a specific project through Structural Funds and stick to what they know from previous experiences. Here, one could speak of an informal norm that is hindering a further diversification of the content of projects.

Formal **facilitators** can be seen in official support structures (e.g. 'Promesa' or specific units within the Ministry of Culture and National Heritage) or official documents and thus are partly formal norms (e.g. 'Promesa') and partly official informal norms (political declarations). They are mostly created within the meso-level; the possibility to influence them from the level below (micro) is very limited but might be achieved over time e.g. through lobbying. External agencies (outsourcing) stay outside the scheme of institutional norms but do act as 'official' facilitators to overcome barriers, and are an indirect effect of the complex formal norms (that request a high level of expertise) and the trust and acceptance for cultural operators to trust an external agency with the application (informal norm).

Informal facilitators can be found on both sides, on both meso and micro levels Indeed, a lot of interaction between both levels in the form of networking and lobbying can be detected, and the project organisers standing and credibility within their environment and, therefore equally, within the granting organisations (Polish

administration) are of importance. Other informal facilitators such as former experience are definitely on the individual (micro) level.

Official **drivers** should bear a meaning within all three levels (EU framework, polish administration, project applicant). They include the wish to create socio-economic growth, protect cultural heritage and prepare important cultural institutions for the future, including the strengthening/increasing of tourism. Thus, they are officially proclaimed (informal) norms that were moulded into a formal framework and thus became formal norms. Informal drivers however were discussed within this paper mainly as drivers of applicants (a possible 'hidden agenda' of the Polish administration has not been the subject of discussion, and thus is excluded from this analysis). Realising personal dreams, political ambitions or the need for financial resources (for instance also to secure a position or ones job) detached from the Structural Funds aims are just a few possibilities. Here, informal norms are the rule.

Thus, for an application, even though drivers are an interesting and important part, barriers and thus formal norms are the most challenging, as facilitators have been identified as weak within the process[218].

Focussing on barriers, there seems to be a lack of an analytical place for resources within the chosen model. It can be argued that formal rules, when acting as barriers, requested from applicants not only a certain level of acceptance and thus some supportive informal norms. They especially request a certain set of resources that are needed in order to be able to meet those formal requirements. Here, one could think of the following tentative list that describes resources that applying organisations can use to overcome barriers:

- available staff and other internal resources
- knowledge
- experience
- legitimacy (or 'standing')
- acceptance of the 'social appropriateness' of the project
- all sorts of personal contacts

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[218] Weak facilitators were discussed e.g. when analysing interviews in chapter 9 or looking at the conceptual network views. Here, 'Promesa' was outside the network and did not positively influence applications and 'help' and 'knowledge of others' within an other conceptual network view struggled to provide enough support for applications

Here, one cannot speak any longer of norms only but has to address resources in the broad sense of the term, including immaterial and material elements. However, the N&I model does not provide an instrument to specifically add to the model the aspect of 'resources' that could also be seen as 'starting position' for the development of a strategy. Still, the element of 'resources' could help integrate the presented list back into the model, and thus also in the theoretical understanding of the situation. As they were crucial for most interview partners (see interview analysis, chapter 9), this is highly desirable. However, sociological NI focusses on choosing, following/overstepping or upholding norms with different aims such as keeping out others, simplifying or limiting choices etc. As stated earlier, N&I's model sets out by stating that they wanted to combine network embeddedness with the influence of institutions to analyse actors choices and (economic) performance of actors.

But without experience (code: 'former experience') and knowledge (code: 'knowledge of others'), applications were not written or failed. Existing connections to others helped in obtaining information and promoting the project. For others, the lack of own financial sources represented major problems. In all those case, in addition to the importance of the norms of the institution and the norms of the individuals environment (thus of knowing about formal and informal rules and therefore taking into account expected behaviour in certain situations to respect or overstep them), I strongly believe that the question of resources needs to be addressed. As already stated several times, those were vital for organisations to decide on different options and approaches (or strategies), and they cannot be ignored. Moreover, in my point of view, they must be incorporated into the chosen model. Therefore, other theoretical elements will be looked at.

12. Beyond Neo Institutionalism - Pierre Bourdieu's Theory of Practise

To approach the exposed blind spots within N&I's model, concepts dealing with resources and the use of resources within actors' behaviour have to be reconsidered. Here, the earlier presented Theory of Practice (Pierre Bourdieu, 1977) seems a possible choice. It has already been linked to NI by Raimund Hasse and Georg Krücken (Hasse, 2005, 91-93) but also by other authors. Based on the developed picture in this paper, particularly Bourdieu's concepts of 'fields', 'habitus' and especially 'capital'[219] will therefore be tested[220] (see also: Bourdieu, 1982). They might help to close the gap within the chosen model. As a general approach, I will focus only on the applicability of Bourdieu's concepts on the micro-level as this represents the focus of my research. A potential holistic approach will not be fully addressed[221]. For a short introduction to Bourdieu's concept see chapter 4.4.

As a summary, I would like to come full circle: Parameters of choice (Nee, 1998b, 19) can be seen as not only shaped by social mechanisms but also by capital. The starting point for N&I was the ascertainment that there is an analytical gap within the analysis of actors' choices within institutions. Already, in one of his articles on transaction cost economy (1985), Granovetter, one of the fathers of NI, criticised social relationships as being overlooked even though they in fact heavily influence decisions and choices. Here, some attempts were made. N&I suggest that in addition to the approach of network embeddedness as an explanatory approach to understand actors' strategies (thus respecting the environment), the element of institutions has to be added. They try to do so by focussing on institutional interaction through formal and informal norms, and come up with the implemented model. Taking this a step further, it can be assumed that the advantage of adding Bourdieu's capitals is that one can look at more than the formal norms and social interactions (and thus mainly

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[219] For instance 'social capital' is mentioned increasingly also in regional development approaches and was used e.g. by Coleman, 1988 and Putnam, 1993 as important concept linked to trust building in a region that, by doing so, helps to rebalance competition and supports regional development (Coleman, 1988 , Putnam, 1993).

[220] Other approaches such as the organisation as open system (e.g. developed by Pfeffer and Salancik in their work on external control of organisations. Jeffrey Pfeffer, 2003) were looked at but abandoned as they are not able to add the element of resources in the plurality of the word. Also, transaction costs approaches which do consider e.g. transaction specific investments have been rejected in favour of Bourdieu's approach who has a clearer and further developed approach to resources within decision processes and power relations, see chapter 4.

[221] For instance one could focus on the parallels between a sociological Neo-Institutional understanding of the crucial need for legitimacy to survive for organisations and the constant defence of actors and their position within their fields. However this would be highly desirable for future research. Unfortunately, it goes beyond the scope of this research.

informal norms), and include resources and the question of power relations (hierarchy).

Before entering into the finer details, the following picture helps to visualise the possible connection between the suggested model embedded in sociological NI, and concepts of Bourdieu: through the provided model embedded in sociological NI, a better understanding of structures and to some extent 'rules of the game' (norms on how and for what and where and with whom actors apply) can be ascertained. Bourdieu helps to understand different starting positions and amounts of 'chips' and 'jockers' individual players and organisations have or do not have when participating in the game.

At this point, some elements of institutions and possible parallels to Bourdieu's approach will be addressed:

The **reduction of uncertainty** and the creation of trust are some important characteristics of institutions. By monitoring informal norms and creating formal norms, institutions provide a certain level of predictability and thus trust. N&I describe this as one task of the organisational level. That is, to implement formal norms that reduce the possibility of abuse and help reduce uncertainty. To some extent these elements can be found back in Bourdieu's approach. Habitus (the internalised norms) and the rules of the game (the formal and informal norms of a field or between fields) guarantee stability and predictability for each player (see e.g. Bourdieu, 1982). Each actor knows what is expected of him/her and his/her possibilities within the game. In regard to the creation of stability and predictability, the rules of the field(s) and the norms of an institution that are upheld by social interaction are congruent, as described by N&I (Nee, 1998b, 29) but also other authors. Here, even the wording is the same as N&I also refer to the 'rules of the game' (Nee, 1998b, 21).

For N&I, formal organisations and formal norms are set up by groups to monitor and enforce elements that are important in a trust building process. Those formal arrangements grow, as described by N&I (Nee, 1998b, 23), from informal arrangements[222]. They help to reduce the risk of malfeasance and opportunism. Bourdieu equally explains the fostering of structures through social interaction.

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[222] Here, N&I agree with Granovetter, a economic sociologist, who states that institutions "*result from actions taken by socially situated individuals*, embedded in networks of personal relationship with non-economic as well as economic aims" Nee, 1998b 24.

However, the primarily positive perception of organisational arrangements in N&I's approach contradicts with Bourdieu. He states that organisations and formal norms arise from groups based on informal norms. But then, he points out that rules and formal arrangements are not there to protect everybody and secure higher benefits for the group and the individual but to guarantee that a status quo is strengthened and the hieratical structure reinforced (Bourdieu, 1971). Thus, trust can be built up through institutional arrangements (rules of the field) in both approaches. However, there is no incorporation of elements of equal chances in Bourdieu's approach. The focus is rather on stability and high predictability in an existing structure of social order.

Another element is the possibility for an institution to provide **meaning, orientation and identity** (see chapter 4.5). This element of 'belonging' to a group and thus to a specific (sub-) field is important for both the sociological NI and Bourdieu.

Norms are enforced by individuals monitoring others because, among other things, they are part of their identity (habitus) and represent their **legitimacy**[223] in society. Thus, social interaction helps to **reinforce the rules** and structures. For N&I, "social approval and disapproval constitute the key mechanisms through which conformity to the norms of a group is achieved. Social approval is taken as an universal preference of human beings and is expressed as status, esteem, respect, and honor" (Nee, 1998a, 33). Bourdieu has a similar approach. He also describes how individuals are embedded within fields and develop their habitus in an interplay between individuals. This embeddedness and the internalisation of rules within the habitus and, as part of this, the positive correlation between conformity and social approval, leads to the acceptance and thus protection of the rules. Within social interaction, the concept of the **logic of social appropriateness** is thus much stronger than searching for the (rationally) 'best' solution (see chapter 4.5).

Taking those elements as a first sign for a significant amount of comparable elements, a closer look at the model shall be taken. This being said, it is clear that parallels (and differences) between the two approaches could be explored further in much more detail. However at this point, the goal is a first testing of a possible incorporation of Bourdieu. If results go in a positive direction, further research outside of this paper is highly desirable.

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[223] As a reminder, legitimacy of norms and rules (and therefore of an institution) is, according to sociological Neo Institutionalism, much more important than efficiency. See chapter 4.5.

For the moment, I propose to suppose that the social space is a snapshot of the structured relationship of different fields [224]. This social space is reflected at the micro-level within the proposed model[225]. Individuals are embedded in a field or more likely: different fields and developed their individual habitus. With their given or acquired capital and their habitus, they belong and position themselves within their field(s). Those processes, as described by Bourdieu, do not change quickly (compare e.g. Bourdieu, 1982).

When Structural Funds were introduced in Poland, fields and individuals with their habitus and capital met new external requirements[226]. Individuals and fields faced the possibility of obtaining capital (EU Funds = economic but also social and cultural capital). This capital, as all resources are limited, can be used to change or enforce the position of fields and individuals. Therefore, a competition between individuals and fields to receive grants can be expected. To be able to access this new capital, specific rules (the EU-Structural Funds frameworks) have to be followed and barriers overcome. In this specific case, the formal norms that are imposed on the micro-level (from meso level) have to be addressed by individuals (project applicants) within their field[227]. To do so, different capital is needed. One could say that, for instance, economic capital is needed to provide the co-financing of a project. Furthermore, knowledge about how applications have to be prepared (cultural capital (learning) and social capital (obtaining information)) is an important element. If parts of this capital are not owned by the individual, it influences the possibilities to address the formal norms, and therefore the individual's chances to strengthen its position within the field. Consequently, conditioned by the capital and the position of the field and individual, different strategies to address formal norms emerge. The need of available capital within application processes of cultural operators in Austria was already

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[224] This interpretation is aligned with Bourdieu as explained by Rehbein (2006 117).

[225] As stated earlier, this paper focusses on the micro-level. However, one could think of the following interpretation: fields consists often of sub-fields (see a good explanation of this process in Barlösius, (2006 95). The social space could be the macro level, the field the meso level, the sub-fields the micro level. However, as fields interact and overlap, a clear split between the meso and micro-level seems delicate. Further research is needed in this area.

[226] New external requirements were e.g. 'Structural Funds' with their formal norms, but also concepts such as 'creative industries' as positive factors for socio-economic development that can be understood as official but informal norms – 'it is worth to invest in culture to foster development'.

[227] As a field, one could see: 'cultural operators in general' but also 'theatres' as a field versus 'museums' or 'cultural operators in Warsaw' versus 'cultural operators from outside of Warsaw' or 'state funded bodies' versus 'independent cultural operators' but also a 'group of applicants who studied together' etc. As a reminder, fields can overlap and incorporate others, and individuals can be part of several fields.

mentioned by Zembylas who equally refered to Bourdieu when stating: *"Sofern die einzelnen über kein großes soziales, ökonomisches und symbolisches Kapital (im Sinne des französischen Soziologen Bourdieu) verfügen, müssen sie mit einer langen, mühsamen und ungewissen Anlaufphase rechnen"* (Zembylas, 2000)[228].
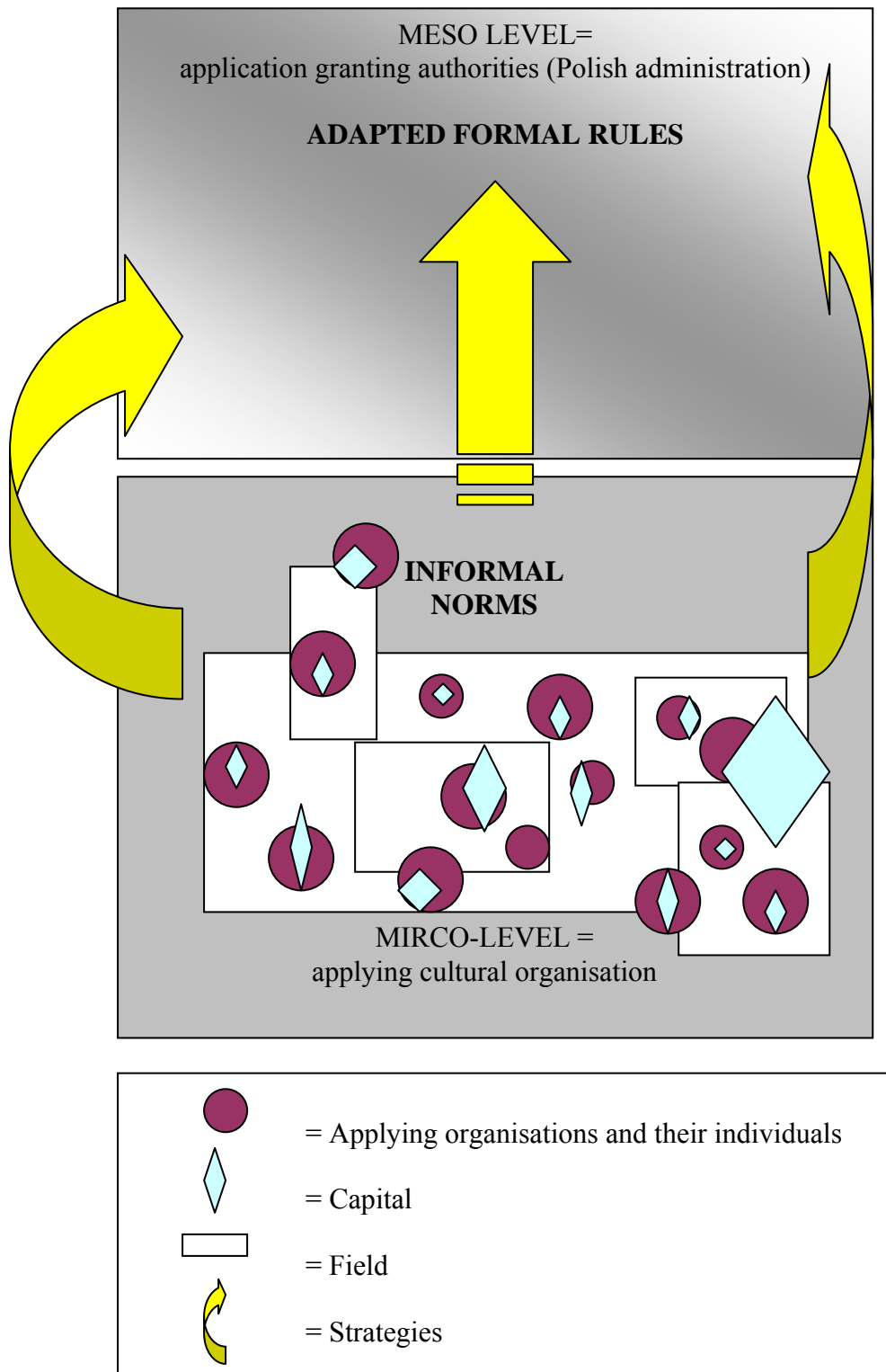
For the developed model of N&I and the research conducted for this paper, Bourdieu's concept of capitals, but also of habitus or the belonging to a specific field, is incorporated into the micro level as focal point of this paper: The assumption is, that on the micro level, cultural organisations as well as individuals have different amounts of capitals. Barriers such as financial requirements or available staff but also the experience of operators and the legitimisation of an organisation could be seen as different parts of existing or lacking capital. For instance, one cultural organisation could have a reasonable amount of economic capital (a large internal budget that can be made available for the needed co-financing), social capital (contacts to other institutions, networks with well placed individuals) and cultural capital (e.g. the right 'behaviour' when meeting other key players, and an intuitive knowledge of how to do things or learning experience from past applications). Other cultural operators might have very little economic capital but solid social and cultural capital that can help to overcome a lack of economic capital. Also the situation is thinkable in which a cultural operator has a lot of economic capital and very little social and/or cultural capital. Thanks to the economic capital, this specific cultural operator might 'buy' additional social capital and by doing so, improve his/her position within a field.

Increasing ones capital and use this capital in a given setting depends on the rules of the game (formal and informal norms) or, in other words, of the field that can be seen as a set of informal norms. When facing formal rules, they can be met differently, as players (applicants) have different capitals and face a multiple set of informal norms (rules of the game/habitus). Different actors with different capital will hence have dissimilar difficulties to meet formal rules. As a short reminder, sociological NI and Bourdieu assume that actors have only incomplete knowledge and therefore estimated costs, perceived options and choices are strongly influenced the internalised informal norms of a field[229].

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[228] "If the particulars do not dispose of enough social, economic and symbolic capital (in the sense of the French sociologist Bourdieu) , they have to expect a long, laborious and uncertain start-up phase" Translation by the author.
[229] As Rehbein mentioned, Bourdieu did not specifically clarify the relation between institution, organisation and field (Rehbein, 2006 110), as he focussed on social conflicts. This being said, for

To visualise the developed picture, the following model (based on the previously adapted model by N&I) emerges:

MESO LEVEL=
application granting authorities (Polish administration)

ADAPTED FORMAL RULES

INFORMAL NORMS

MIRCO-LEVEL =
applying cultural organisation

●	= Applying organisations and their individuals
◇	= Capital
▭	= Field
⌇	= Strategies

future research especially, when further exploring the combination of institutionalism with Bourdieu's approaches, a clearer understanding of the different hierarchical levels and their interplay would be helpful. However, as this paper focusses on one level, the micro-level of actors' behaviour, this element of a lack of clarity will be accepted for the time being.

Figure 16: Combined model of interaction – including capital and fields

The adapted formal rules of the meso-level are displayed in the shadowed grey box on top of the model. The intensity of the grey represents the varying permeability of the formal rules that can be different for each actor. Formulated differently, the formal rules are the same for all participants, but for some they represent thicker barriers that are more difficult to overcome than for others (e.g. if financial resources (economic capital) are easily available for one cultural organisation, the financial obligations as part of the formal norm set of the meso-level can easily be met). Also, formal norms and their incorporated informal norms are touching the micro level circle that incorporates the informal norms that surround the applying organisations (rules of the game between fields). Within this micro level, different kinds of actors (circles) are embedded in different fields (boxes) that can overlap and have different sizes. Each field has several actors. Actors have different positions within the *field,* depending on their *capitals* (diamond). This *capital* can be inherited, exchanged against other forms of *capitals*, accumulated over time etc. As an example, outsourcing could be one form of increasing *social capital* through *economic capital*. Actors can also be part of several *fields*.

From those starting positions, cultural operators try to access Structural Funds (to meet formal norms of the application granting authorities in Poland) by using different strategies[230] (thick yellow arrows). Those strategies can differ and will struggle or overcome with different levels of efforts the set criteria. Hence, for some cultural operators barriers are higher than for others (different arrows penetrating differently the grey field of formal norms). Joined efforts are difficult and face the constant competition of resources, as all applicants fight for the limited resource Structural Funds.

At this point, I would like to draw the readers attention to one particular element of Bourdieu's approach: One could argue that there are support structures in place that are there to help all cultural operators to apply for funds by assisting or facilitating the meeting of formal criteria (formal norms). Those support structures established/offered on the meso level might gain different levels of importance for

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[230] Strategies, in Bourdieu's terminology, are actions undertaken to improve ones social position Ibid.123 .

different operators, according to their difficulties in meeting those criteria. Among others, the following support structures (facilitators) and tools from the meso level can be pointed at exemplarily: 'Promesa' (financial support tool), 'information policy' (including internet pages, offices, meetings, newsletters etc.) or 'decision and feedback structures' (when and how decisions are taken and communicated by the Polish administration).

Based on the above-developed picture, the importance of those elements depends on the need of the operators and their possibilities to create alternative ways of meeting the challenges. For instance, having personal contacts to information sources allows to easily balance a lack of formally provided information. Following Bourdieu, those tools and structures are generally created by the dominant field to enforce existing structures and hierarchies. Bourdieu described this interplay e.g. when analysing diplomas and their role in society (see: Bourdieu, 1971). Here, Bourdieu shows how education and a (university) diploma guaranteed the reproduction of existing hierarchical structures, and thus helped the dominant field to defend its position with even less efforts. They introduced 'objective' selection processes, which were simulating equal chances and fairness for everyone. Bourdieu, however, describes that the informal rules (informal norms) of the game have a much stronger influence on the judgement of students' results and selection processes, and consequently help to strengthen a status quo.

When transferring his findings to the case study of this research, especially to support structures, the two-counter hypothesis could be formulated:

If the dominant field placed the support structures to reinforce their position, the support structures

a) benefit only the dominant field

b) or are created in such a way that they do not provide real support structures and therefore cannot endanger the existing hierarchy

When facing different actors' strategies, this question shall be taken up again. Also, over time rules can change. But changes depend on internal as much as external factors and do not happen quickly. As such, it must be assumed that from an external point of view, Poland faced important structural changes within the last years (the end of the iron curtain, democratisation, EU accession) but fields and rules of the game do

change only slowly. Thus, the set of informal norms on the micro level might be significantly different to informal norms in other countries. This is backed up by research e.g. on transformation processes. It would be interesting to explore in further depth this dialectic of changes versus stability. In this research, they will be considered in the concluding chapter. Concrete strategies will now be discussed in more detail.

13. Strategies

Generally, strategies within this paper are intentional actions of individuals or groups to achieve a certain goal. N&I do not define clearly what strategies are, but for Bourdieu, strategies are "Ausfluss des praktischen Sinns" ("outflow of the practical sense" Bourdieu, 1992, 83) but also "actions undertaken to improve ones social position" (see last footnote) and thus not the unconscious pursuit of a pre-set programme or the result of a clear rational calculus. Therefore, actors make decisions in order to achieve their goals, and through this strategies are born.

Strategies are the focus of this research, as it was assumed that actors face the application process differently, and thus have different approaches and strategies. They, one of basic assumptions of this paper, depend on, amongst other things, formal and informal norms (in the terminology of Bourdieu: rules within the field or between fields) that are prevailing in the actors' environment (group, in the terminology of N&I, micro level within the adapted model and field within Bourdieu's terminology). By analysing the strategies of actors, a better understanding of the application process and its constraints, but also the outcome of an application, can be ascertained. During the interview analysis, some specific questions on strategies were asked. Now, on the basis of the adapted model, those elements will be reintroduced.

Overall, some strategic elements to meet requirements were mentioned during interviews, among them 'lobbying' and the 'use of networks', 'outsourcing', a 'conservative approach' (reproduce a successful project, nothing too innovative), 'training' and 'increase of internal resources'. Not all interviewees mentioned all options and for some options, e.g. outsourcing or training, the advanatages and disadvantages have been discussed within the interview analysis earlier in this paper (see chapter 9). Instead of discussing each strategic possibility or adumbrated move, I will try to sketch strategies along groups of actors as, by looking at moves within an application, different types of actors can be identified. Thus, the different types of actors and their specific capitals (and field) will be discussed, followed by an attempt to outline some of the fields in which actors can be found.

13.1 Analysis- what kind of strategies exist?

Before I suggest three actors groups, it is important to state that those groups are stereotyped tendencies based on elusive patterns discovered in the process of

interview analysis. They were developed in order to stress trends and to help to develop a more diversified analysis that can aid the emergence of more specific explanations and recommendations. After presenting them, the different actors and their strategies will be integrated back into the developed model.
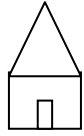
13.1.1 The 'Have It All'

One group of actors are big state funded organisations. They represent a privileged group within cultural actors who apply for Structural Funds. In this research, they are the majority of interview partners and appear to have the biggest share of the Structural Funds 'cake' in Poland. As important characteristics, one could mention a comparable big and secured budget (economic capital) that allows investing in project preparations, and therefore very often enough internal recourses (staff for applications, a long-developed pool of information sources and acquaintances in the sector, in other words = social capital) and a clear standing within their environment (cultural capital). It could be argued that those organisations became 'institutionalised' and overcame the first 'barrier' of acceptance and acknowledgement of their importance in public. They are well established within Polish society, receive state funds, and are perceived generally as 'trustworthy' or 'prestigious' [231]. Very often those organisations carry the word 'National' in their title (e.g. 'National Museum'), underlining their importance within the cultural sector. The picture portrayed by one interview partner from an NGO that described the application process as proving that 'we are no thieves' is not necessary to that extent for those organisations, as they proved it already or never had to prove it in the first place. Furthermore, as they are rather big organisations, authorities might have more faith in their competences to handle a big EU project.

Another aspect is linked to the networking possibilities of the discussed organisations. Thanks to their standing and size, representatives of this group have a better position

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[231] To understand organisations and their relationship with their (social) environment, Parsons (1956) argues that legitimacy is an important concept as organisations compete for goods (resources, attention etc.) that are limited. Only by legitimising their existence and activities (proving their 'usefulness') they can secure needed resources and survive over time. This confirms that legitimacy is a crucial aspect within the positioning and thus the application process of organisations.

for negotiations with local and national authorities, and are represented in important networks and committees[232].

Most interview partners belonging to this group of organisations described their approach as a continuous process of applying to all sorts of funds, and expecting to succeed at least with a few applications in the future. If proven right, their position, as a comparably strong and important organisations will be reinforced, and thus a state of affairs protected. Referring to Bourdieu and his assumption that fields enter into a competition of resources and try to keep and improve their situation towards others, the situation regarding this group of actors can be described as follows: a very powerful and rich (capital) field (big cultural organisations in Poland) secures their position towards other fields by using their resources for a Structural Funds application. Once successful, they gained even more capital that can be used to protect their privileged position.

Most requirements (formal norms) from the meso level can be relatively easily overcome, as capitals (economic, social, cultural) are available. Given that they are members of a dominant field, positioning is easier, and therefore the link to socio-economic development maybe even less important. To maintain or increase the quality of those perceived as 'important' national organisations is an easily acceptable aim. Thanks to their excellent network and internal resources, they are not dependent on the support structures offered by the grant accepting authorities ('Promesa', official communications and information meetings), as they have their own resources and are well connected to the decision-making authorities. Work sharing within the organisation (specific departments for grant writing, external relations etc.) is an important characteristic.

Therefore, strategies have to focus much more on internal processes within the applicants' organisation. One of the important challenges for those institutions is e.g. the position of the director. For successful applications, a supervisor that is supporting the application and not constantly changing is crucial. He/she needs to authorise resources (e.g. more staff, budget for outsourced parts of the application etc.), provide

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[232] As quoted earlier, one of the interviewees explained that his director was represented in the political committee that voted on the decision for or against their own project. Another interview partner mentioned that his director was supposed to meet the Polish Minister for Culture to renegotiate the position of the project within the published list.

internal support for the EU project and allow continuity and a long-term perspective even when applications fail from time to time.

It could be argued that those institutions are powerful to the point that they do not need EU funding. What is more, as they are accepted as national organisations, it should be part of the state's own tasks to raise funding for those organisations instead of 'selling' the renovation of state buildings as an innovative EU-project. Conversely, if the state does not have the funding, cultural heritage and important cultural infrastructure is protected for all citizens, thereby reinforcing local identity and improving/creating accessible tourist facilities, which means that those funds are meeting the aims of the Structural Funds. Still, it can be said that projects organised by this group of actors focus mainly on the renovation, modernisation and protection of buildings. If those activities could be described as 'innovative' and if they are activities in the sense of the earlier stated schools, ('creative industries' etc.) needs further discussion.

13.1.2 The 'One Man Show' or key player as part of a bigger setting

Projects, as a second group of applicants, have been identified as having succeeded because of a key player and his or her personal aspirations. This person (mostly the director or founder of the organisation[233]/creator of the project) could be described as an ambitious politician or an ambitious director of an already existing (bigger) organisation. Even though their organisations never tried to apply before or the planned project (building of new facilities, implementing new tools, founding a new organisation) is not based on a general agreed need, they can use their personal position and standing to convince their environment (their own organisation or other (political) actors involved) of the project idea. As they are already in a key position within a bigger structure (as a director of an organisation or as politicians), they can

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[233] Here, one could point out that the difference between a director within a big organisation (first group) and a key player as described in this second group is vague. On an abstract level, the role of a supportive director within a big organisation however is different. In the first case, the director can easily be a **hindering** element, and in other situation he/she is creating a positive environment within the organisation (or externally, within the Polish administration) for a project. In any case, he or she is NOT the driving force. In the second case, the key player is the driving force, trying to motivate the environment to support the project he/she would like to bring to life. Of course, this clear differentiation is a black and white picture of a colourful real life situation.

build on those resources and do not have to start from scratch. Trust in their judgement or abilities is already established to a certain degree (social and cultural capital) before the project idea is communicated. This provides the key player with a fair chance of being informed, organising help for grant writing and approach different sources of co-financing that might be needed. In other words, their social capital is very high and cultural and economic capital is available. Still, as they probably belong to another field and lack some economic capital, they have a much harder starting position than the first group of applicants. They will also have to argue well for their project aim, since there is no implicitness regarding the value of their project.

Therefore, compared to the first group, the challenges are much bigger. An accommodating environment has to be created that remains supportive through the whole process of applying and implementing the project. Co-financing has to be organised because it is not automatically provided and there might be several options (external funds or internal budget, other grants etc.). Also, resources for the grant writing itself have to be built. Here, the actors have to find a way of compensating the missing (internal) structures needed for an application and implementation of such a project. A bargaining process within their network seems logic. For them, outsourcing (or delegation of the application to another body such as a local or national administration) can be a very good move (replacing one capital with another), coupled with intense lobbying within the organisation and other related actors (making use of ones social and cultural capital).

It can be observed that this group of actors will do one project at a time and usually create something new (a new theatre place, a new system). If successful and if recourses allow, this might lead to more projects later on. Prestigious flagship projects are the rule. The diversity of projects (founding and building of a totally new place, creating a new tool for the institution and protecting cultural heritage) seems higher than in the first group.

13.1.3 The 'Outsiders'

As a third group, 'outsiders' have been identified. They include NGOs, individuals or very small organisations that have a vision they would like to bring alive. Their situation can be characterised as follows: They have a very low or no financial resources, very little standing within Polish society and can only succeed if they have a great network (social capital) as well as political and administrative support from others (external capital from others). To be successful in an application, these projects will have to fight mistrust and doubts regarding their feasibility and usefulness right from the beginning, or, as Bourdieu believes: fight for scarce resources that are not generously shared. Furthermore, as a stable financial situation is one of the formal criteria for grant allocation, financial challenges are much bigger for this group of actors[234]. Co-financing provides a major obstacle, as well as knowledge gathering on how to write a good application, how to meet deadlines, and how to stay informed and well linked to the decision-making structures. Therefore, strategies and their success focus on meeting external requirements and depend heavily on exchanging one capital (e.g. cultural capital) for another or gaining more capital from others. As Rehbein points out: if a cultural organisation has little weight (capital) and is not well placed within a field, it has little choices and flexibility regarding the compliance of the set rules of the field. Therefore, the coercion of a field hits this kind of actor much harder than others (Rehbein, 2006, 114).

Support structures from the micro level were crucial for this group of actors but had very little impact according to interview partners (see earlier in the interview analysis). Turning back to the earlier supposition, the given support structures from the meso level show that they do indeed support the status quo as assumed in the second hypothesis, namely that the established support structures do not help to give equal chances to all applicants. This also supports Bourdieu's view of society, a society that is built on unequal positions that are enforced through the established systems.

It comes as no surprise that within this research, only very few successful projects came out of this group: one interview partner described their failed application and

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[234] E.g. an applicant has to prove that there will be stable funding for the upcoming years in order to guarantee that funds are not invested in a project that cannot survive at least some time after implementation phase.

some interview partners referred to other institutions that failed or were struggling to write a successful application. Only in regard to those kinds of project applicants, risks of receiving a grant were discussed (such as meeting deadlines and formal obligations regarding budget administration and reporting). Outsourcing of the application and an intensive networking seems to be a good strategy if resources for the external application can be found.

Within the (successful and unsuccessful) set of projects that were discussed in this group of applications, a much higher diversity of project ideas can be found. Only in this group, a plurality of ideas or projects detached from the protection and improvement of well-acknowledged cultural heritage or big institutions can be observed. For some projects, e.g. a close and openly established link to fighting social problems was observed.

It is estimated that many actors out of this group who would like to implement a project that might fit in the funding scheme of Structural Funds do not even try to apply. If this is linked to their lack of knowledge of existing funds, of internal resources for grant writing, of financial recourses or other aspects is not clear and cannot be answered within this research. Most probably, it is a combination of all factors that explain the low participation e.g. of NGOs discussed earlier in this paper. This situation might change with time (learning processes, improving institutional support e.g. from the Ministry of Culture and National Heritage). However, if Bourdieu is right, the institutional support structures will not easily shift to a support mechanism for a powerless field, and thus changes in this area should not be expected to improve significantly the application rate of actors outside a hieratical dominant position. If creativity, innovation and the improvement of social cohesion are believed to be supported best by small, local and innovative projects, this group of actors might be in a better position to implement EU ideas of innovation and creativity compared to big and well-established national organisations . If this is so, some major structural changes (within the EU-framework for Structural Funds but also on national and regional level) have to be made, and the EU will have to overrule to some extent national actors if this kind of priority setting is to be implemented.

13.2 Kinds of capitals and diversity of projects

Separating some elements among the three different groups, one could distinguish between the level of capital successful actors have, and, in a separate table, between the quantity of projects applied for or organised by members of one group and their cultural diversity:

	Big organisations	**One man show**	**Outsiders**
Economic capital	High	Medium	Low
Social capital	High	High	Medium (demands a lot of effort from the outsider)
Cultural capital	High (linked to the organisation)	Medium (linked to the person)	Low - Medium (linked to the project idea)

One could say that big organisations generally have a high level of all three sorts of capitals. Especially cultural capital is linked to the organisation as such and not to the individual employee writing the grant application. The key players generally have access to a certain level of economic capital and a high level of social capital. Their cultural and social capital depend strongly on their standing and relationships as a person, and are mostly independent from the organisation they work for or are intending to create. The outsiders however have a generally very low economic capital, and are only partly in the 'right' networks and sufficiently connected to attain sufficient social capital. Moreover, they struggle with a cultural capital that can be low or medium, but is rarely high. Their cultural capital is very often linked to their project idea and not so much to their organisation or their personal standing.

Regarding the diversity and the quantity of projects, one could put bluntly the following picture:

	Big organisations	**One man show**	**Outsiders**
Amount of projects	Several at the same time and in a row	One project at a time	Only one project
Diversity of projects (in terms of 'creative' or 'different' projects)	Low	Medium	High

13.3 Fields

The actors described are situated in different fields and interact with different fields. Within this paper, a thorough field study based on Bourdieu's methodology was not conducted. Thus, only some preliminary assumptions and suggestions will be brought up at this point to sketch a picture that will hopefully be studied more in-depth in later research projects.

One possible interpretation is that all cultural operators are part of the 'cultural operators' field that is different from the 'environmentalist' field or the 'health sector' field and has its own rules. Within this, a content related difference between theatres, opera houses, museums, national monuments, churches etc. could be made. In particular, national monuments and museums can overlap e.g. with educational fields. Furthermore, cultural actors in the capital might be in a different field from cultural operators in Krakow, the cultural capital of Poland, or in rural areas or other regions. Additionally, one could establish an alternative and independent cultural scene as one field and a field of well-established (national) cultural organisations as another. Each player will have better chances to improve their position when they are part of a dominant field or are dominant within their field. As an example one can assume that cultural operators in Warsaw are in a dominant position, as they are in a better position to access information (geographical closeness to ministries and national support structures) compared to e.g. cultural operators in Kielce, their capability to play the rules of the game might be much higher (e.g. how to use the right phrasing in an application). However, as there are many players within the field of cultural operators in the capital, the individual organisation has to position itself within the field and mobilise as much capital as possible to meet the formal criteria and to oust others. To visualise the mentioned elements, the three types of project applicants are included in the changed (partial) model on the next page.
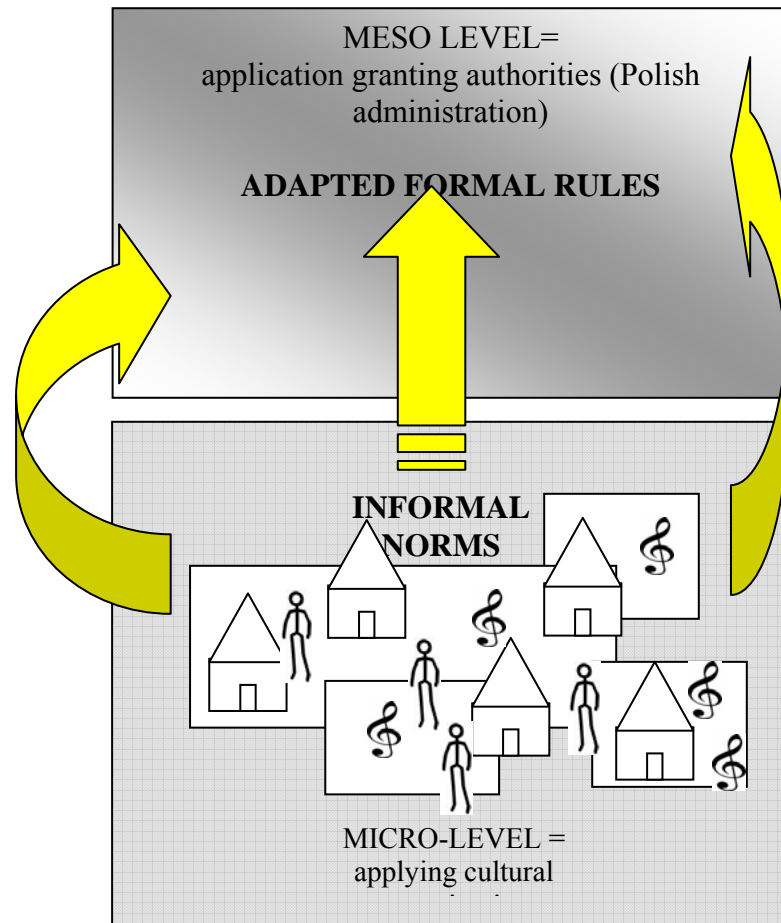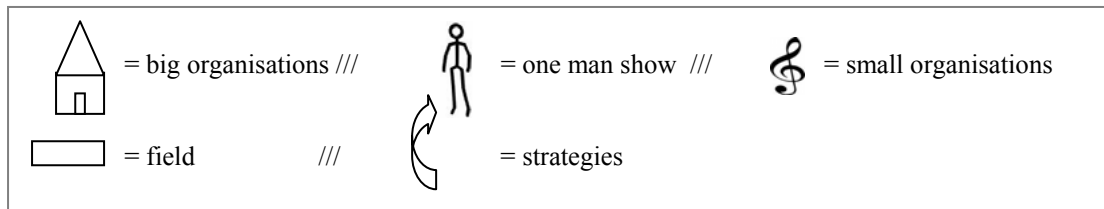
Figure 17: Applied model of interaction – including capital and fields

Within this graph, the different types of actors are placed in different fields. It was intended to demonstrate that fields overlap, and actors can be part of different fields (e.g. a national cultural organisations in a rural area within a specific arts field) and thus face different rules of the game (informal norms). Strategies to overcome the formal norms and receive funding through the institution Structural Funds will then depend on the type of actor, the actors' capital, the position in a field and the peculiar advantages and disadvantages of the fields in relation to the others. To complicate the picture, external resources (e.g. grants from other sources) and influential factors (thus the environment with its supportive or contradicting norms) could be imagined that, for the sake of clarity, were not included in the model.

Part V. CONCLUSIONS

> *"Bourdieu always considered any sociological analysis as an intervention in the real world. This understanding implies that what is found out about the world has the potential to change it"* *(Grenfell, 2004, 2).*

Looking at the political statements regarding the potential of culture, the arts and creativity for the socio-economic development of regions on EU but also on national level, one cannot fail to see a clear discrepancy between them and the results of this thesis.

The aim of Cohesion Policy, namely to improve living standards for all citizens, is one of the major goals, and Structural Funds aim at fostering this positive development within the EU (chapter 3). Here, throughout the last years, the centre of attention has shifted away from a pure focus on factor mobility (see chapter 4.1) within infrastructure measures such as highways, towards a more diversified approach including creativity, innovation, the arts and education. Within this the importance of culture, the arts and creativity in general grew. Different studies (see chapter 3.5.3 and 3.7) or the Lisbon Agenda are only but a few examples of a trend that is enforced for instance by the EU year of innovation and creativity in 2009. Ideas centred on the creative industries and artistic and cultural activities as triggers for socio-economic development are key and promoted on all level (see chapter 2 and 3.6/3.7 but also 4.1).

These goals and expectations were determined by the EU; they were based on analysis of struggles and difficulties within regional development policies and firmly based on research done e.g. on the impact of the cultural sector and the creative industries on positive development of regions (see e.g. chapter 3.7). Thus, following Bourdieu, the presented but also other analyses aim at changing reality and, in the case studied, promote a fostering of regions through diversity and individual (region)-tailored, innovative, creative approaches. The inconsistency between expectations and implementation on the ground however shows that there is a long way to go from the (sociological) 'analysis' to the 'change in the real world'.

In Poland, in the analysed case study, the cultural sector has a formal rather positive looking starting point, supported by funding lines for culture (especially cultural heritage), a very open and supportive national strategy on the integration of culture, the arts and creativity for socio-economic development and a specific co-financing tool ('Promesa') (see chapter 6.1.3). However, the qualitative interview analysis with cultural operators on the ground has shown that the struggles linked to application processes were not insignificant. They include primarily problems linked to resources such as co-financing and other problems related to the project budget but also very basic information - and knowledge - gathering. Here, it was found that the framework created on the macro (EU) and meso level (Poland) did not create equal chances for actors on the micro level (cultural operators applying), and the positive formal framework in form of 'Promesa' and other elements did not make a clear difference. As a consequence, three types of actors on the micro level with their distinctive challenges and application were presented at the end of my research, namely big organisations, individuals as part of existing structures and small, recent and/or not well-positioned organisations. By scrutinising the micro level, not only the struggle of different groups of cultural operators to receive funding was analysed in more detail; different aspects were also addressed such as the kind of projects supported or the specific challenges and problems. It became obvious that although the EU and the Polish government proclaimed a very broad approach and understanding of culture, most granted applications were supporting a very limited set of organisations and projects. Those organisations were mostly well-established and rather big organisations, and financing went predominantly to the construction or restoration of (parts of) buildings.

Smaller organisations were hardly found. The same holds true for projects that were responding to the broader vision of culture, the arts and creativity as an innovative driver for socio-economic development. Thus, there is a discrepancy between official documents declaring that a very extensive concept of culture should be supported and used as a catalyst within Cohesion Politics and the concrete implementation of Structural Funds.

This point has been touched upon several times in this paper. One assumption is that this is linked to the EU wide focus on flagship projects. Another factor that might be hindering the implementation of several small projects and 'daring' for 'different'

kinds of projects is the administrative burden linked to this as several projects demand more administrative work than a few big ones. Also moving beyond what is expected and usual in supporting new ideas and projects is very often creating more work and might even present a risk for the granting authorities, as arguing is against the mainstream. However, stemming from a theoretical reflection, Bourdieu's concept of a reproduction of the dominant field and class needs equally to be taken into account (see chapter 4.4). It can be argued that flagship projects in general reproduce existing approaches and structures, as they are bigger in size and are likely to be implemented by big organisations. Innovation however usually is assumed to happen decentralised and in much smaller scales. Thus, three elements might come together: a) the pragmatic preference for a few big projects by an administration; b) the hopes linked to flagship projects as radiating and augmenting momentum for regional development, and c) the interests of a dominant class. A picture emerges in which big cultural organisations are privileged, and the officially (formal) possible diversity within projects is not found on the ground.

Summarising the theoretical examination of the subject, especially the chosen model within sociological NI, the idea of N&I can be taken up which states that we have to go "beyond network embeddedness" (Nee, 1998b, 21) and look at institutions. After having conducted the research presented, I would like to add that we have to look at institutions, networks (fields/social capital) and resources (different forms of capital). Thus, adding to the question of how behaviour is influenced an element of social mechanisms (Nee, 1998b, 21) and capital (Bourdieu). Here, the combination of partly inductive but mainly deductive research strategies has been proven fruitful, and led to some suggestions regarding the combination and improvement of the chosen model.

By delving deeper into the analysis the hierarchical model developed by N&I helped understand influences and interaction between norms (formal and especially informal) and the complementing of the analytical structure with Bourdieu's concept of capital and field on the micro level which supported the emergence an actors' strategies typology and a clearer understanding of their struggles and opportunities. Clear evidence was found that in addition to the formal norms of the institution Structural Funds, informal norms were of great importance, thus confirming assumptions linked to the sociological NI (see e.g. chapter 4.5). Among important informal norms were, for instance, the trust and dependency of information gathering within informal

networks. As obtaining reliable information was decisive within the application process, it is of major importance. Personal networks and information channels were crucial also because of the lack of sufficient or 'matching' official information sources for most cultural operators. Another major challenge were the financial resources needed for the application and the implementation of the project. This barrier was higher for smaller organisations than for bigger, mostly state funded organisations.

In short, cultural operators had and still have to face the main challenge of:

- **Informing / information gathering.** This can be done through official sources (e.g. the CCP) but is mostly and more efficiently done through informal channels.
- **Securing financial resources.** This is sometimes done through other funds but mostly dependent on the organisations own financial resources. 'Promesa", as a specific Polish fund for co-financing of cultural projects did not prove to make a significant difference.
- **Growing / securing knowledge** on how to write applications. This aspect was met differently. Some organisations had staff that worked on the subject for quite some time, while others tried to outsource the application or sought help within their network within the administration or within political bodies.

All those aspects have been elaborated in more detail in previous chapters and have been reflected, not only based on the theoretical concepts chosen, but were equally presented to and reflected with three experts within European Institutions (see next chapter). If EU and Polish development strategies are meant to focus more on the arts sector, on cultural and creativity and at the same time also on small scale and/or unusual projects, the involved levels and actors (cultural operators, politicians, administration) could use the gathered information to work on better support tools or help those cultural operators that are intended to be more active.

Before pointing out unanswered questions and possible future steps, the validity of the results in regard to the uniqueness or universality of the case study will be addressed and reflected from an EU level as well. To do so, three expert interviews were conducted in Brussels in September 2009. Two interviews were conducted with

Policy Officers in the DG Regio and in DG Culture. The two officers are responsible within their department, among other things, for communication with their counterparts. Thus, the officer within DG Culture works on how culture can be taken into account within regional development strategies. The officer in DG Region maintains dialog with DG Culture to ensure that information is exchanged and e.g. that the creative industries are considered as one possible regional development tool within his DG. Therefore, as both officers work on the dialog with the 'other', and thus on cultural policies linked to regional development from both angles, they were singled out among other contacts and approached to discuss my research results[235]. A third interview was conducted with a Member of European Parliament (MEP), Dr. Helga Trüpel. Mrs. Trüpel is Vice-Chairwoman of the Committee on Culture and Education of the European Parliament. All three interviews focussed on the evaluation of the results of the research presented and tried to place the case study results within a broader perspective.

14. Results, their validity outside Poland and future perspectives

It is difficult to estimate if the results of this paper are very specific to Poland and the arts sector in Poland or if they are easily transferable to other countries. In general, both European Commission officers confirmed that regional policy can be very different from one region and/or country to another, as it is based on the subsidiarity principle. Therefore, regional differences are one of the main reason for and results of the implementation of the subsidiarity principle (see chapter 3). In other words, differences are a genuine part of the research subject. Nevertheless, some elements – partially – can be found in other countries, especially in new Member States. For instance, according to the DG Culture officer, most new Member States started by **focussing on restoring and preserving cultural heritage,** which confirmed what was found in Poland. She stated:

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[235] Both officers have asked to remain anonymous, and thus, only the name of the MEP is given for the three concluding expert interviews in Brussels. Also, interviews were not all conducted in English. One of the European Commission officers preferred French over English and the MEP discussed matters in German. Therefore, citations were translated by the author and are not given in the original language. The DG officers also authorised the interview citations and, by doing so, made minor changes. MEP Dr. Helga Trüpel did not make use of this possibility.

> *"it is unfair to compare old and new Member States where situations are completely different. What I can confirm […]is the issue of how new Member States have been using Structural Funds to fund culture, which was also raised among the same lines you mentioned [focus on restoring cultural heritage – not very diverse projects]"* (officer DG Culture).

Here, it was assumed that

> *"infrastructure is the first priority, if you don't have that, you cannot talk about culture and developing cultural activities for the benefit of the local artists and cultural operators and the local community; you cannot otherwise provide culture as a social root "*(officer DG Culture),

thus hinting the need to follow a specific **development in time** where other, also more innovative activities, will follow in the future. This would match some interview partners view who stated the need to preserve and construct first before moving on (see chapter 9.9), which will have to be confirmed by more in-depth and comparative studies in the future.

However, this concept of creating or conserving infrastructure first and above all has its limits: *"If it is about replacing all roofs of all churches in one region, that isn't the aim of the Cohesion Policy"* (officer DG Regio), as it is regional development and not the preservation of a place that is the policy's focus (see below).

Accepting a possible division between old and new Member States, this **recent access of Poland to the EU** and their communist past could be obstacles when transferring results to other EU Member States. Vast literature can be found on transformation processes (e.g. Franzen, 2005), for instance, in former soviet countries but also in eastern Germany (e.g. Poznanska, 1994, Rinck, 2000, Wiesenthal, 1999). They mostly point out that old structures remain and new structures, in this case the newly introduced EU-funds, have to face old habits and established structures. On the other hand, the process of joining the EU is shared by a large group of Member States that equally share some aspects of the communist past. Naturally, there is no such thing as 'the communist pas' and situations differ in each country. Thus, those elements should be taken into account and critics have to be looked at carefully in any further, complementary study. Here, the same officer mentioned that including culture, creativity and other linked elements within socio-economic development strategies were present, even though differently, in most new Member States. For example:

> *"Estonia has a whole Operational Program for culture devoted to innovation, in which culture has a big role to play. And Hungary has an action line on talent management [..]; therefore it depends. Not all new Member States stream culture the same way" (officer DG Culture).*

In other words, incorporating some elements of the arts, culture and creativity within socio-economic development strategies is common to different Member States, and an exclusive focus on restoring cultural heritage cannot be seen on paper. It would be interesting to analyse how different priorities within Structural Funds Operational Programs might or might not lead to a very different set of projects supported in different countries, but also to what extent an institutional isomorphism can be found.

The **position of the sector** within development strategies is another possible element when transferring results. It has to be pointed out that regardless of the publicly proclaimed goals on culture, the arts and creativity, the objectives of Structural Funds are to support regional development, especially its economic component. This fact was reemphasized by the DG Regio officer:

> *"Culture is in the regulation"* but *"Cultural projects are always motivated by its 'economic' aspect. What we are looking for within culture is [...] its impact on socio-economic development"* (officer DG Regio).

Or, in other words:

> *"if culture helps a region, very well. But if it is something else that works better, then that's fine, too" (officer DG Regio).*

From this DG Region based perception, cultural operators have been recommended to take into account the following approach:

> *"If I had to give advice to cultural operators, I would say: forget for a moment that you are a cultural operator if you want to have EU money; forget for a moment that you are a cultural operator and then go and have a look at the regional programs; discuss with people to understand what the strengths and weaknesses of the region are, what the SWOT are, which the priorities are, what the strategies of the region are; and from this point of departure, try to understand what you can contribute with culture. Here, with the Cohesion Policy we are not looking at sectors' strategies; we will not adapt the Cohesion Policy programs to a specific sector. It is up to each sector to adapt*

> *itself to the opportunities offered by the Cohesion Policy programs and to*
>
> *show how it can contribute to the development of the region"*
>
> *(officer DG Regio).*

In other words, a closer look towards other sectors (e.g. health sector) and possible similarities and differences would be highly desirable as from a DG Region but most probably also from other point of views, particularities of sectors are not forcibly taken into account.

Within the cultural and arts sector structures can be found back in slightly different constellations in most countries regardless of new or old Member States (some big national organisations such as a national museum, national opera etc. and smaller, independent bodies). At this point, *"the **more privileged role of established institutions** or bigger structures as supposed to smaller operators"* (officer DG Culture) was confirmed by interview partners. As MEP Dr. Trüpel stated: *"there is unfortunately a tendency to finance rather bigger projects and only big organisations apply because small organisations are not in a position to do so"*. This tendency for big projects cannot be explained only by Structural Funds regulations, as there is no minimum sum and regions are free to decide placing calls for small sized projects. However, *"It is clear that it is much easier for authorities to manage one large project, possibly grouping small projects, than several independent small projects. But within the rules, there is no definition or limits concerning the optimal size of a project"* (officer DG Regio). At this point, both MEP Dr. Trüpel and the DG Regio officer referred to the administrative 'natural' **preference to propose very few but big projects** and not several small ones, as the administrative burden and control are much easier to handle for a few than for several projects. This reinforces, following MEP Dr. Trüpel, the tendency towards big flagship projects even more. She remarks that at the same time:

> *"it is totally contradictory with the goal that everyone is mentioning all the*
> *time: supporting grassroots activity and bottom up and start-ups and small*
> *ones. But that is the general trend: they prefer few big ones than small; that's*
> *a given".*

MEP Dr. Trüpel mentioned equally that she is confronted regularly with complaints regarding the complexity of applications, and thus the **difficulties for small cultural operators to apply,** which can also be found back in her region in Germany. According to her, most cultural operators were *„fed up to their teethes by Europe*

because it is too complex; because it takes ages; because one cannot get any money – *except if one is part of the big ones"* (MEP Dr. Trüpel). Here, research results might be transferred universally to all regions in Europe. In this context, concerns were raised whether small organisations were ready and had built enough **capacity to use** **Structural Funds** up the full potential:

> *"[…] because the smaller operators, the younger museums or younger* *theatres, smaller culture and creative industries will not have the capacity to* *compete and absorb the grants. Even if they receive the grants, to me there is* *a big question like how well this can be implemented. It is a question of* *capacity and capacity building on the ground" (officer DG Culture).*

Thus, cooperation and learning processes were key for one of the interview partners:

> *"The question of capacity of the sector on the ground […] is something we* *should take into consideration […] perhaps we need to focus on knowledge* *transferring and exchange of experience in order to build capacity in these* *new Member States and this can happen through cooperation projects"* *(officer DG Culture).*

This learning, information gathering and thus the organisation of support and knowledge transfer was described as the most crucial part within the development of cultural Structural Funds projects. For all interview partners, **networks were** **therefore key**. As the DG Culture officer stated:

> *"hence, the notion of European networks for these type of projects in my eyes* *can be even more valuable than channelling a lot of funds to national* *operators [...] well that's the key word: networks . And at European level this* *is the only way to function; it helps to build partnerships, enhance local* *capacity, transfer good practice, knowledge and experience, build your own* *capacity and your position within the bigger picture. This is the only way [...]* *or you stay on your own micro level but you will not go beyond"* *(officer DG Culture).*

Those networks are informal and emerge from personal contacts and coincidence rather than coordinated initiatives from any EU body. The DG Regio officers described it as follows:

> *"I was also wondering how regions decide to work together. But you know, in* *a first stage, it can be 3 or 4 people talking informally to each other, in a* *corridor or in a restaurant in the evening of a conference. And in a later stage*

it becomes more structured. They start drafting working papers for developing a cooperation process."

This would mean that with time, the situation might change if networks and experience grow and a basic level of restored or created infrastructure was created. However, none of the interview partners could refer to scientific studies or other research projects that confirmed their deduction.

Regarding a **possible process of change,** all three interview partners based their hopes on a bottom up approach where cultural operators on the ground would raise their voices, coordinate, lobby and network together. This was partly due to the lack of competences for regional policy but also for cultural policies in the EU institutions. As regional policy is implemented on a local level, a discourse on the ground within actors, especially in the ministries of economics, was thought to be crucial.

> *"What is unfortunate is that although the possibility of investing in culture in different ways is in the legal documents, it is not necessarily taken up by managing authorities at national level. It is still a missed opportunity"*

(officer DG Culture)

And MEP Dr. Trüpel stated:

> *"the debate […] that economic policies have to be open minded; that this is a political debate within economic policy has to be explained to economic politics […] and economic politicians have to understand that it is part of modern economic policies".*

Here, she encourages cultural operators to fight for a change in perception within the ministry of economics by lobbying and looking for closer ties. She explained that:

> *"the individuals [from the administration] that were programmed on focussing on highways have to understand that there is something else wanted now"* and encourage the cultural sector to *"step the senators responsible for economic affairs on their feet [..] you have to torture them a little"* .

Changes in policy that might be backed on an EU level such as a stronger position of Cultural Contact Points[236], support for network activities, or the implementation of

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[236] "you already described it yourself, the uneven capacity of CCP in member states is a given […] but the way they are set up is up to the member states" (officer DG Culture).

micro-credits for the creative industries and other related cultural or artistic projects that were not thought to be an option[237]. For MEP Dr. Trüpel:

"It is our job here to say that what we want is something to be done in different European Regions for infrastructure development and quality of life. People on the ground will know much better than we in Brussels what it has to be. Thus, those who are on the ground have to make proposals on how they want to spend the money."

Looking at institutional structures, the question of ‚who' is in the best position to foster change and influencing local politicians were pointed out as key for increasing participation of the cultural sector within regional development strategies. This has to be raised more explicitly, as they were fundamental also within the analytical model used for this paper. Taking all three experts opinions into account, they seem to point to the weakest part of the chain (micro level) within this structure, namely the local organisations in a region. They are expected to initiate a change in perception and structure for themselves as EU level (macro) is not 'responsible' and 'too far away' from the regional level. A more systematic approach to influence change from an EU level is focussing solely on further studies to increase knowledge and a punctual offer of forums in the form of workshops or publications that hope to create a more positive political environment. A stronger interaction with the meso level in the form of national or regional administrations was out of reach for all interview partners. This perception is also triggered by the distance that exists or is perceived to exist between levels. Information on what is happening on the ground and what can be done or has already been done is not systematically passed on, and projects are known only *"on an 'anecdotic' basis"* (officer DG Regio). Thus:

"there is a huge gap of knowledge between what's happening on local level, regional level, on a national level and in Brussels, and this is a wider problem of our policy" (officer DG Culture).

In other words, the macro level bases its hope for change on the influence of the micro level on the meso level, which is a difficult path when looking at how both the chosen model by N&I and interactions within a system as described by Bourdieu. From my point of view, a stronger pro-activity from the macro level, even though not

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[237] „The whole debate around micro credits […] doesn't exists up until now in the European budget for things like cultural diversity" (MEP Dr. Trüpel).

fully part of the formal framework on EU level, would be needed if changes in conditions and possibilities are to change in the near future.

Based on those three expert interviews, it can be summarised that basic problems that were pointed out for Poland such as e.g. the privileged position of well established cultural organisations can be found back in other parts of Europe, as has been mentioned exemplarily by MEP Dr. Trüpel for her German region. Changes in policy and framework structures however cannot be expected any time soon, as competences are perceived to be on regional and national level and the possibility to foster change attributed on micro level.

Nevertheless, some problems can bee seen as rather Poland specific. Among them is probably the very low salary of employees in the Polish administration that creates a **huge turnover within administration staff** and thus a 'brain drain' within the Structural Funds administrative bodies. In Germany, just to take another example, state officers usually do not change constantly and leave their ministry posts after few month or years, even though salaries might not be ideal.

It goes without saying that, of course, further research is needed to allow for generalising the findings and creating a more solid basis for long-term changes and developments.

15. Open questions and further steps

During the course of research it turned out that questions have to be asked even earlier in the process by looking at what kind of organisations have the means to access Structural Funds. Here, data on failed applications would be of high value, as they might provide evidence of the assumption that many actors belonging to group three ('outsiders') do not apply or when applying, fail to meet formal criteria. It might also give some inference on the scope of cultural projects that apply, and the selection that is done by the expert and political level once an application passed the formal barriers. However, those data are not accessible for Poland.

Also, the role of the public, different public agendas and the influence of the media were not touched upon in this paper and equally were not addressed by interviewees. Situations, in which the mood of the public, the agenda setting of a political party (on EU, national or regional level) and 'lobbying' through the influence of the media (e.g. articles in traditional media, information disseminated through TV or Internet campaigns) can be easily imagined. To prove the influence of media, politics etc. is difficult, but should be tried when conducting further research e.g. through discourse analysis. Other open questions to be examined in further detail through a more in-depth analysis of cultural operators access and use of Structural Funds shall not remain unmentioned are:

To which extent can results be transferred to other EU countries? Can similarities be found along lines such as big versus small countries; new versus old Member States; south versus north etc.?

Are results in other sectors (e.g. environmental protection) similar to the analysed sector? And are there any differences between cultural fields (visual arts, music, cultural heritage etc.)?

Can some aspects be explained with time (e.g. that the reparation of a leaking roof comes first, and only after repairing the 'hardware', a 'soft project' can be initiated)? Here, it would be of high interest to see if this matches reality or if it is a comfortable and unfounded assertion designed solely to protect actors and structures from change. If the second holds true, informal norms can be assumed to play a major role and strengthen the state of affairs.

Another assumption would be that the found situation can be explained by learning processes[238] (e.g. that structures of support have to be built with time, and actors have to learn about the possibilities and the procedures, and accumulate some experiences before being able to use the funds properly)? If so, one of the central questions would be how the EU can strengthen those processes and support a development that has been promoted as within EU interests.

Another line of research could focus on the unique position of new Member States, the heritage of communist countries or the influence of history of a country on development[239]. However, country comparisons remain a delicate issue, as of course not all new Member States are similar (as much as not all old Member States can easily be compared) and history, even though a 'shared' communist part, has been significantly different from one country to another. Still, it can be asked, if a traditionally rather centralised country like Poland with a still recent communist past has more problems in fostering independent, decentralised projects than other countries (e.g. Spain) with stronger and more independent regions or if different communist experiences have an impact on the role of culture today.

Attempting to state possible steps for policy makers or cultural operators would, at this point in the research, be but highly speculative, and the limited scope and direction of this paper allows no further discussion of the issue. But still, one point shall be brought up briefly. Structural Funds are there to support socio-economic projects and do so mainly through financing flagship projects. Those projects are, as has been shown throughout the research, mainly implemented by bigger organisations that can more easily meet the established application criteria. At the same time, there are voices at all levels that ask for more creative and innovative projects, as those are estimated to have a great impact on the socio-economic development of a region. If Structural Funds, as explained by one of the earlier cited interview partners, are 'not creative places', maybe the EU has to consider finding other means of supporting the needed creative, innovative, artistic and cultural projects in regions. Here, a debate on micro-credits, handed out with close to no administrative burdens and little time delay

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[238] Here one could also address 'sustainability' regarding the arts sector but also socio-economic development and environmental issues. Especially the possibilities of artists regarding (ecologic) sustainability is addressed by Kirchberg and others in: Sustainability: a new frontier for the arts and cultures (Kirchberg, 2008).
[239] E.g. through path-dependency research.

might be appropriate even though it was not on the agenda of the final experts interviewed. Budgets can be much smaller, barriers to access those funds much lower and deadlines and constrains much more flexible – something that would be needed in order to diversify and support different, additional kinds of projects within this policy field.

Through the research conducted of this paper, cultural operators as much as the EU and national institutions are provided with more details and a clearer picture of the situation on the ground, enriched by questions and a possible theoretical reading of the facts founds. This along with additional studies will allow the EU but also national states to consider adapting their framework. It can also contribute to support cultural operators in their Structural Fund participation. I am optimistic that even though changes do not occur overnight, a stronger and more adapted inclusion of culture, the arts and creativity within EU Cohesion Policy will grow and support socio-economic development for EU regions in the future.

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